



The State of College Education as we look to the next 50 years:

Presentation to OCASA

June 27, 2016

Highlights:

- What is the overarching challenge from the public we need to address going forward?
- What are tomorrow's challenges?
 - Demographic
 - Financial
 - Technological
 - Social
 - Structural
- How do we address these challenges and prepare the college for the next 50 years?

What does the public think of pse?

Until 2008:

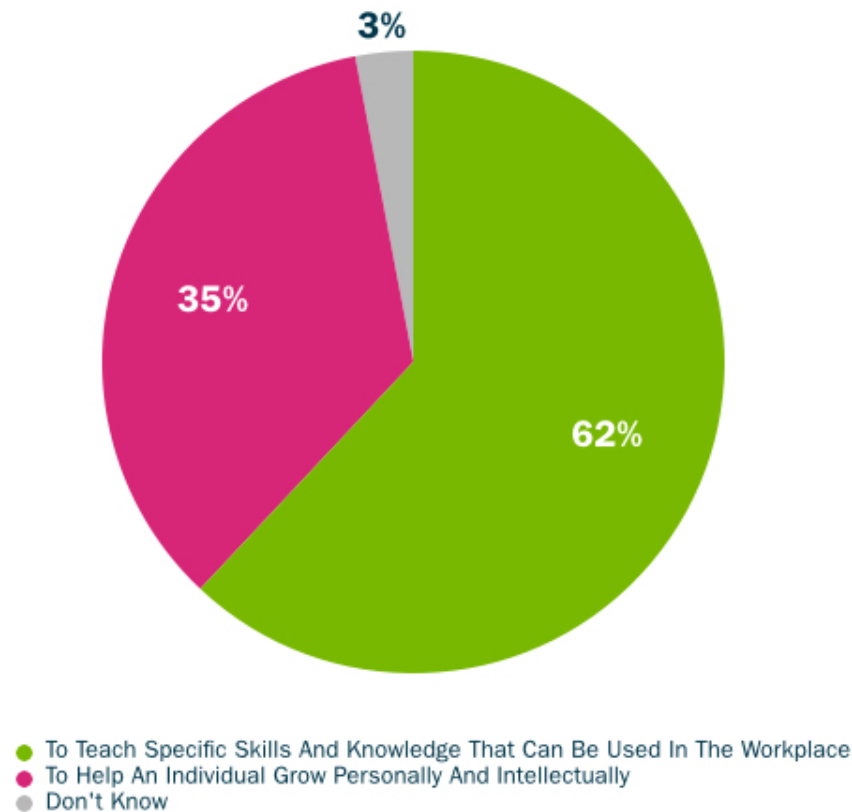
- “Can my son/daughter get in and can we pay for it?”

Replaced by:

- “Will my son/daughter get a good job when they graduate?”

This is the “ballot” question for pse for the future, and the focus for government and educators going forward - Conway panel demonstrates this

Main purpose of post-secondary is to provide employable skills



Q2: Still thinking about post-secondary education, which comes closer to your views, even if neither is exactly right. The main purpose of post-secondary education should be...
Base: Total n=1,014

Changing demographics

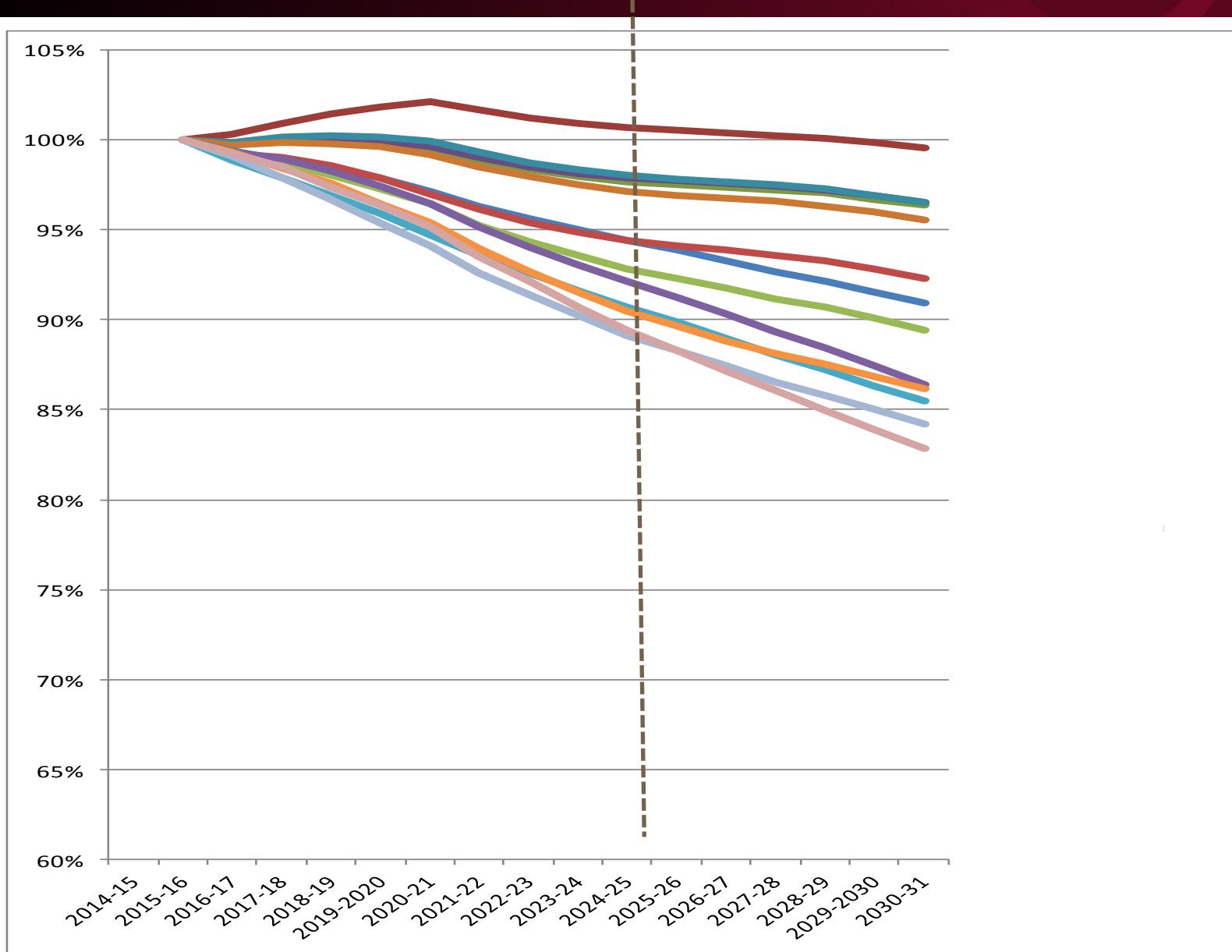
In the next several years, there will be jobs chasing people, but the jobs will be increasingly high skilled. More demand on pse, but with less resources

- The highest projected net population growth over the next seven years is in the regions surrounding Toronto.
- The share of Ontario's population is projected to rise gradually in the GTA at the expense of almost every other region.
- Projected annual average decline (< 2 per cent) in 15 to 24 year-olds, and a similar increase in 25 to 44 year-olds, over the next five years.
- Immigration will continue to drive population growth.

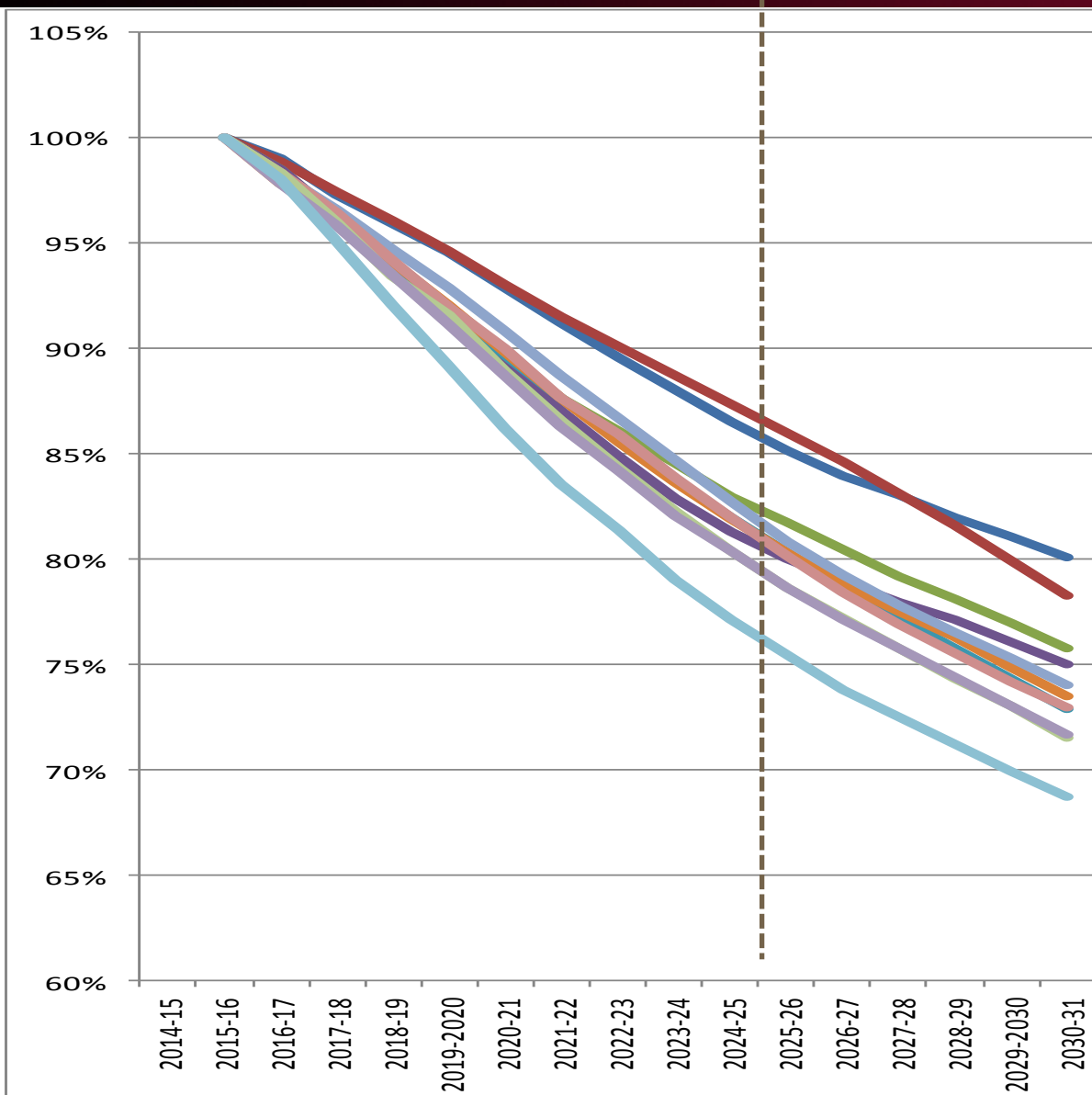
Revenue outlook: Assumptions

- The Small, Northern and Rural grant and French-language grants are assumed to be frozen.
- Domestic tuition per student is assumed to grow by 2.5 per cent annually to 2020, then 2 per cent thereafter.
- Each college's revenues from international students are assumed to grow by 4 per cent annually to 2020-21, then 2 per cent annually thereafter. This growth may come from enrolment, increased fees, or both.
- Cost inflation is assumed to be 2 per cent

Total revenue change in real dollars (1 of 2)



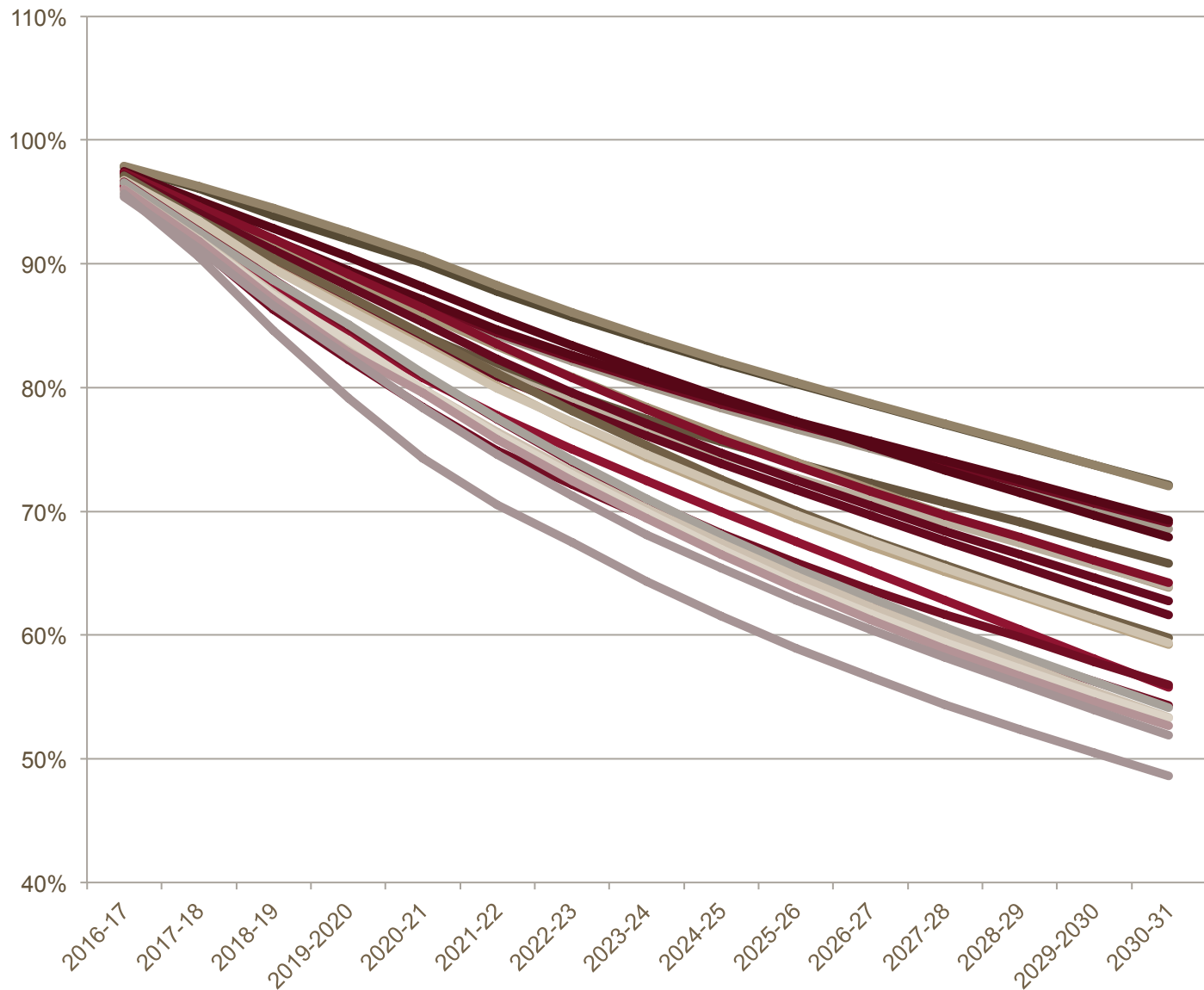
Total revenue change in real dollars (2 of 2)



A more severe scenario: Assumptions

- Universities take students away from some colleges
 - Assume that as demographics affect universities, entrance requirements will be lowered to achieve enrolment targets, adversely affecting college enrolments
- College annual cost pressures exceed 2 %
 - Assume that college inflation is 4% starting in 2017 (includes all compensation and non-compensation costs).

Severe Scenario: Total revenue change in real dollars



Implications for us and our communities

- As we are losing young people, retirements will fuel increasing labor market shortages that will be hard to fill in many regions where demographics are unfavorable
- Increased skills for all jobs will require more pse grads from more challenging group of students but colleges will be working with \$.50 - \$.80 cent dollars
- Less funding, but increasing fiscal demands attached to staying relevant – particularly in technology
- Significant challenges for smaller institutions and their communities
 - will larger institutions be asked to support smaller ones, even if they are also challenged?
 - Will there be amalgamations in pse? If not, how will the system manage? If so, how will college students manage?

Will technology help?

- Government believes technology will lower costs, lessen “bricks and mortar” and improve access
 - Khan Academy now looking at pse
- Online funding one of few areas of government investment – E-campus Ontario, individual college online offerings = possible game changers
 - Can we improve pathways dramatically, or do we keep playing at the edges?
- What will we need to do to meet future students’ expectations?
 - “the rise of “nanodegrees” is disrupting the paradigm of pse as online providers like Udacity and Coursera partner with businesses including Google and Instagram to help people further their education informally in such areas as mobile app development”
NMC Horizon Report, 2016
 - Current credentials are still deeply embedded into societal & government structures, but will that continue?
- Where will augmented/virtual reality fit in the learning models of the future? (eg. Health care)
- How do we ensure that public institutions don’t become captive to the interests of corporations or lose market share to them?

Will the International agenda save us?

- More global experience for students
- Attraction of students who may wish to stay and work
- Export of Canadian expertise in education good for economy

And International students are major contributors to the bottom line of colleges

Questions from last year have become more acute given the realities of the world and the government's increased interest:

How far do we take this agenda?

How do we deal with risk management in a volatile world as we become more dependent on international revenue

What happens when China & India become importers of students?

Do we have a major role as exporters of educational expertise?

What are the implications for smaller/rural colleges?

Beyond finance, what must we consider?

- Are all industrial-revolution based societal structures obsolete, including post-secondary institutions?
 - Young people organize themselves differently
 - Access to information is vast – knowledge acquisition can happen anywhere
 - Global boundaries are breaking down, especially in pse
 - Speed of economic transformation is accelerating
 - Very little faith in institutions, tendency to believe sources of information outside of mainstream societal structures
 - Current approach to learning needs extensive transformation

What will our students need and want?

- How flexible and personal can we be?
 - More choices in the hands of students who will move around more
 - competency based learning/stackable credentials
 - Ability to “piece together” credentials from courses of various providers
 - Self directed, “personal” learning with feedback to support success – enabling technologies are emerging, but is pedagogy keeping up? (Gates, Facebook investing)
 - Badges vs credentials
 - Industry needs info on specific skills
 - Young people interested in “badges” as well as credentials
 - How will we identify skills attained in the future and over what time period?
 - Where do the needs of the economy fit?
 - Businesses more demanding – can we meet their needs?
 - more simulation, less experiential learning to keep up with skill demands
 - Can industry driven certification minimize “upcredentialling”?
 - Where will apprenticeship fit?
 - Increasing need for retraining – should we compete with privates?
 - “the private sector and Canadians in general believe that it is ultimately government’s responsibility to produce a trained workforce”
- Ken Coates- Career Ready- done for the Canadian Council of Chief Executives

How will we be structured?

- Core credentials married to short, on demand courses
- Hybrid institutions? Universities of Technology?
- Education/learning spaces designed to replicate workplace
 - Project based
 - Interdisciplinary
 - Engagement in classrooms with industry to solve real world problems
 - Hone tech skills in real world situations, learn soft skills “on the job”
- Continuing education core, not sideline?
- Time and place change to suit needs of mature learners
 - Breakfast CE
 - Workplace training/just in time skill training
 - More open learning, short courses online

What is the impact of the new Minister & Deputy?

- First time in recent memory the new Minister is already powerful and a leader in cabinet
- Deputy believes himself to be a change agent, as is the Minister
- Minister can gain cabinet support for key issues
- Signals government's intention to focus on PSE in lead up to the election, and to make election-worthy decisions like “tuition free”
- Already many government consultations underway:
 - International framework
 - College funding formula
 - Conway panel recommendations – includes apprenticeship
 - Green agenda
- Can be many opportunities for colleges in this scenario – what will our major goals be, especially in the run up to the 50th anniversary?

What is our leadership role going forward?

What should define colleges in the next 50 years?

- Can our relatively rigid structures adapt to a fluid future?
- Are we agents of social change?
 - Poverty, access to education, wages and working conditions
- How do we clarify our brand for the next generation?
- What does differentiation mean to us in the future?
- What is our role in communities? Are we still “community colleges”?
- How engaged can we be with industry without becoming their agents?
- Can we lead a green revolution?
 - The 37% solution

What Questions must we face going forward?

What is needed to ensure the relevance of colleges in a future of changing demands from students and employers, rapidly advancing technology and questions about the structure and value of current pse credentials?

- How should curriculum, learning spaces and pedagogy be changed for graduates to be even more workplace ready now and in the future, mid-career?
- How personal can you make the learning experience to support retention and success?
- How will you address the financial realities of the college, including the cost of supporting success for the most challenged students?
- What will your international strategy look like in 20 years?
- Can you be flexible enough to take serious business away from PCCs?