2016 Strategic Plan Key Question Committee – Final Report

Question: What are the opportunities to grow future enrollments given changing demographics and overall costs?

Members:

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Summary:

Major shifts in the demographics of our potential student body, increasing competitive pressures and political and public expectations to reduce the cost of higher education are factors affecting the environment for Indiana State. To continue to excel, we need to evolve our recruiting methods, improve our service levels and keep our academic programs aligned with current needs and market demands. This requires that we target new audiences, change how we recruit existing ones and establish a process for continuous evaluation and improvement of our academic programs and student services.

Key Findings Summary

Key Finding 1	National and Indiana demographics are rapidly changing
Key Finding 2	Competition for students and student expectations are both increasing especially in the online space
Key Finding 3	The demand for higher education is not uniform but clustered by field
Key Finding 4	The cost of higher education is growing faster than the rate of inflation

Recommended Actions Summary

Recommended Action 1	Differentiate our marketing and recruitment efforts to target specific sub-populations
Recommended Action 2	Enhance student services for on-campus and online students, expand 8-week class offerings
Recommended Action 3	Develop an ongoing strategic process to align academic programming with current needs and decrease time to respond to emerging needs
Recommended Action 4	Expand cost reduction strategies such as Open Educational Resources, Prior Learning Assessment, adaptive learning, and industry co-op programs

Background:

Indiana State University has sustained enrollment growth over the past five years primarily by focusing on recruitment of traditionally-aged first-time full-time freshman (FTFTF). Indiana State, led by Enrollment Services, has been successful in the area by using a multi-pronged approach. By utilizing best practices in marketing and communication, the university has successfully transformed the perception of Indiana State University as a safety school to a school of choice. A robust enrollment management process has targeted key market groups, used state of the art messaging campaigns to start and maintain a dialog with potential students, and focused on yield activities such as scholarships, campus visits and orientation. These efforts have been very successful and Indiana State University has been able to grow the FTFTF count despite a flat population of eighteen year olds by taking market share from other Indiana institutions.

The last strategic planning process revealed the need to bring more strategic focus to growing our online student body as well. Extended Learning was created in 2010 and charged with expanding our online programs and enrollment. The strategy employed was to build infrastructure to support both online faculty and students, grow the capacity to enroll online students by increasing the number of online programs available and lastly to build an enrollment management process targeted specifically to the online market. Those efforts are starting to pay off with very significant growth in online student enrollment.

While there have been some initiatives targeted at growing the enrollment of on-campus transfer students, international students and graduate students, none have been as comprehensive nor are they as mature as the efforts on growing FTFTF and online populations.

Indiana demographics are rapidly changing. The number of high school graduates in Indiana will very slowly rise until 2019 and experience a decline thereafter. Nationally, the ethnic groups with the fastest growing population of high school graduates are Hispanics and Asian/Pacific Islanders. Hispanics are projected to be the fastest growing ethnic group in the Midwest in the next decade. If Indiana State University is to continue to grow, it must respond to these changes by changing its recruitment strategies. With the FTFTF population stagnant, we can only increase our enrollment by taking market share from other Midwest institutions. This means finding new ways of marketing to and recruiting from this population to build upon our successes in this area.

The other way to grow our student body is to increase our recruitment of online, transfer, international and graduate students. While we have had significant success in the online sector, competitive forces are building quickly and new strategies will have to be employed going forward to sustain our momentum. Success in growing on-campus transfers, international, and graduate student populations will require more robust and comprehensive efforts than we have employed heretofore.

It is here the committee began our work.

Analysis Methods:

The committee's analysis began with a brainstorming session and follow-up discussion to inventory what Indiana State University was already doing in this area, ongoing and proposed initiatives, and existing data and evidence already known to the members. Upon completion of those preliminary efforts, we organized our follow-up research around various target constituencies, existing and potential, and each member researched that area further.

We had four major sources of data.

As we deemed changes in the demographic make-up of our student body to be important, several state and federal government databases were consulted for relevant data. These sources included US Census Bureau, The National Center for Educational Statistics (NCES), The Indiana Business Research Center, and the WICHE "Knocking on the College Door" demographic studies.

Another significant source of information was a variety of recent reports on the composition and preferences of adult, graduate and online students. Many of these reports were the analysis of survey research conducted by various professional organizations and vendors in the target fields. Some of these were available open source and others were obtained on a subscription or membership basis from existing relationships with Indiana State University.

We also had available marketing research reports conducted specifically for Indiana State University over the past year by Hanover Research and Aslanian Market Research. These reports were specific to our region and provided data from a variety of methodologies including survey data and literature searches. We gleaned considerable and valuable information from these reports that was very targeted to Indiana State University's current competitive environment.

The fourth source of information was from open source material obtained from web searches. Articles from the Chronicle, the websites of other institutions, professional organizations and others were examined.

Individual committee members presented his or her summarized data and preliminary findings to the group. The committee then discussed each finding adding additional information when available and discussed possible actions in response. While many in the committee knew much of the information generated by this process, the exercise provided us an opportunity to synthesize the information, bounce ideas off each other from various perspectives and hopefully organize our collective thoughts into an actionable format.

Key Findings:

1. Finding: National and Indiana demographics are rapidly changing.

The number of high school graduates in Indiana will very slowly rise until 2019 and experience a decline thereafter. Nationally, the ethnic groups with the fastest growing population of high school graduates are Hispanics and Asian/Pacific Islanders. According to a recent WICHE demographic study, Indiana white non-Hispanic high school graduates will decline 12% between 2008-09 and 2019-20. Black non-Hispanic graduates will remain constant. While the numbers are still relatively small Hispanic and Asian/Pacific Islanders are the only ethnic group projected to grow their high school graduates over this period, doubling in size. To continue to grow, we will need to recruit an undergraduate student body that is different from the one we currently recruit.

The Bureau of Labor Statistics projects that employers will add nearly 2.4 million jobs requiring a graduate degree or higher between 2012 and 2022. A Council of Graduate Schools report found that international graduate students are becoming a larger share of the U.S. market. "From 2004 to 2014, international students accounted for over two-thirds of the growth in first-time enrollment headcounts at U.S. graduate institutions." International students tend to enroll in different programs than their domestic counterparts. "In Fall 2014, 65.9% of all temporary resident graduate students were enrolled in biological and agricultural sciences, engineering, mathematics and computer sciences, physical and earth sciences, or social and behavioral sciences. By contrast, only 27.1% of U.S. citizen/permanent resident graduate students were enrolled in these fields."

Nearly six in ten (57.9%) of all first-time graduate students in Fall 2014 were women, according to survey respondents. According to survey respondents, women earned nearly two-thirds (65.9%) of the graduate certificates, 59.0% of the master's degrees, and 52.2% of the doctorates. Academic year 2013-14 marked the sixth straight year women earned a majority of doctoral degrees. Nearly one quarter (24.2%) of all first-time graduate students who were U.S. citizens and permanent residents were from racially/ethnically underrepresented populations. Although there were increases in first-time graduate enrollment between Fall 2013 and Fall 2014 among Hispanics/Latinos (6.8%) and Blacks/African Americans (2.0%), there was a 3.0% decline among American Indians/Alaska Natives.

2. Finding: Competition for students and student expectations are both increasing, especially in the online space:

The nature of the average "college student" is changing significantly. Recent NCES reports show that the majority of current undergraduates are classified as non-traditional. The more "non-traditional" characteristics a student possesses, the more likely that student is to participate in online education. A commissioned study of potential online students in our region revealed that those students are seeking programs that are competitively priced, offer accelerated formats, have flexible transfer policies and give credit for prior learning. Another characteristic of these students is that they intend to finance their education primarily with a combination of personal funds and loans. About 70% of online undergraduate and graduate students prefer accelerated courses (courses 10 weeks or less), with the highest concentration at 8 weeks. Indiana State currently offers this format only in the ACE program.

The national conversation on higher education increasingly focuses on job/career readiness. Nearly every higher education professional organization, employer/business group and consumer survey agree that our society as a whole expects higher education to not only educate people but prepare them to enter the workplace. Closer to home, our Board of Trustees recently charged us with improving the job readiness of our graduates. The market study of regional online degree programs we recently commissioned and enrollment trends in our online degree programs confirm that our students are heavily focused on areas of study that are clearly and explicitly linked to particular career paths. Being able to show a clear connection between our educational outcomes and preparation for work are increasingly important.

A recent study commissioned for Indiana State University online students in our region revealed that those students are very selective of which institutions they inquire. Eighty-four percent of undergraduates inquire of three or fewer institutions as do 73% of graduate students. Of those who apply, approximately 90% apply to only one or two institutions. This means that Indiana State University is on the short list of those potential students who contact us and our initial response is critical to converting them into students. Of undergraduate inquirers who did not receive a personalized response to their inquiry, 100% stated a personal response would have encouraged them to proceed in the application process. Growth will require more recruiting/enrollment management support on the front-end of the cycle.

Competition in the online space is increasing rapidly. A recent survey of chief academic officers revealed that two-thirds of them believe online education is a critical component of their long-term strategy. While online education continues to grow at a faster pace than on-campus education, the rate of growth is slowing. Nearly half of students in online programs attend a public 4-year institution meaning the competition often has similar characteristics to ISU. To continue to grow, Indiana State University must be seen as offering distinctive programs or services.

3. Finding: The demand for higher education is not uniform but clustered by field.

A recent study of demand for online bachelor degrees in the Midwest shows business related degrees as the most popular, accounting for 36% of the bachelor degree market. The health professions trailed at 21% and criminal justice came in third at 13%.

At the graduate level, a recent Council of Graduate Schools (CGS) report shows applications to graduate programs in business increased 5.4% between Fall 2013 and Fall 2014. The largest one-year changes in graduate applications between Fall 2013 and Fall 2014 occurred in mathematics and computer sciences (22.0%) and engineering (10.5%). In terms of first-time enrollment, the fastest-growing fields were mathematics and computer science and engineering, growing at 21.3% and 10.7%, respectively, between Fall 2013 and Fall 2014. First-time enrollment in education programs decreased 1.3% for Fall 2014. The largest fields by total enrollment were education and business, respectively accounting for 19% and 15% of total graduate enrollment at responding institutions in Fall 2014.These national data are similar to recent regional data we obtained from a market report by Aslanian. Business, education and the health professions each accounted for approximately 25% of the demand for online master's degrees in the Midwest.

This is not to imply that there are not opportunities for other programs for which there is less demand. The opportunities lie where there is little supply as well. There are niche opportunities in specialized fields. The Aslanian report identified possibilities in specializations in business, health, engineering and social sciences at the bachelor and master's levels.

There is an increasing interest in interdisciplinary and multidisciplinary programs. This is especially true in the professional areas given the multi-disciplinary nature of real world problems and their solutions. As the various professions move to this multi-disciplinary approach in practice, educational and training programs need to keep pace. The healthcare field has been a leader in this trend. Professional graduate education is increasingly being approached in this multidisciplinary manner because of the interdisciplinary nature of problems the graduates are asked to solve and because of the flexibility it affords institutions in quickly responding to emerging needs. Interdisciplinary programs can better prepare students for the workplace and thus attract new students, especially those trying to improve their job skills. A handful of new interdisciplinary programs might be worthy of investment; however, to save money most new interdisciplinary programs should attempt to utilize existing institutional resources. It is important to realize that some new interdisciplinary programs might have limited lifespans, as job markets become saturated and trends change. ISU must be innovative, flexible, and adaptable when it comes to administering interdisciplinary programs.

4. Finding: The cost of higher education is growing faster than the rate of inflation.

According to the College Board, average published tuition and fees at public four-year colleges and universities increased by 13% in 2015 dollars over the five years from 2010-11 to 2015-16, following a 24% increase between 2005-06 and 2010-11. These increases have significantly exceeded the change

in the consumer price index over the same periods by 11.65% and 8.74% respectively. Indiana State's planning assumptions are for unchanged state appropriations over the near future. There is an ongoing national dialog on the value of a college degree, with some voicing the opinion that the cost of higher education already exceeds its worth. Given this environment, containing the cost of higher education at Indiana State University will become critical to continue growth.

<u>Recommended Actions:</u>

1. In response to the changes in demographics of our potential students we propose that we differentiate our marketing and recruitment efforts to target specific sub-populations as detailed below:
   a. As Hispanics are the fastest growing group in Indiana and underrepresented on campus, enhance our recruitment efforts to target this demographic group.
   b. As the population of eighteen year olds plateaus and decreases, competition for first-time-full-time freshmen will increase. We recommend that our early outreach efforts be increased, especially dual credit and early college initiatives. This effort should include more aggressive marketing of these programs, emphasizing cost savings and reduced time to degree.
   c. As women now comprise a majority of graduate students, design our graduate program marketing campaigns with messaging targeted at women.
   d. As the participation of international students in graduate education increases, increase our recruitment efforts for international graduate students. Our aviation programs and large numbers of online bachelor degree programs gives us a competitive advantage with the military market especially the USAF. The military market especially Community College Of the Air Force (CCAF) should be targeted. Additionally, our articulation MOU with the CCAF should be expanded to include additional programs. Criminal Justice/Criminology and additional COT programs are likely candidates.

2. To keep up with increasing competition and potential students who demand higher levels of services we propose the following actions:
   a. As non-traditional and online student populations play heavily in future growth, enhance our ability to deliver student affairs programing relevant to these populations. Additionally, more student services should be available 24/7 via web-based self-service models.
   b. National and regional data all suggest that short terms with frequent start dates are highly preferred by online students. Indiana State should move our most popular online programs to an eight-week, five terms per year model embedded within our existing sixteen-week semester and summer session.
   c. Ease and flexibility of credit transfer is an important determinant of which school non-traditional students select. While Indiana State has flexible policies at the university level, how these policies play out in practice varies widely from department to department. The university should develop more uniform transfer-friendly practices across all colleges.

d. Given the high proportion of online students who self-fund their educations, develop a more consumer friendly installment payment option for tuition and fees.

e. As job readiness is becoming increasingly important to both traditional and non-traditional students, "job readiness" outcomes should be included in all degree programs to complement and contextualize experiential learning and be highlighted in promotional material. The university should consider job readiness preparation as an institutional graduation requirement. The existing career center program may be a good starting point.

f. Increase our interaction with industry and employer groups beyond our traditional advisory groups especially in the humanities and sciences where career paths are not as apparent.

3. The increasing competition in online education and the increasing "commodification" of higher education demands that we differentiate our online programs from other competitors. This means we need to become more market-focused in program development planning and execution to meet emerging needs and keep our curriculum and program lineup fresh and relevant to student needs. Toward that end we recommend:

a. Establishment of an ongoing process to continually scan the environment for opportunities and evaluate existing programs. This process should result in creation of an academic strategic plan specifically targeted at the online market.

b. Streamlining the existing curriculum review process to reduce the time needed to make changes in response to emerging needs.

c. The establishment of new governance structures/processes to better accommodate interdisciplinary programs. The existing systems are very department-centric making it difficult to establish policy and curriculum.

d. Development of novel interdisciplinary STEM programs designed to attract students from untapped demographics (e.g. STEM programs would attract international, graduate and undergraduate students).

4. Affordability is becoming a very important issue both politically and practically. Indiana State should attack reducing educational cost to the student in several ways:

a. Greatly expand our Open Educational Resources initiative. A large-scale project such as tackling an entire degree or all of foundational studies should be selected.

b. Expand Prior Learning Assessment (PLA) and create a university-wide process and infrastructure to replace the department-by-department process currently used.

c. Develop partnerships with industry for select degrees that would provide for student sponsorships of employees, co-op opportunities, paid internships, etc.

d. Develop 5-year master's degree programs particularly in professional areas such as accounting, nursing and criminal justice.

e. Develop a low-cost online liberal studies degree program built on the LEAP principles, using a competency-based approach assisted by adaptive learning technology.