

## **Catching Up with Growth**

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For decades, Florida has been in a never ending chase after its own growth. All that practice should make us better at meeting the demands of expansion. Unfortunately, today's growth challenge is greater than years prior and tomorrow's challenges will be even greater. Our growth equation is an enlarging one. Our population grows, fueling demand that strains current resources. The Legislature races resources to the most pressing needs and gets diverted from long-term strategies, while Florida's "growth finish line" is never within sight.

Higher education growth is no different. After decades of struggling to ramp up enrollment at community colleges, state universities and independent institutions, Florida is not close to completing its higher education system. With one of the nation's largest higher education systems, Florida still remains under-equipped and under-prepared for the demands of future growth. Regrettably, we trail most other large states in many key higher education measures – an issue that could remain a low priority if higher education was not so central to Florida's economy, jobs, income and business development. The products of higher education -graduates, new knowledge and breakthrough research- all fuel prospering economies. They are an essential element of an attractive and prospering community. As Florida's population grows, the Bush administration's hard won victories in K-12 reform, high school graduation rates, reading scores, mentoring and scholarship funding will continue to create even more demand for higher education services by producing more qualified students.

In recent years, Florida has begun to attract and educate more needed teachers, nurses, engineers and technology specialists, but many more are needed. Florida continues to struggle, finding it difficult to attract the highly educated from states that hoard college and university graduates for their own economies and communities. Thankfully, ICUF schools educate a significant number of out-of-state students, at no cost to Florida taxpayers, who end up staying here and adding to our knowledge and economic base.

What Florida needs is a new look at Florida's higher education market and a single-minded resolve to apply a new market strategy to higher education for the sake of the state's economy, communities and residents. Adopting tactics that drive Florida's economy can help higher education catch up with the state's economic pace. A market-driven approach would direct resources to institutions that are the quickest to respond to state needs. It would grow a more skilled workforce more aligned with Florida's future. It would also promote Florida as a state investing in a knowledge-based, future facing economy.

The state's higher education systems provide an excellent foundation upon which to build. The 11 state universities include some of the largest institutions and 6 of the top

ten least expensive public universities in the nation. The 28 independent colleges and universities complement state institutions by adding a unique blend of size and tradition with both specialized and general educational institutions. Florida's community college system with 28 regional institutions is the nation's largest. Nearly 50 school districts have vocational centers to boost adult skills and other private Florida and Non-Florida, for-profit schools offer additional specialized training.

The state university system and independent colleges and universities split most of the market for bachelor, master, doctorate and professional degrees. A well-designed, insightful market-based strategy would increase access to these programs for the growing population of Florida students, while getting more graduates in high-demand fields of study into the Florida workplace.

Florida must determine the characteristics of current and future student population and prepare to track their enrollments throughout the higher education system into jobs. Students are not all 18 year-olds who go to college for four years and then enter the workforce. Higher education is increasingly populated with older students, working parents, career changing graduates and skill boosting adults too, many of whom are location-bound by jobs, families and other responsibilities. We will not be able to properly create higher educational capacity unless we can describe and track the demand of higher education customers.

Florida should identify the general and specific graduate needs for its workplace for now and tomorrow. It takes two, four or more years to produce a graduate. The Legislature has underscored that the state needs more teachers and nurses leading to more enrollments and yielding more graduates. There needs to be a clear business plan that details which programs should grow, how much and how best to make this happen. How many bachelor degree graduates will the state need over the next ten years? Should master degree, doctorates and professional degree production increase? If so, how much? In which fields? The state should adopt from the workforce estimating conference a projection of higher education graduates needed for each program and identify high-demand fields for students and institutions to emphasize at the best cost for taxpayers.

However, we must be mindful that if this same task had occurred a century ago we would be clamoring for buggy and harness makers who would soon need re-training for automobile production. Just fifteen years ago we could not have accurately forecasted the shape of the IT industry, bio-chemical advances or changes in telecommunications. While planning for the future, we should remain committed to a strong liberal arts educational foundation. Remember, majors like Latin-American Affairs, Psychology, History and Government yield leaders for the future like our Governor, Commissioner of Education, K-12 Chancellor and Education Appropriations Chairman. Our future demands graduates who can reason and adjust to changes; graduates who take a broad view on what can be possible in a changing world.

Florida should remove impediments while delivering stimulants to best utilize all existing quality, capacity options, while inducing selected capacity increases. Florida

colleges and universities could better address teacher shortages by reviewing dated statutory and regulatory requirements. These requirements can add an extra year to a college student's studies. Students make market choices. Those considering teaching may find it easier and less expensive to use alternative tracks to teaching jobs while policy makers are still not clear on how this might impact teacher retention over time. Florida's community colleges, colleges and universities could educate enough nurses if the state focused on the creation of badly needed instructors. Currently, students in classes with 300 other students pay the same tuition and generate the same state budget subsidy as a nursing student in classes that regulations set at less than 20. Should we be surprised that institutions are slow to expand programs that lose money? Such higher education production shortfalls could be eradicated by purposeful, precise, Legislative actions to cut regulatory drag and boost targeted programs. This past session the Legislature wisely launched such a strategy to produce more nurses and nursing instructors through a \$10 million Succeed Florida grant program. More such Legislative attention is needed.

Florida should reward the most affordable cost options for the state and students. Students make their higher education choices each year. Last year's budget, at best fuels the previous year's choices. Better models would allow efficient performance to fuel next year's funding. This would both police institutional spending and strengthen the institutional president's case for change, innovation and production; just like any CEO in the private sector.

This multipart strategy (Know the customers – Understand the product mix – Upgrade production – Reward successes – Value efficiency) is standard practice in business and would launch a revolution in higher education.

For Florida independent colleges and universities, this strategy would fully enlist these 28 non-profit corporations that are based in part on a business model, where as economist Richard Vedder describes, "*Competitive forces require universities to pay more attention to consumer (student) needs and deliver a reasonably high quality product. Freedom from some bureaucratic structure and regulations allows for greater innovation.*"

Through ICUF schools, the state can increase access and awards at a bargain price for Florida. The independent colleges and universities are the lowest cost, highest yield institutions in Florida's higher education system. Currently, the 28 independent colleges and universities of Florida award 25 percent of the state bachelor degrees, more than 15,000 annually. They award 37 percent of the state's master degrees, 42 percent of the doctorates and 56 percent of the professional degrees. With 180 educational sites around the state, this is also Florida's largest higher educational system. The students of these independent colleges and universities receive less than 5 percent of the state's higher education budget, but award more than 31 percent of Florida's bachelor & advanced degrees.

A more market-driven strategy would allow state universities to be less bureaucratic "agencies" and more economic "agents" of the state. It would reward

community colleges as the source of their market's workforce. It would compel school districts to provide graduates that are work ready and prepared for jobs or further education.

One tool to keep up with growth in Florida is competition. A deliberate design that rewards institutions will deliver needed graduates at a competitive price. If state universities, independent colleges and universities, community colleges, vocational centers and private, for-profit schools compete to meet Florida's student and workplace needs, Florida higher education will keep pace with Florida's growth. Florida can be both a bigger and a brighter place!