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# Opportunities, Threats, and Trends in Higher Education

**Lisa Rudgers**

Peterson Rudgers Group, LLC

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# A Sector in Disruption: Scanning & Planning

- Shifting perceptions
- Challenges & changes in the business model
- Major campus issues trending
- Opportunities emerging



## Decline in Positive Perception

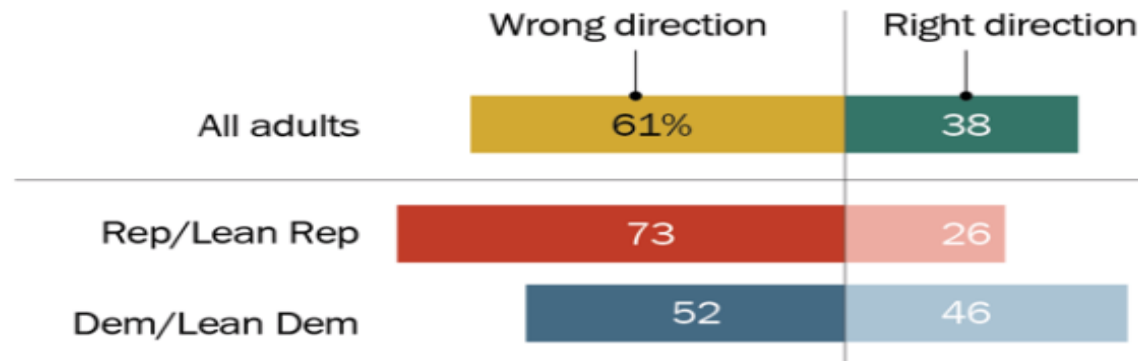
“Only half of American adults think colleges and universities are having a positive effect on the way things are going in the country these days. About four-in-ten (38%) say they are having a negative impact—up from 26% in 2012.”

—Pew Research Center

# The Political Divide

## Most Americans have doubts about the direction of higher education in the U.S.

*% saying the higher education system in the U.S. today is generally going in the ...*



Note: Share of respondents who didn't offer an answer not shown.  
 Source: Pew Research Center survey of U.S. adults conducted online June 19-July 2, 2018.

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# How Important is College, Anyway?

About half of U.S. adults (51%) now consider a college education to be "very important," down from 70% in 2013."

—Gallup, December 2019

# Cost Versus Value: ROI Questioned

"It just has not been the blanket guarantee of following the same path to prosperity that the earlier generations followed..."

— *Wall Street Journal*, August 2019

- ✓ Haves and have nots
- ✓ Affordability and access
- ✓ Student debt
- ✓ Value of the liberal arts
- ✓ The "wealth" premium



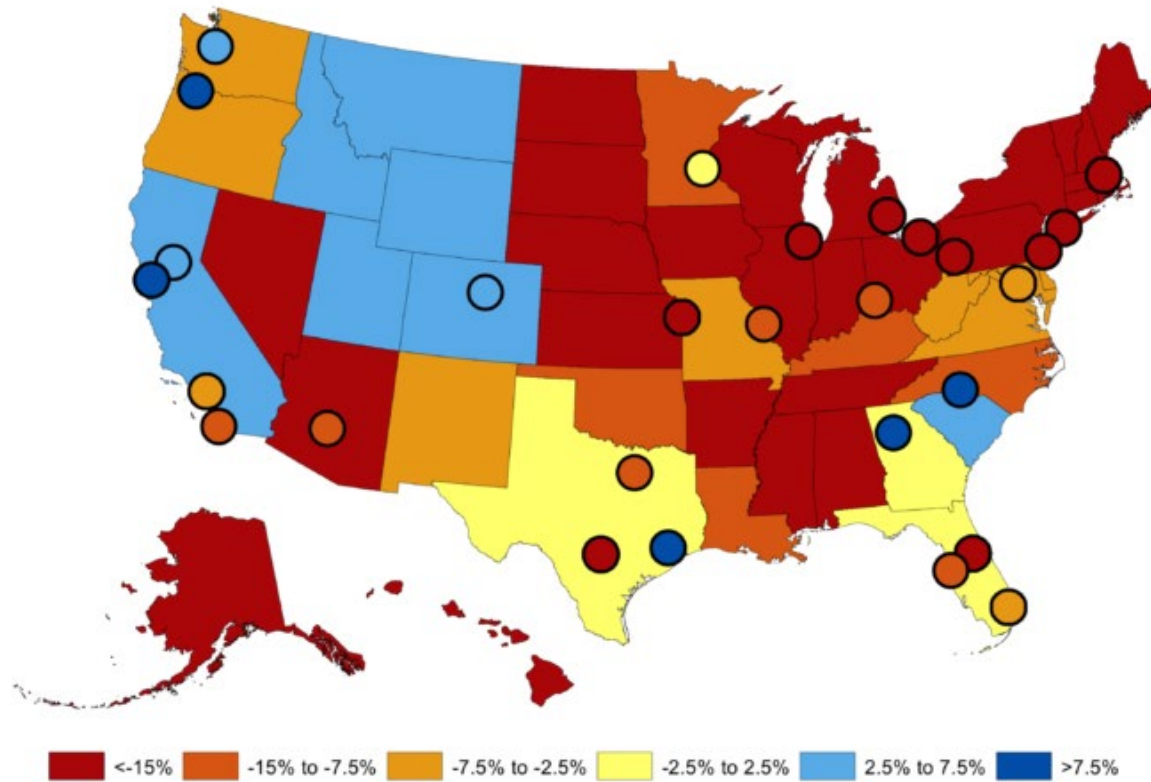
# Tuition Trends

"Down (or flat) will be the new up when it comes to tuition prices."

—*Forbes*, November 2019

- Deep tuition discounts
- Tuition freezes
- Tuition "resets"
- Income-sharing programs

# The Cliff







## Closures, Mergers & Financial Pressure

“Colleges and universities that fail to adapt risk joining the average of 11 per year that the bond-rating firm Moody’s says have shut down in the last three years... More are likely to go under; Moody’s projects that the pace of closings will soon reach 15 per year.”

—*New York Times*, October 2019

- ✍ Enrollment declines
- ✍ Acquisitions
- ✍ Increase in closures
- ✍ Downward pressures consuming energy & effort



## Focus on Persistence Rates

“More than 25 percent of people in their 30s who have attended college at some point have no degree — neither a community-college degree nor a bachelor’s degree.”

—David Leonhardt, New York Times

- ▶ New report says college completion beginning to rise/  
now 6 in 10



# Graduate Education

- ✓ Slight increase in apps and enrollment overall
- ✓ Growth in online delivery
- ✓ Program growth: cyber security, data analytics, health professions, education
- ✓ MBA substantially disrupted

Sources: Council on Graduate Schools 2018 Survey, Poets & Quants



## Online Growth

- 30% of all students now taking at least one distance course
- Grad students twice as likely as undergrads to take all coursework on line
- Distance enrollments have grown each year for 14 years
- Distance enrollments remain local

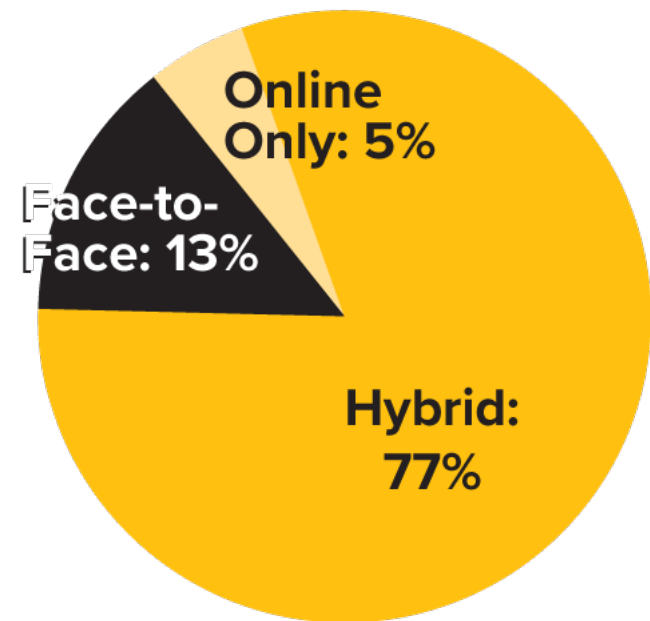
Source: Babson Research Group 2018

## Delivery Modes

- Students took an average of 3.7 courses with some online components in the previous year
- Students and faculty are aligned with a significant preference for “hybrid” learning models

Source: Educause Online Learning Attitudes, 2017  
Educause, 2017: <https://library.educause.edu/-/media/files/library/2017/9/studentst2017infog.pdf>

Students' preferred learning environment:





## Un-Bundling

“One in five employers report that they have hired someone with a verified certificate from a platform such as Coursera or EdX.”

—*EdSurge*, October 2019

- ✓ Stackables
- ✓ Micro credentialing
- ✓ Disaggregated curricula
- ✓ MOOC partnerships

# Campus & Climate Issues

"Sit-ins, shutdowns and other aggressive tactics were always part of the toolbox. But now, with a renewed energy, they appear to be happening more, their intensity up an octave."

—*Philadelphia Inquirer*, December 2019

- Political tension
- Climate change/fossil fuel divestment
- Reckoning with history
- DEI & "belonging"
- Whose speech is it, anyway?



## Campus & Climate Issues: Special Focus on Mental Health

“More than 80 percent of top university executives say that mental health is more of a priority on campus than it was three years ago, according to a new report released today by the American Council on Education.”

—*Inside Higher Ed*, August 2019





# The Flip Side of Threats: Opportunity

- ✓ Sharp vision & voice for leadership
- ✓ Better articulation of value and outcomes
  - *Connecting academics to life after graduation*
- ✓ Academic innovations
- ✓ Partnerships & collaborations
- ✓ Research addressing the “Grand Challenges”
- ✓ Philanthropy
- ✓ Faster-track strategic planning (and a caution about what it takes to do that well)



# Thank You!

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