

# Beyond A High School Diploma

# *Keeping Kansas Competitive*

1,500 Credentials Annually **2025**



Prepared with support from the National Governor's Association



## An Economic Imperative for Kansas ...

As Kansas and the nation emerge from the recession, experts report the economic recovery is dependent on a highly skilled workforce. A tremendous challenge looms because not enough individuals are completing college with the credentials needed to fill current and future job openings. **Credentials include certificates and degrees, associate and higher, offered by postsecondary institutions and industry-recognized certificates.**

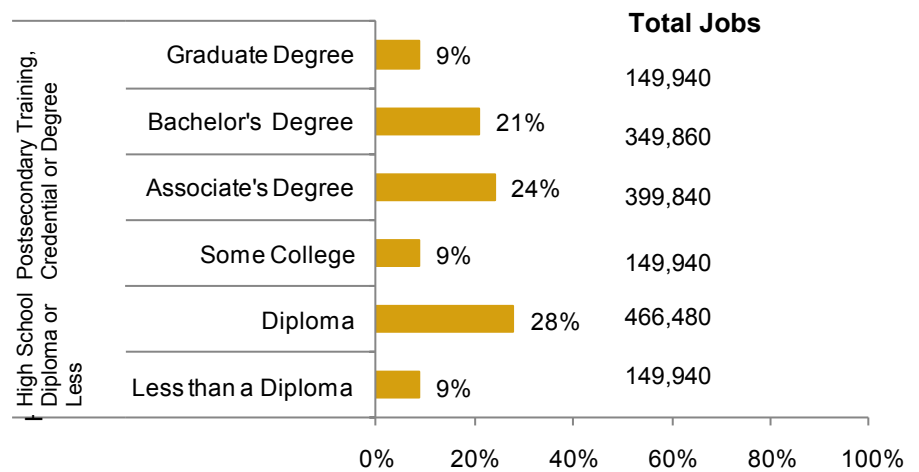
A recent report from the Georgetown University Center on Education and the Workforce indicates over 64 percent (1 million) of jobs in the Kansas economy will require some level of postsecondary education by 2018, with 54 percent requiring an associate degree or higher. Another 9 percent require a postsecondary certificate, usually one year or more of education resulting in an industry-endorsed credential.

*By 2018, sixty-four percent of Kansas jobs will require some level of postsecondary education or credential.*

*Over the next 10 years, Kansas will experience an increase of 99,000 jobs requiring postsecondary education.*

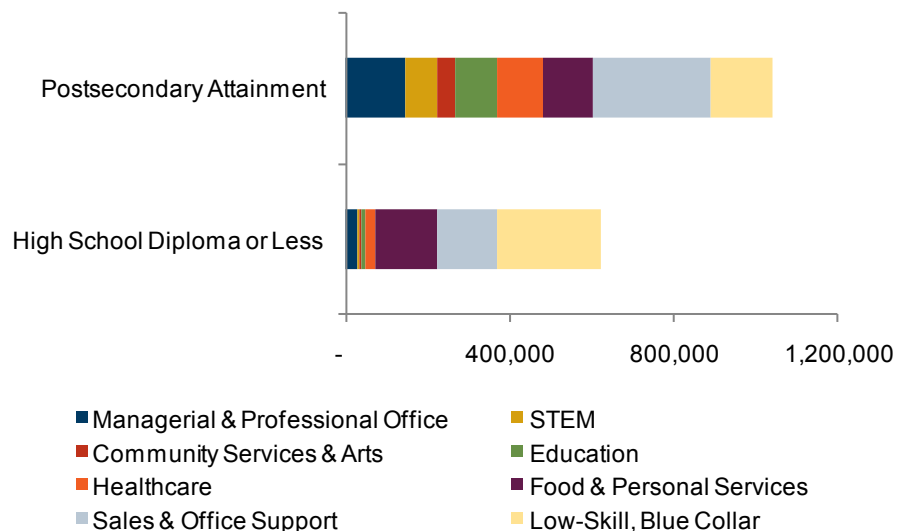
*Those with only a high school diploma are largely limited to three occupational clusters that are in decline or pay low wages.*

**Jobs Requiring Postsecondary Education by 2018**



Postsecondary education provides access to occupations across a wide spectrum of the economy. Workers with a high school diploma or less are largely limited to three occupational clusters (Low-Skill, Blue Collar; Food & Personal Services; and Sales & Office Support) that are in decline or pay low wages.

**Kansas Jobs & Education Requirements by 2018**

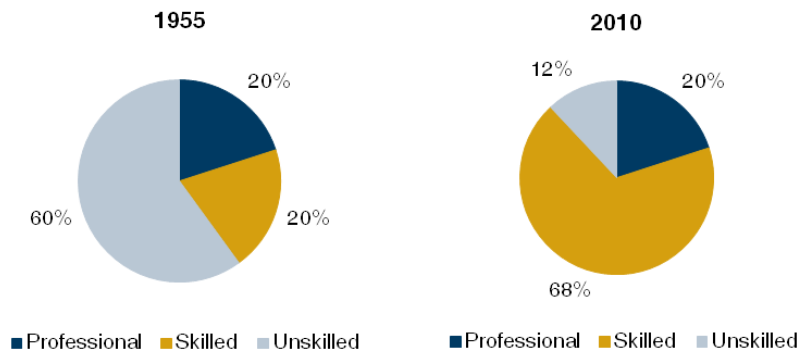


## ... More Citizens with Postsecondary Skills

Employers across Kansas and the United States have made it clear current and future jobs with staying-power will require higher levels of education, advanced skill sets and continuous skill updates.

The requirement for higher skills has more than doubled over the last 50 years. Just a generation ago the economy delivered well-paying jobs to anyone who completed high school. The current economy requires knowledgeable workers with higher skills; those with only a high school diploma or less will find themselves largely left behind.

Comparison of Job Types



ACT, Inc.

Many Kansas job vacancies require technical skills, licensure, or postsecondary credentials. Some of the occupations with the highest vacancy rates include:

- Nurses and other healthcare professionals;
- Computer technicians, analysts and programmers; and
- Financial service providers, accountants, and consultants.

The Kansas Department of Labor (July 2010) reports industries with the fastest growth rate in employment are Construction; Transportation, Trade and Utilities; Education; and Health. Most of the occupations within these sectors require technical and professional skills gained through postsecondary credentials. Credentials supporting the state's critical industries offer the most value to the individual and Kansas.

Even though advanced skills and postsecondary credentials are clearly the path to successful and long-term employment options, a majority of Kansas adults age 25 or older (60 percent) have not earned a postsecondary credential. More than half a million Kansas adults have completed high school but never entered college. An additional 417,000 adults entered postsecondary education but never earned a credential.

Kansas jobs in 2018 require a credential

# 64 percent

Today, only **40%** of Kansans 25 or older have a credential.

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**More than 96,000 Kansans are unemployed while over 32,000 jobs remain open. This indicates a skills shortage and mismatch.**

—Kansas Department of Labor, Job Vacancy Survey 2010

**More than 500,000 Kansas adults have completed high school but never entered college.**

**More than 400,000 Kansas adults started a postsecondary education but never earned a credential.**



## Increased Earning Power and...

Kansas citizens with in-demand skills and postsecondary credentials generally enjoy a higher quality of life and more career opportunities than their less-skilled or educated counterparts.

A Kansas Department of Labor report (2009) indicates **positions with an associate degree requirement will earn more than double per hour than those positions having no education requirement.**

*The starting wage for Kansas positions requiring an associate degree is 60 percent higher than for those with only a high school diploma.*

*Associate degrees earned in select technical fields offer strong earning potential.*

*Power Plant Technician  
\$47,000*

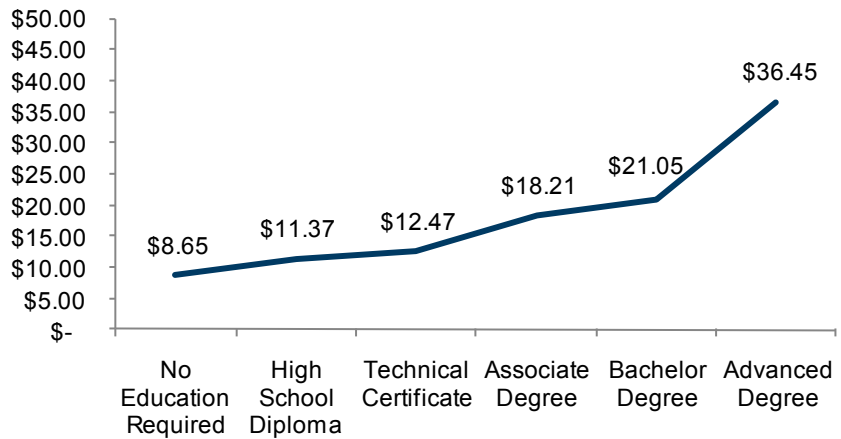
*Nurse  
\$51,000*

*Aviation Maintenance Tech  
\$52,000*

*Railroad Electronics  
\$57,000*

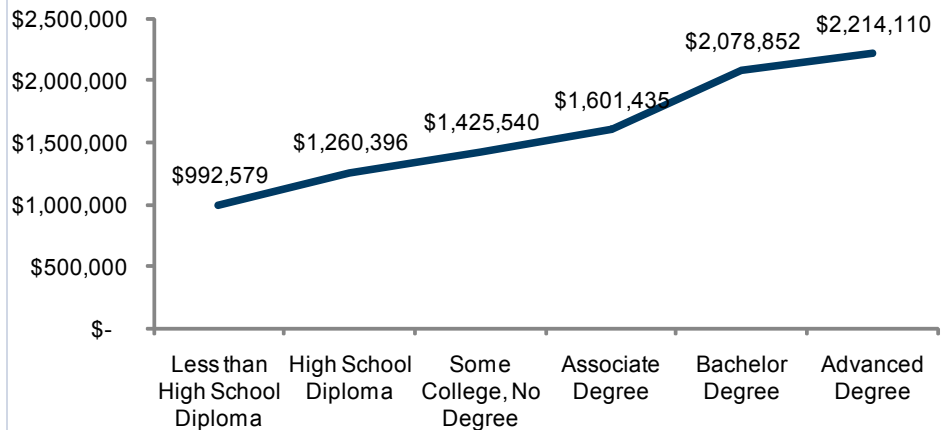
*Dental Hygiene  
\$59,000*

**Position Education Requirements  
Average Minimum Wage Offer**



Over a lifetime, the earnings differential is dramatic. **A citizen with an associate degree will earn over 60 percent more than a citizen with no high school diploma, and nearly 25 percent more than a citizen with a high school diploma.**

**Lifetime Earnings  
(By Age 65)**



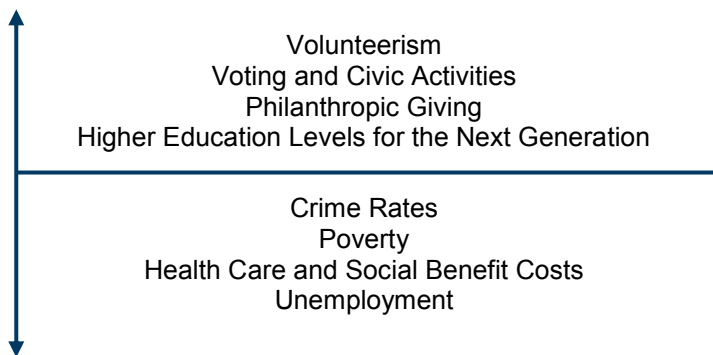
The Council for Adult and Experiential Learning (CAEL).

While individual earnings increase with postsecondary credentials, the individual and state enjoy additional benefits contributing to an increased quality of life.

# Civic Participation with Postsecondary Education

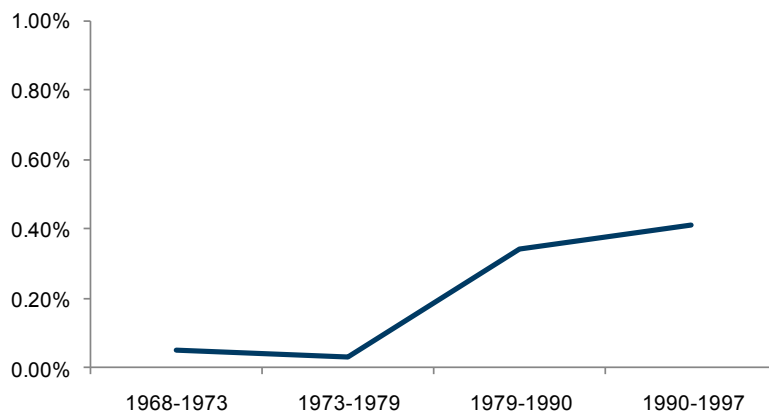
- Because individuals with postsecondary credentials earn more over their lifetimes and have a larger total percent of disposable income, they **contribute more to the community, state and national economies**.
- Individuals with postsecondary credentials **place lower demands on social welfare programs** and have a greater, longer-lasting positive community impact than those without postsecondary credentials.

**Social Impact of Higher Education Levels Among Citizens**



- **A highly skilled workforce is more productive.** From 1968 to 1997, labor productivity doubled. According to the U.S. Department of Labor, each one percent increase in worker skill levels has the same effect on output and productivity growth as a one percent increase in hours worked.

**Productivity Boost Through Increased Workforce Skills**



- **Increasing the country's average level of education by one year could increase economic growth by 6 to 15 percent**, adding between \$600 billion to \$1.5 trillion to U.S. economic output.
- **Kansas citizens with higher levels of education have higher labor participation rates** and are better prepared to weather lay-offs and economic downturns. In 2008, only 65 percent of Kansans with less than a high school diploma were employed, compared to 89 percent employment for those with an associate degree.

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*Individuals with postsecondary credentials contribute more to the community, state, and national economies.*

*Increasing the education level of a population translates directly to economic growth.*

*89 percent of Kansans with an associate degree were employed in 2008, compared to 65 percent with less than a high school diploma.*



# Keeping Kansas Competitive Plan

Although the Kansas postsecondary system is producing highly-skilled and qualified graduates, the demands for skills and credentials in the workplace have outpaced our graduation rates. In order to position Kansas for future economic success, and to remain competitive from a national and global perspective, it is vital to increase the number of Kansas citizens with meaningful postsecondary credentials.

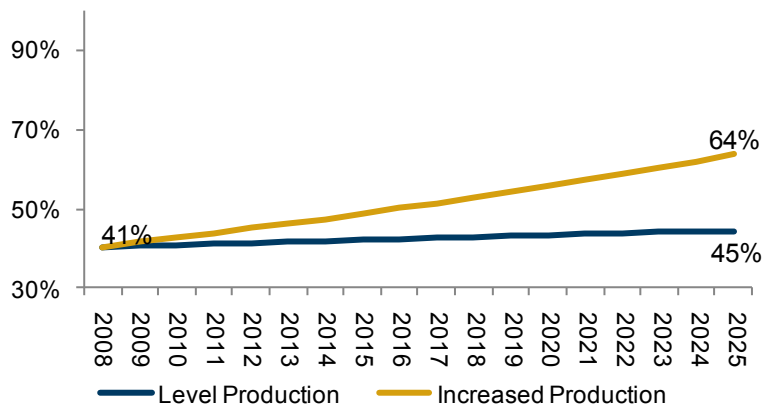
The plan outlined below offers first steps for increasing the number of credentials awarded annually. The Kansas goal of an additional 1,500 credentials awarded per year will help move the number of Kansas citizens holding a credential or degree to 64 percent by the year 2025.

*In order to remain competitive, Kansas must increase the number of citizens with a postsecondary credential.*

*To reach a 64 percent credential attainment rate, Kansas must add over 1,500 credentials annually to current degree production.*

*Only 28 percent of Kansas high school graduates achieve the ACT college-ready benchmark in all four subjects.*

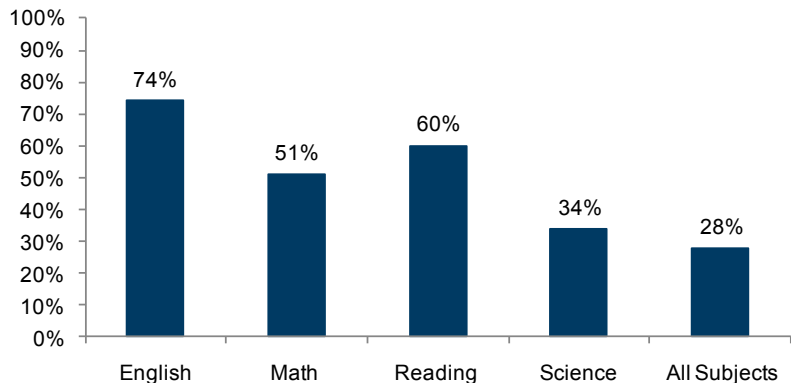
**Degree Production Comparison Through 2025**



## Improve educational alignment between K-12 and postsecondary education.

The ACT is the most widely used standard exam for college readiness in Kansas. While Kansas students test relatively well in English and Reading, 34 percent reach the college-ready benchmark for Science and 51 percent for Math.

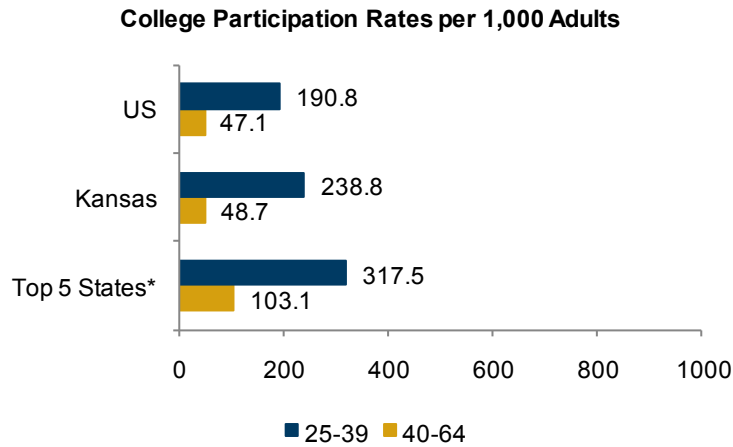
**Kansas Students Achieving ACT College-Ready Benchmark**



Better alignment will increase the number of students entering the postsecondary system with the skills necessary to graduate. This will reduce the number of recent high school graduates requiring remedial or developmental coursework (current rate = 62 percent) and will decrease the overall time it takes for credential completion.

**Increase postsecondary participation rates, especially the number of working adult learners.**

Kansas will not reach the goal of 64% of the population with a credential or degree by focusing only on recent high school graduates. Kansas must educate more adults. Kansas serves more adults with only a high school diploma than the national average but fewer than the best performing states.



The Council for Adult and Experiential Learning (CAEL).

To reach this vital group, the postsecondary system must position financial aid and learning support to meet the needs of working adult learners. In particular, state financial aid programs must be redesigned to serve the part-time learner and those attending two-year institutions.

**Increase credential attainment by achieving improvement in graduation rates among working adult learners.**

Recruiting working adult learners to return to postsecondary institutions is not enough. Kansas must take steps to ensure these students can successfully complete their education and earn a credential. Working adult learners benefit from services such as flexible learning options and schedules, on-line coursework, acceptance of credit for previous academic or related work experience and other supports.

**Increase the life and industry value of credentials by promoting the use of industry endorsed criteria and learning assessments.**

Ensuring the skills learned and the credentials earned have a positive impact on the life of the individual and offer value to the economy is vital. Linking credentials to industry-endorsed criteria, where applicable, is one way to guarantee postsecondary graduates will possess the work and life skills necessary for success.

**Align public postsecondary resources and incentives with the Kansas economy.**

Seven industries drive the Kansas economy (Agribusiness, Advanced Manufacturing—Aviation, Bioscience, Construction, Energy, Health Sciences and Professional Services). Credentials in Science, Technology, Engineering and Mathematics (STEM) prepare students for occupations in multiple industries leading the Kansas economy. Providing STEM and programs of study supporting these industries is critical.

**Five key policy areas identified for action:**

- *Improve educational alignment between secondary and postsecondary*
- *Increase postsecondary participation rates for adult learners*
- *Increase graduation rates for adult learners*
- *Align learner outcomes with industry credentials*
- *Align postsecondary education with the Kansas economy*

**64 percent of Kansas jobs will require a postsecondary credential or degree by 2018.**

**The current rate of credential production does not meet the workforce demand.**

**There are significant economic and social benefits to having a larger portion of the Kansas population more highly educated.**

**Policy changes offer a way to significantly impact the percent of Kansas adults with a credential.**

**Producing 1,500 additional credentials per year will help push the number of Kansans with a credential closer to 64 percent by the year 2025.**

## Summary

- Kansas jobs of the future require higher skill levels and postsecondary education and training—64 percent of the jobs will require postsecondary credentials by 2018.
- Over the next 10 years, Kansas will experience an increase of 99,000 jobs requiring postsecondary education.
- The Kansas workforce is underprepared and lacks the advanced skill sets required by employers. The current rate of credential production does not satisfy the future workforce demand.
- There are economic and social benefits to the individual and the state when higher skill levels and degree attainment are achieved by the Kansas population.
- Kansas can improve its economic position with policy directions supporting adult working learners.

## Policy Directions

The state has significant control over a variety of policies associated with education and economic prosperity. The policy directions outlined below will increase the credential attainment of Kansans and provide the skilled and creative workforce necessary to conduct the research and produce the goods and services to keep Kansas competitive.

**Kansas goal:** Increase postsecondary credential production by 1,500 credentials annually. This will prepare the state workforce with the skills and college credentials required for 64% of the jobs.

Strategies:

1. Ensure Kansas students graduating from high school are prepared for postsecondary and career success as measured by a national standardized assessment such as ACT.
2. Provide multiple opportunities for qualified high school students to earn early college credit to reduce the time for credential attainment.
3. Reduce time to credential attainment and increase college completion rates for working adults through implementation of a credit transfer system, enhanced advising opportunities, flexible learning options, registered apprenticeships and other supports or delivery systems.
4. Direct more state and federal discretionary funding to part-time, working adult learners in programs supporting critical industries and leading to high-demand, high-wage occupations in Kansas.
5. Develop and/or revise postsecondary program standards to align with industry demand and third-party, industry-endorsed credentials which add value in the marketplace.
6. Use comprehensive longitudinal data to evaluate learning, credential and employment outcomes for students. Publish data to improve postsecondary decision-making for students, their families and Kansans.

*For more information, call (785) 296-0205*

*November 2010*