Employability – A National Imperative
David Daniels
President, Academic Partnerships

Robert Lytle
Managing Director, Global Head of Education
Parthenon - EY
## Digital disruption is broad and accelerating

- World’s largest taxi company owns no taxis
- Largest accommodation provider owns no real estate
- Largest phone companies own no telco infrastructure
- World’s most valuable retailer has no inventory
- Most popular media owner creates no content
- World’s largest movie house owns no cinemas
- Largest travel agency has no branches

*Source: BCG Digital Ventures: Digital Innovation*
Five Ways Disruption Can Occur

- Price
- Distribution
- New Markets
- Modalities
- Function / Experience
Macro Trends

POWERFUL SECULAR DRIVERS

- Reduced Public Funding and Endowment Returns
- Total Enrollment in Higher Education Continues to Decline
- Resistance to Increasing Tuition
- Full Acceptance of Online Learning by Students and Employers
- Growth of Post-Traditional Learners

![Bar Chart](chart.png)

**Online Student Growth 56%**  
**On Campus Enrollment Declined -8%**

Source: NCES, Eduventures
Disruption’s implications for Higher Education

WATCH THIS SPACE

Source: BCG Digital Ventures: Digital Innovation
Today’s Online Students

- **HIGH SCHOOL GRADUATES**
  - 6.3M K12 Teachers and Administrators
  - 3.3M Registered Nurses
  - 24M Business, Finance, and Operations Managers
  - 26.1M Employed in other Professional Occupations

- **WORKING ADULTS**
- **COLLEGE DROPOUTS**
  - 3.4M

Source: Bureau of Labor Statistics, National Center for Education Statistics, National Student Clearinghouse
Who are today’s online students?

• **71%** of online graduate students are employed full time
• Nearly **80%** of online students cite a career-focused reason as their primary motivator for enrolling in their program

**Building on Previous Education**
• Have some college already
• Are familiar with online classes

**Supporting Families**
• Half have kids at home
• Skew female, ages 25-49

The future...

Work is being reshaped by automation, the gig economy and innovation...

“The gig economy is growing; by 2020, EY predicts that a third of workers at ~33% of large employers will be contingent (‘gig’) workers” – EY

“47% of all jobs could be automated in the next 20 years” – Oxford Martin

“65% of the children entering grade school this year will end up working in careers that haven’t even been invented” – Duke University

…and higher education will become even more critical as economic growth is driven by industries that rely on intellectual capital.

“Compared to 57% of the manufacturing jobs lost in the recession, only 12% of manufacturing jobs created after the recession required a high school degree or less” – Georgetown Center on Education and the Workforce

“99% of the 11.6m jobs created between the recession and 2016 required more than a high school education” – Georgetown Center on Education and the Workforce

Source: Georgetown Center on Education and the Workforce, The Atlantic and Duke University, EY, Oxford Martin
Alternative Credentialing

Institutions and other providers are offering alternative credentials to better address students’ evolving educational needs.

A “BETTER” DEGREE

- Competency Based Education
  - Mastery of skills, not credit hour based
  - Number of programs is still growing
  - Providers are emerging focused on supporting transition to CBE

A “DIFFERENT” DEGREE

- Bridge Programs
  - Offer skills training to get graduate students ‘business ready’
  - Similar to executive education programing
  - Often partner with specific companies and target recent college alumni

- Employer-Sponsored Credentials
  - Companies offer certifications for competencies by level
  - Badges are valued at one or a group of companies
  - Bridge the gap between programs & employment
  - Programs vary in length and target demographic

- Bootcamps
  - Courses centered on developing relevant workforce skills of the 21st century: web development, business fundamentals, data science, product management, and digital marketing
  - Target learners of all ages

Research courtesy of Parthenon-EY

Source: IPEDS
Growth Addresses Student Needs

The availability of online programs has increased dramatically to better address student’s need for flexibility.

Number of Distance Master’s and PhD Programs by CIP Code, All degree-granting institutions 2012-2015

CAGR (2012-2015)
17%

4K
2012

7K
2015

19%
18%
23%
20%
18%
20%

OTHER
THEOLOGY
COMPUTER AND INFORMATION SCIENCE
HEALTH PROFESSIONS
BUSINESS, MANAGEMENT, MARKETING
EDUCATION

Research courtesy of Parthenon-EY
About 70% of schools offer degree concentrations (e.g., focus on Global Finance), which have been an important differentiator for fast-growing schools.
## Online student motivations

<table>
<thead>
<tr>
<th>Feature</th>
<th>On-Campus Student</th>
<th>Online Student</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Price</strong></td>
<td>Not as price-sensitive if they receive financial aid</td>
<td>Affordability is most important</td>
</tr>
<tr>
<td><strong>Program Duration</strong></td>
<td>Semester-based calendar is standard</td>
<td>Accelerated time to complete</td>
</tr>
<tr>
<td><strong>Admission Requirements</strong></td>
<td>Accepted as standard</td>
<td>Work experience matters</td>
</tr>
<tr>
<td><strong>Speed of Admission</strong></td>
<td>Willing to wait</td>
<td>Expect rapid response</td>
</tr>
<tr>
<td><strong>Accessibility</strong></td>
<td>2-3 semester starts a year</td>
<td>6-8 starts a year</td>
</tr>
<tr>
<td><strong>Brand</strong></td>
<td>Prestige and campus life experience is important</td>
<td>Career relevance more important than brand</td>
</tr>
</tbody>
</table>

Source: Clinefelter, D.L., & Aslanian, C.B.
Unlocking the potential of the online student

**PRICE**
High-quality program, competitively priced tuition

**ADMISSION REQUIREMENTS**
Honor work experience

**PROGRAM DURATION**
Asynchronous, accelerated courses

**ACCESSIBILITY**
A minimum of 6 starts per year, 100% online, no on-site requirements

**BRAND**
Career-relevant portfolio of programs with multiple concentrations

**SPEED OF ADMISSION**
Rapid feedback in admissions process

Source: Academic Partnerships
<table>
<thead>
<tr>
<th>EDUCATION</th>
<th>HEALTHCARE</th>
<th>BUSINESS</th>
<th>DEGREE COMPLETION</th>
</tr>
</thead>
<tbody>
<tr>
<td>• M Ed</td>
<td>• BSN</td>
<td>• General MBA</td>
<td>• BBA – General</td>
</tr>
<tr>
<td>• C&amp;I</td>
<td>• RN-BSN</td>
<td>General MBA + 4 choices</td>
<td>General BBA + 3 choices</td>
</tr>
<tr>
<td>• Ed Leadership</td>
<td>• RN-MSN</td>
<td>of these popular specialties</td>
<td>of these popular specialties</td>
</tr>
<tr>
<td>• Special Ed</td>
<td>• MSN-Educator</td>
<td>• MBA - Accounting</td>
<td>• BBA - Accounting</td>
</tr>
<tr>
<td>• School Counseling</td>
<td>• MSN-Administrator</td>
<td>• MBA - Healthcare Admin.</td>
<td>• BBA - Finance</td>
</tr>
<tr>
<td>• Masters in Clinical Mental Health Counseling</td>
<td>• MSN-FNP</td>
<td>• MBA - Finance</td>
<td>• MBA - Marketing</td>
</tr>
<tr>
<td>EdD or EdS</td>
<td>• DNP</td>
<td>• MBA - Human Resources</td>
<td>• Interdisciplinary/</td>
</tr>
<tr>
<td>• Administration</td>
<td>Other</td>
<td>• MBA – Marketing</td>
<td>General Studies</td>
</tr>
<tr>
<td>• C&amp;I</td>
<td>• Masters in Social Work</td>
<td></td>
<td>• Communications</td>
</tr>
</tbody>
</table>

Source: Academic Partnerships
MBA Program – *(From 56 Students on Campus to 1,794 Students Online)*

In the first year after launch of the online MBA program, it had **429 students** enrolled in the online program.

After the first **44 months**, the university had more than **1,794 students** enrolled in the program.

In 2017, this partner enrolled **53% of MBA students** attending Louisiana public universities.

*Source: Academic Partnerships*
"I've been able to apply the information from the MBA program to my job a lot more than I thought I would. I wish I had done this sooner."

- Andy Johnson, online MBA in Entrepreneurship student, UWF

"I really have nothing but accolades for this online program. The coursework was so purposeful that every single course immediately applied back to my classroom."

– Jane Hudspeth, online M.Ed. in Educational Leadership graduate, UWF

"The thought of returning to school to acquire new skills is daunting. I had been out of school for 35 years. I say you can do it."

– Dwight Akerman, online MBA in Healthcare Management graduate, UT Tyler

“Because of its affordability, my degree is paid in full. I’m better prepared to save for retirement and other important investments that my counterparts are probably not even thinking about. I thought the value and overall experience were excellent”

– Matt Belanger, online MBA graduate, Fitchburg State University