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Transfer is a Key Strategy in Baccalaureate Degree Attainment

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Introduction

Over the past several decades, a bachelor's degree has become an increasingly important tool for workers interested in pursuing the jobs of tomorrow. For the thousands of students who begin their college careers at community and technical colleges, transfer is essential in realizing their goal of attaining a bachelor's degree and ensuring they can compete for jobs that require higher levels of education¹.

According to recent research, there are few well-paying jobs for those lacking postsecondary education; the result has been an increase in income inequality that is largely attributed to the increased salary earned by those with additional years of schooling. The U.S. Census Bureau reports that in Washington state, the average income for a person aged 21-64 with a high school degree is \$30,628, while someone with a bachelor's degree averages \$45,367. Long-term unemployment rates also decrease as the level of education increases.²

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education than in the past. Many of these occupations need increased training for supervisory roles and increasingly technical roles. These roles are needed in areas that may not have previously been viewed as needing highly trained individuals - such as sales and services occupations, agriculture, construction, production, and transportation.³ Analysis of migration trends indicates that in addition to high numbers of workers moving to the state in computer science and engineering, between 1995 and 2000 there has been a substantial net in-migration of workers at the baccalaureate level and higher in construction, hospitality, sales, and management occupations.⁴

Employers report that they have become more selective in the hiring process. Workers with a deeper and more sophisticated skill set are at a distinct advantage in this environment. Ideally, workers would develop a mix of technical skills and management, communication, and teamwork skills; skills commonly associated with baccalaureate level education.⁵ The state's Workforce Training and Education Coordinating Board reports that in addition to occupation-specific skills, roughly one-fifth of employers report difficulty finding workers with problem solving and critical thinking skills, positive work habits and attitudes, communication skills, and teamwork skills. Roughly 16 percent of employers reported difficulty hiring workers who could adapt to changes in duties and responsibilities.⁶

As national and state economic trends continue to illustrate shifts toward occupations that require higher levels of education, policy makers must ensure that Washington citizens are provided the opportunity to compete for these jobs.

By doing so, policy makers also ensure that employers have the skilled workers they need to serve the community and foster economic growth.

Current trends in higher education in Washington

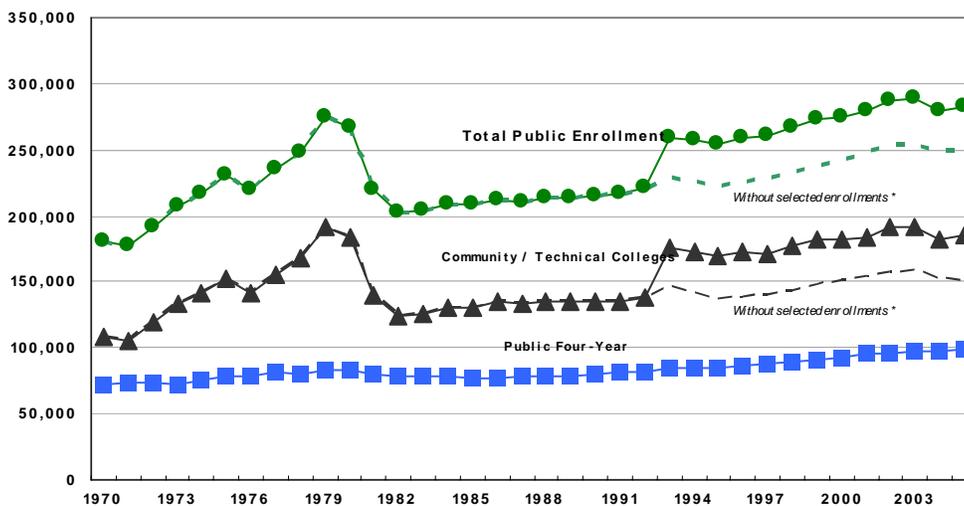
Demand for participation in higher education is growing

The public higher education system in Washington is comprised of two interdependent sectors that provide educational access to its citizens. In 2005-06, the community and technical college (CTC) sector provided access for approximately 184,912 students (130,933 FTE) while the baccalaureate sector provided access for roughly 98,248 students (91,571 FTE) as illustrated in the chart below. When these sectors are combined, Washington ranks about 17th nationally for participation in public higher education.

In recent decades, demand for higher education has increased steadily. Enrollment trends for both the public CTC and baccalaureate sectors reveal an increase in the fall term enrollments for the four-year sector – while the trend for the two-year fall term enrollments exhibits more volatility in the 1970s and early 80s – followed by a period of steady growth through the present.

Researchers and policy makers indicate that these trends will continue to grow. According to projections developed by the Office of Financial Management, demand for education continues to increase due to population growth and the growing importance of postsecondary education in the workplace.

Combined Higher Education Enrollment



Source: OFM, *Higher Education Enrollment Statistics and Projections, 2003* (Table 1-4, page 9)

Source: OFM, 2003, Higher Education Enrollment Statistics and Projections, Historical Fall Term Headcount Enrollment: Public Higher Education, 1960-2000. Table 1-4. p.9.

Note: For periods after 1993, some fall headcount enrollment numbers were calculated apart from overall student totals to show individual trends: the Timber Worker Displacement program, Workforce Training program, Technical College enrollments, and Private Career Colleges.

To simply keep pace with population growth, the public higher education system would need to expand to accommodate approximately 242,770 FTE students – and increase of about 20,000 FTE – between 2004 and 2010⁷. This increase must be accommodated through growth in both the two-year and baccalaureate sectors.

Washington’s community and technical college system has been extremely successful in terms of enrollment growth. Since the 1970s, the community and technical colleges have expanded lower-division enrollment more rapidly than the baccalaureate sector, and the two-year system now makes up about 53 percent of the state’s total public higher education enrollment.

Participation in the four-year sector has not expanded at the same rate, although many institutions are operating beyond their capacity. The existing four-year institutions will need to add 8,467 FTEs by 2010 to provide the same level of access as students experienced in 2005-06. This represents a significant increase from current levels just to accommodate the

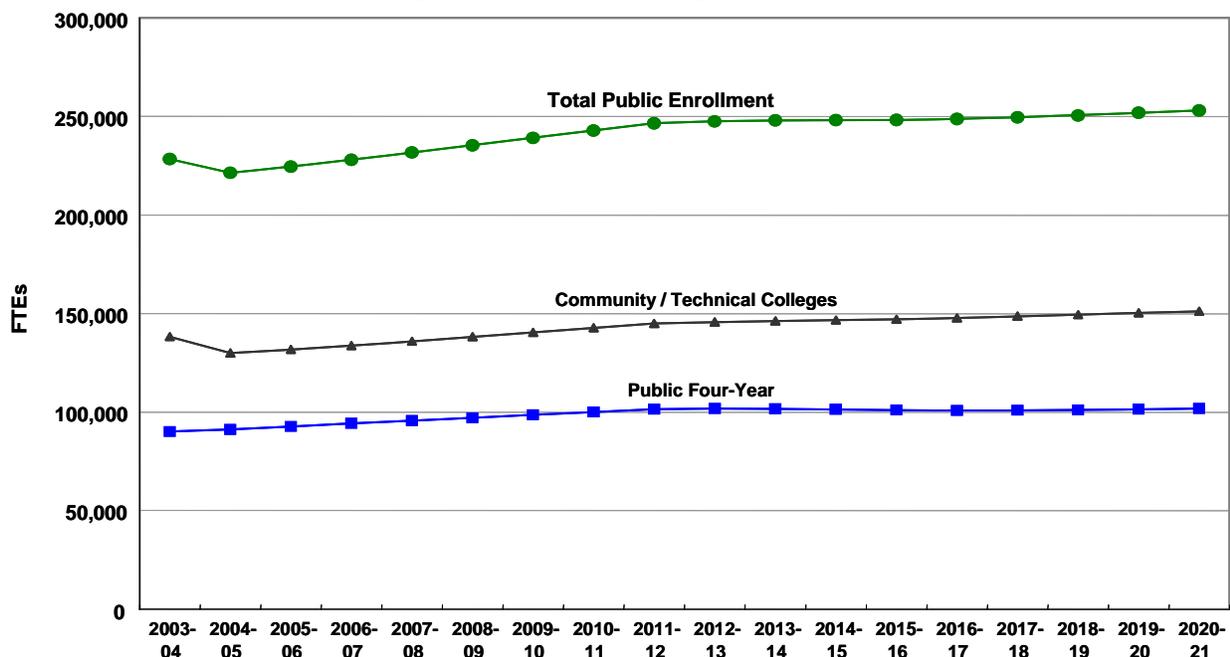
expansion made necessary by population growth. Even greater capacity would be required to accommodate additional student demand for baccalaureate degrees.

Degree production

Given that more students are accessing higher education through the state’s community and technical colleges, it is not surprising that there are differences, across sector, in degree production. Currently, Washington ranks 5th nationally in the number of associate degrees awarded, while it ranks 49th in the production of baccalaureate degrees.⁸

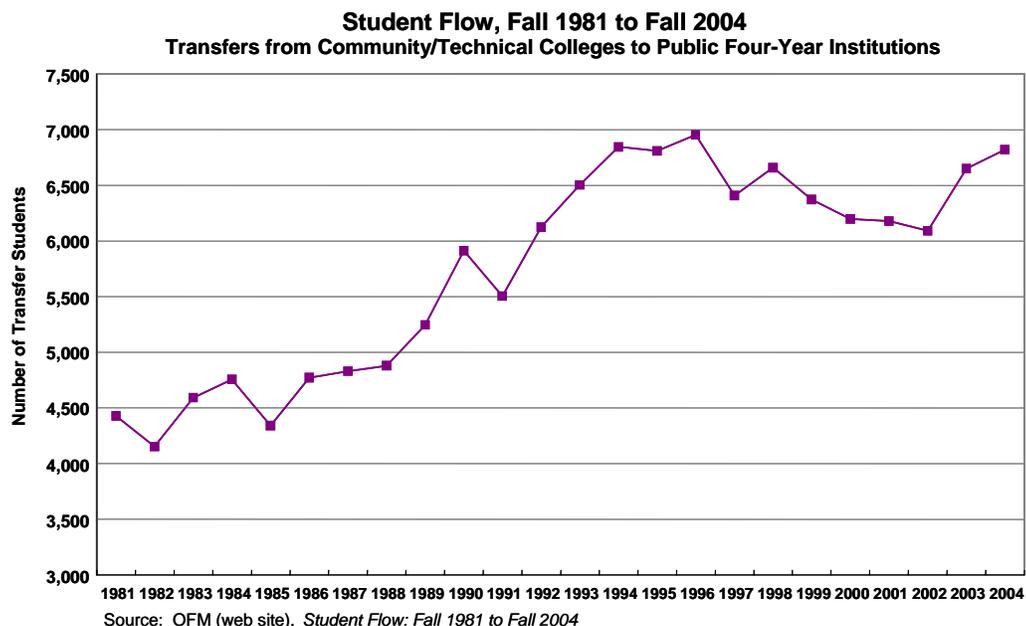
Washington’s rank in baccalaureate degree production indicates that the state is not producing enough baccalaureate degrees to meet student and employer demand. However, it is also important to note that Washington is regarded as having one of the most highly educated populations in the country when this measure is calculated by the number of baccalaureate degree holders as a percentage of total population⁹.

Projected Annual Average FTE Enrollment



Source: OFM, *Higher Education Trends and Highlights, 2005* (page 4)

The explanation for the disparity between the state's low ranking in the production of bachelor's degrees and the presence of a highly-educated citizenry is the net in-migration of highly educated workers who earned their degrees elsewhere. Between 1990 and 2000, Washington imported roughly 74,000 people who held a bachelor's degree or higher.¹⁰ This in-migration is credited for mitigating the higher education system's shortfall in baccalaureate degree production, especially in high-demand fields.



Transfer is a key strategy in helping Washington produce baccalaureate degrees

If the state is to educate its citizens so they are able to compete for the best jobs in the state's economy – those that require bachelor's preparation or higher – it must increase the number of bachelor's degrees conferred to Washington citizens. In a system that relies heavily on the community and technical colleges to provide access to higher education, transfer becomes an essential function in that pursuit.

Examination of 25 years of data regarding student flow from the state's community and technical colleges to baccalaureate institutions indicates that the number of students who have successfully transferred from a CTC to a four-year institution has generally increased.

According to data compiled by the Office of Financial Management, just under 4,500 students transferred from public community and technical colleges to public baccalaureate institutions in fall 1981. By fall 2004, the number of transfer students had grown to 6,820.¹¹

Despite significant gains in the number of students transferring from the two-year to four-year systems, the transfer rate has only recently started to increase after a period of decline that began in 1999. The reasons for this decline will be explored in a subsequent policy brief. In fall 2004, 6,820 students attended a four-year institution that had previously attended a Washington community college and were considered transfers. In fall 1995, roughly the same number of students, 6,809, were considered transfers.

However, in 2004 those 6,820 students comprised 12 percent of the student population that indicated their intent to transfer, while in 1995 the 6,809 students comprised 14 percent of the student population. This decrease likely corresponds to significant increases in total enrollments at the CTCs during the same period in which capacity to accept transfer students at the baccalaureate institutions failed to keep pace. While the transfer rate has begun to rebound over the past three years and the number of students who transfer to four-year institutions has increased, these gains have not yet improved the state's ranking in terms of bachelor's degrees awarded.

Percentage of Community/Technical College FTEs that Transfer Each Year



Source: OFM (web site), *Student Flow: Fall 1981 to Fall 2004*

Next Steps

The higher education system in Washington has successfully served thousands of students and has contributed significantly to the economic vitality of the state's economy. Each year, thousands of community and technical college students successfully and efficiently transfer to baccalaureate institutions. However, challenges remain. Policy makers must be challenged to improve access through continued efforts on transfer and articulation – as well as building the system's capacity to serve more students.

Acknowledging that transfer is a key, if not primary, strategy in increasing baccalaureate degree production is also to acknowledge that we must be certain that current practices are operating effectively.

Reports due to the Legislature in December 2006, will examine recent policies and practices designed to increase the number of students who earn a baccalaureate degree, having started at a community or technical college.

Several other issues – beyond transfer-related policy – limit baccalaureate attainment for transfer students. Key issues in this area include limited upper-division enrollment capacity and limited local access to higher education for many residents, especially with regard to access to baccalaureate programs. In a report due in December, the HECB will release a more detailed analysis of capacity limitations at the upper division and make recommendations to improve access to baccalaureate programs.

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- ¹ Ashenfelter, O. and Rouse, C. (2000). Schooling, intelligence, and income in America. In K. Arrow, S. Bowles, and S. Durlauf (Eds) Meritocracy and economic inequality (pp.89-117). Princeton, New Jersey: Princeton University Press.
- ² US Census Bureau, Earnings by Occupation and Education, Retrieved August 16, 2006 from OFM website.
- ³ HECB, 2005, State and Regional Needs Assessment, p.27.
- ⁴ National Center for Higher Education Management Systems (NCHEMS), State Net Migration by Occupation, Education Level and Age Group - 1995-2000, Retrieved September 6, 2006 online at: <http://www.higheredinfo.org/analyses/>
- ⁵ HECB, 2005, State and Regional Needs Assessment, p. 24-25
- ⁶ Workforce Training and Education Coordinating Board, Washington State Employers' Workforce Training Needs and Practices 2006.
- ⁷ Office of Financial Management, Public Two- and Four-year Fall FTE Enrollment Projects, current participation rate carried forward.
- ⁸ During the 2004-05 school year there were 20,692 bachelor's degrees awarded by public baccalaureate institutions and 21,123 combined academic and workforce associate degrees awarded. Figures were gathered using data from Integrated Postsecondary Educational Statistic (IPEDS) and reports produced by the State Board for Community and Technical Colleges.
- ⁹ OFM, 2005, Higher Education Trends and Highlights, p.9
- ¹⁰ NCHEMS, Bachelor's Degrees Awarded (by State) from 1990 to 2000 vs. the Change in the Adult Population with Bachelor's Degrees from 1990 to 2000, Sources include: NCES-IPEDS Completions Surveys 1990-01 to 1999-00 (Title IV Degree Granting Institutions) and the US Census Bureau (1990 and 2000 Census'). Retrieved on September 7, 2006 from <http://www.higheredinfo.org/analyses/>.
- ¹¹ OFM, Student Flow, fall 1981 to fall 2004. These figures are for Fall term transfers to public baccalaureate institutions which generally account for two-thirds of total academic year transfers to public baccalaureate institutions.