This report, developed by the Task Force for Effectiveness Planning in Postsecondary Education, discusses the organization of Alabama's community college, technical college, and training resources, and the colleges' role in workforce development. Increasing institutional efficiency and effectiveness, promoting access to high-skill jobs, and eliminating regional duplication are recommended. The report emphasizes the need for state-of-the-art equipment, technology, and faculty development and training to be in place. The Task Force recommends that the Alabama State Board of Education:

1. Mandate that two-year colleges become accredited comprehensive community colleges.
2. Organize community colleges under eight regions in a decentralization effort that aims to enhance cost-effectiveness, capacity, flexibility, and responsiveness.
3. Provide regional planning and create a direct link between community colleges and with local workforce and economic development requirements.
4. Work with regional boards to ensure that workforce training is focused on both statewide priorities and local employer needs.
5. Create oversight of the Alabama Community College system by the State Board of Education by removing authority of the Alabama Commission on Higher Education.
6. Assess the quality of literacy training.
7. Abolish tenure for all new hires.
8. Establish and oversee workforce development programs.
10. Create partnerships in education between Alabama community colleges.

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A Report
On
The Alabama College System

Submitted To
The State Board of Education

By

The Task Force For Effectiveness Planning
In Postsecondary Education

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R. Romine
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
PREFACE

On May 22, 1997, the Alabama State Board of Education adopted a resolution that created the 15-member Task Force for Effectiveness Planning in Postsecondary Education. The Resolution called for the Task Force to conduct a thorough review of the Alabama College System and to submit recommendations on how best to structure the delivery of postsecondary educational and training services. In February 1998, the Task Force asked MDC, Inc., of Chapel Hill, N.C., to act as its staff to assist it in reviewing the college system and in articulating solutions that might be recommended to the State Board of Education.

During the course of its deliberations, the Task Force determined that Alabama is in position, strategically and geographically, to prosper economically in the new millennium. But the Task Force found the state at risk of failing to grasp this opportunity because its workforce is unprepared to compete globally.

As the state moves into the next century, Alabama will depend on a workforce made up largely of older workers who initially did not receive and still do not have the technical skills they need to compete in the high-wage modern workplace. For Alabama to grasp its future, there is a job to be done in raising the skills of both the state's older workers and its younger workers and ensuring they have access to continuing workforce education in the future.

The Alabama College System has the potential to serve all the state's regions and people with programs that lead to baccalaureate degrees or high-wage jobs. It has the potential to meet the technology and workforce development needs of business. But the current college system is not organized to be the flexible, responsive, and entrepreneurial educational intermediary needed at the local level to meet the demand for workforce and technology development. To achieve global workforce and economic competitiveness, it is imperative that Alabama have a college system that provides state-of-the-art education to its workforce and needed technology to its industry.
I. THE CASE FOR CHANGE

Alabama has the resources and location to prosper in the global economy in the new millennium. We have world-class health care facilities in Birmingham, which attract national and international corporate interest. Alabama has the world’s attention as a prime development site with the location of the Boeing rocket motor plant in Decatur and the Mercedes-Benz plant in Tuscaloosa County. The state is strategically positioned to exploit the international markets in Central and South America that lie below Mobile. Senator Glenn’s flight renews interest in Huntsville’s Space Museum and its high-tech economy. We have 17 universities and 30 two-year postsecondary institutions to educate and train our people.

But while we are on the threshold of exploiting the global economy, we are also at risk of taking two steps back even as we move ahead. How is this true? Because Alabama’s workforce is not prepared to compete in the global economy, and we are not organized to fix the problem. We have made progress in readying Alabama workers for Boeing, Mercedes and dozens of other companies but overall, the increasing demand for smarter, better-skilled workers is outdistancing our capacity to meet it. And as we move beyond 2000, the gap will widen and deepen.

Alabama’s Economy and Its Workforce

Between 1990 and 2020, Alabama’s workforce will turn significantly grayer. In 1990 the largest age group of workers was between the ages of 20 and 45 – they made up roughly 65% to 70% of the workforce. By 2000, however, the largest group will be workers between 35 and 55, and by 2020, the largest 10-year group will be workers between 55 and 65 years old. As we move into the next century, Alabama, with fewer younger and better-educated workers entering the workforce, will depend more and more on older workers who did not acquire and still do not have the education and training they will need to compete in the modern workplace. In November 1996, Financial World, a publication read by chief corporate financial officers, rated Alabama #46 of the 50 states in terms of having an educated labor supply. In large part that is the Alabama workforce on which we will depend as we enter the new millennium.

Alabama’s economic development – and that of much of the South – was inadequate when the state touted its cheap land and labor as its primary assets for development. “Thank God for Mississippi” was too often both a cry of relief and a measure of the state’s rank among its sister states. With the advent of smart workers and new technologies as the principal factors in development, Alabama’s future economic development is in jeopardy. As the following chart illustrates, with the lone exception of Mississippi, Alabama has fewer jobs per hundred people than other Southern states with which it competes. The gap with most seems to be widening, while the one with Mississippi is narrowing.
Alabama's lag in jobs per capita reflected above is a consequence of broad social and economic conditions, as well as the state's educational shortcomings. High dropout and illiteracy rates have a negative ripple effect in the workplace and contribute to a high poverty rate. They are conditions that both limit development of high-tech industry and prevent much of the workforce from involvement in employment opportunities of the future. And the problem will grow worse if, as anticipated, increased standards for a high school diploma result in increased failure rates.

Our workforce faces a discouraging future unless we commit ourselves to strong efforts to ensure that current workers get the literacy and skill training they need and that young people meet high standards and do not fail and that both have continuing opportunities for education and skill advancement. Recent national test results of math skills summarized in the following chart show students in Alabama's sister Southern states — again, save Mississippi — are outperforming Alabama's children by wide margins. Even as public school performance improves, the need for equipping undereducated adults increases. In this regard, Alabama is not ahead of Mississippi.
Some areas – such as the Tuscaloosa-to-Birmingham corridor and Decatur – are reversing these trends. And the good news is that if the state follows the recommendations in this report, it can change them for other areas, as well.

Implementation of the recommendations will eliminate the conditions that limit development of high-tech industry and block much of Alabama's workforce from high-skill, high-wage employment.

**Alabama's College System**

This report is about organizing our postsecondary education and training resources, emphasizing workforce development, increasing institutional efficiency and effectiveness, promoting access to high-skill jobs, and eliminating regional duplication. And it is about refining our college system so that it is regionally flexible and responsive in meeting the workforce and economic development needs of all the state's regions. It is not about basing decisions to increase or decrease college budgets on the availability of revenues; it is about finding out how much it costs to build a world-class workforce and how to eliminate costs that are irrelevant to that goal. The report is about educating according to the needs of students and employers and not according to the convenience of
the faculty and the traditional academic calendar. It is about ensuring that state-of-the-art equipment, technology, and faculty development and training are in place.

The state is a patchwork of regions of high and low unemployment and education attainment, often reflecting urban and rural demography. But Alabama lacks a comprehensive statewide workforce development plan. Alabama has no workforce development system capable of delivering education and training services that reach all regions, of meeting the training and education needs of all segments of its urban and rural population, or of responding flexibly to local business and industry and supporting regional economic development.

Although there are exceptional institutions and programs, in general the workforce education offered by the state's 30 two-year colleges is not regionally coordinated – in some instances it is duplicative and overlapping – and it is not adequately aligned with workplace needs. There is no structure in place to enable local employers and economic development agencies to collaborate with colleges on workforce and economic development.

The Alabama College System has the potential to serve all state regions and all segments of the population with accredited programs and workforce education that lead to associate and baccalaureate degrees or certificates and jobs in high-wage/high-demand occupations. It has the potential to be flexible and responsive in meeting the technology and workforce development needs of industry. But the current organizational framework is not providing colleges with the incentives or local leadership and support needed to pursue such an agenda. There is no system for rewarding institutions and programs that reach or exceed measurable goals.

If we are to achieve global workforce and economic competitiveness, it is imperative that Alabama have a two-year college system that provides state-of-the-art education to its workforce and access to state-of-the-art technology to its business and industry. To do so, the system must be regionally flexible, responsive, and connected to employers in meeting local workforce and economic development challenges.

Therefore, the Task Force for Effectiveness Planning in Postsecondary Education strongly recommends that a workforce and economic development system be built on three cornerstones:

1. That all units within the Alabama College System become either accredited comprehensive community colleges, branches of such colleges, or closed if they are unable to attain that status.

2. That regional community college coordination, planning, and oversight be established to relate workforce education and training to the local economies in each region.

3. That community colleges be named the presumptive deliverers of workforce training.
II. RECOMMENDATIONS

The Task Force for Effectiveness Planning proposes to the State Board of Education, the Governor, and the Legislature that they support enactment of the Alabama Workforce Development Act of 1999. The purpose of the Act will be to create the Alabama Community College System of accredited comprehensive community colleges and assure that the state will have an internationally competitive workforce driven by the mutual needs of employers and employees.

The Act will declare as fundamental state policy that "The Alabama Community College System has as its primary mission the preparation of a workforce that will compete internationally. The state's people and businesses will find ready partners in community colleges that enable entrepreneurs to flourish, employers to find qualified people, and workers to find high-wage jobs. Those who choose to pursue baccalaureate degrees will find that community colleges provide easy access to universities. Alabama communities will have a ready partner, broker, and catalyst for economic development."

The Task Force's recommendations will require significant changes in the structure and governance of the community college system. Combined, however, they will enhance the ability of the system to:

- Increase access to high-quality/high-skill training.
- Strengthen the capacity of and collaboration among existing institutions.
- Deliver workforce development services to local labor markets.
- Increase operational cost-effectiveness and efficiency.

We urge the establishment of a community college system that reports to the State Board of Education – but a system that is decentralized so that programs can be tailored to the needs of the local labor market and the priorities of regional economic development.

Over a five-year transition period, we recommend that:

1. The State Board of Education develop and execute a plan whereby every postsecondary two-year institution will become either an accredited comprehensive community college or a branch of such a college, or closed if unable to attain that status.

2. The State Board of Education organize community colleges under eight community college regions. This decentralization is designed to enhance the cost-effectiveness, capacity, flexibility, and responsiveness of the system in providing workforce and technical training, academic transfer, prison education, and adult literacy instruction.

   a. Eight regions are recommended as the optimal number to promote collaboration among regional institutions and relate college resources to local communities and employers. The division of 30 institutions among the eight regions will create regional clusters of three to five institutions to collaborate on regional workforce
and economic development and share instructional staff and technology.

3. The State Board of Education establish regional workforce development boards to provide for regional planning and oversight of community college technical training resources and to create a direct link with local workforce and economic development requirements. Regional boards would report to the State Board of Education. A majority of the members on each regional board should represent large and small employers in the region. A State Board of Education member should serve on each regional board. In recognition of its senior college status and differing purposes, it is also recommended that Athens State University be granted autonomy.

a. Each regional community college board would have staff to assist it in carrying out its responsibilities. The Chancellor should develop a plan, to be approved by the State Board of Education, for the Department of Postsecondary Education to provide staff for both state and regional offices.

b. A regional board will ensure that program offerings and curricula are tailored to the needs of its region's economy.

c. Regional boards will recommend to the State Board which institutions should be accredited as comprehensive community colleges, which should become branch campuses, and which, if any, should be closed based on the education, workforce, and economic development needs of a region.

4. The State Board of Education work with regional boards to ensure that workforce training is focused on statewide priorities and at the same time is responsive to local employer needs.

a. Technical education that leads to high-wage employment will be the major focal point of community college workforce training.

b. Community colleges are designated as the presumptive deliverer of workforce training. The State Board of Education should establish a system of regional, campus-based one-stop workforce development centers to coordinate the delivery of state workforce development resources. The State Board of Education would contract to locate an employment service office on each community college campus.

c. The State Board of Education should contract with the Alabama Labor Market Information Service to provide occupational demand data to ensure that curricula and programs constantly relate to state economic development policies and local labor markets.

5. The Alabama Community College System be governed by the State Board of Education, and dual oversight by the Alabama Commission on Higher Education be removed in order to assure the primacy of the workforce mission and its flexibility as
well as to eliminate barriers to accreditation.

6. A competent plan for organizing, delivering, and assessing the quality of literacy training be established and executed by the State Board of Education. The emphasis of such training shall be on acquiring the academic skills essential to employment, to skill training for employment, or academic skills needed for higher education. To accomplish this, community colleges should provide adult basic education, literacy instruction, and remediation whether at the workplace, on the college campus, on the university campus for university students, or in a local school or library or community center.

7. The State Board of Education, in consultation with regional boards, establish and oversee workforce development programs. Budget formulae should be designed to respond to state and regional workforce and economic development needs and to ensure the college system has state-of-the-art equipment, technology, and faculty development and training. A workforce development budget should be prepared in addition to a budget for academic transfer programs.

a. The State Board of Education should approve a workforce development budget request each year based on the recommendations of regional workforce development boards.

b. The workforce budget would cover all technical, occupational, adult basic education, and GED programs offered by community colleges. Institutions will receive workforce development funding that reflects program size and the cost differences involved in delivering each of these four types of programs.

c. A workforce development incentive fund should be created to encourage completions in fields that are determined by occupational forecasting to be in high demand and produce high-wage jobs. Institutions should earn incentive funds based on training completions, training-related job placement, and job retention in high-demand, high-wage occupational fields. Incentive funds should be used to make investments that permit the delivery of high-quality education and training programs in such fields.

8. The State Board institute contracting and abolish tenure for all new hires under the workforce budget to establish the flexibility required of the community college system to respond to a dynamic economy. Current employees should keep their tenure.

9. Alabama build upon its pioneering effort, the Alabama Technology Network, a collaborative of two research universities, the University of Alabama centers in Huntsville and Tuscaloosa and Auburn University, and seven community colleges. The capacity of the Centers for Excellence should be strengthened and expanded to
transfer state-of-the-art technical knowledge from research universities nationally and other laboratories to business and industry throughout the state.

10. The State Board of Education ensure the development and execution of a plan that will connect the community colleges in each community college region to one another and to a statewide network of educational institutions through interactive video and data networks to reduce course duplication and costs while expanding access to high-quality programs. As a part of this plan, a distance learning and faculty network would be established to enable colleges to share courses and faculty and offer specialized instruction across institutions, including technical programs that would otherwise be too expensive for individual colleges to offer due to low student volume.
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