

**PLANNING, POLICY AND GOVERNMENT AFFAIRS**  
**FEBRUARY 26, 2014**

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**SUBJECT**

Idaho Business for Education (IBE) report on 2013 survey of education needs of Idaho's workforce.

**REFERENCE**

August 2010	Board established an attainment goal that 60% of Idaho's 25-34 year olds will have a postsecondary degree or certificate by 2020.
June 2012	Board reviewed and approved the Complete College Idaho Plan and recommendations on certificate and degree production necessary to support the 60% goal.
February 2013	Board reviewed the progress of the initiatives of the Complete College Idaho Plan.
May 2013	Board initiated a program prioritization process for the four-year higher education institutions.
December 2013	Board requested the IBE present their survey findings at the February 2014 Board meeting.

**BACKGROUND/DISCUSSION**

From May to September 2013, IBE conducted a survey of business leaders across the state to gather information on the education level and background needed to meet their workforce needs. There were 466 respondents to this survey, with most respondents at the senior executive level.

After compiling initial data, IBE presented their findings to the Presidents' Council in December 2013. The data was further refined and formed the basis for a presentation and panel discussion with IBE representatives and the presidents of the four-year institutions at the State Board of Education's legislative luncheon on February 3, 2014.

**IMPACT**

The Board's certificate and degree production targets are important in assisting the Board and Idaho's public postsecondary institutions to be not only responsive to current workforce needs but also supportive of the state's overall direction in building a more knowledge-based economy with higher-skill, higher-wage job opportunities for Idaho citizens.

The IBE survey results reaffirm the Board's 60 percent goal and align with the most recent Georgetown University Center on Education and the Workforce research showing that by 2020, 67 percent of the jobs in Idaho will require some kind of postsecondary degree or credential.

**ATTACHMENTS**

Attachment 1 – IBE Presentation

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**STAFF COMMENTS AND RECOMMENDATIONS**

IBE President Rod Gramer will present the finding of the group's survey of Idaho business leaders and participate in a discussion with the Board and institution presidents regarding the survey results and implications.

Discussion topics include how to ensure the existing higher education system is being used effectively; how to create support and the additional infrastructure necessary to support the state's education needs; and how to work with industry to ensure graduates from Idaho's higher education institutions have meaningful career opportunities in Idaho thus addressing the outmigration of educated citizens.

The results of IBE's survey provide another piece of data for the Board and the institutions to consider as they evaluate programs and gauge progress toward the 60 percent completion goal and other benchmarks contained in the Board's strategic plan. This data will be useful as the Board's staff continue to gather and analyze information from the postsecondary and labor statewide longitudinal data system.

Following the discussion regarding the data provided by IBE Board staff will lead the Board through a discussion regarding the production of science, technology, engineering and math (STEM) degrees, the workforce needs and challenges faced in encouraging students to stay and work in Idaho. The work session will conclude with next steps for addressing the perceived gap between workforce needs and the certificates and degree that are being produced.

**BOARD ACTION**

This item is for informational purposes only. Any action will be at the Board's discretion.

## WHY BUSINESS CARES?

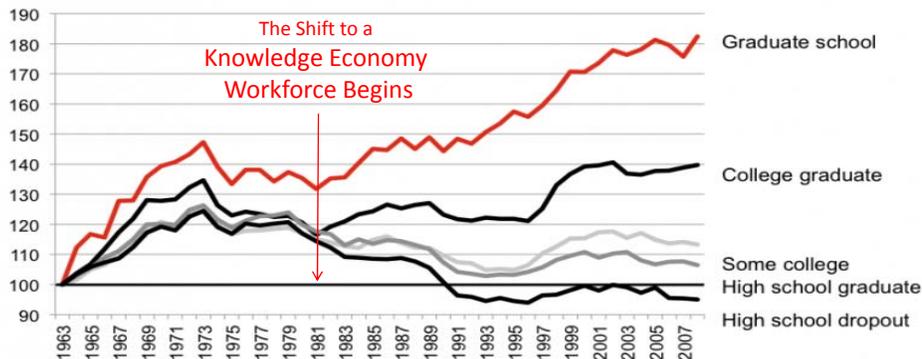


- A skilled workforce is the lifeblood of Idaho business
- Our economy cannot grow without an educated workforce

## WHY EDUCATION MATTERS

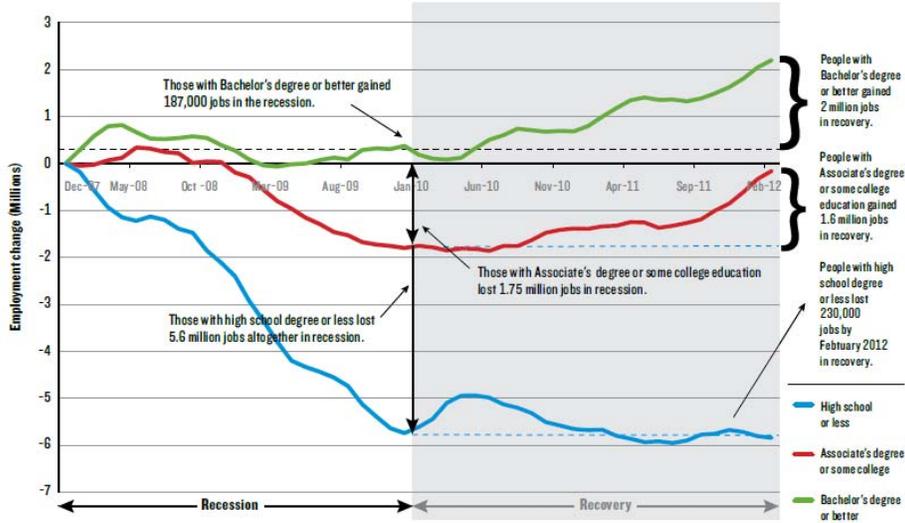


Changes in wages for full-time, full-year male U.S. workers  
1963-2008



Source: Acemoglu and Autor (MIT), *Skills, Tasks and Technologies: Implications for Employment and Earnings* (2010).

# EDUCATION = JOBS



## THE IBE SURVEY



- Conducted May to September 2013
- 466 Respondents
- Most respondents senior executives

## THE BOTTOM LINE



- **61 percent** of jobs by 2018 will require post-secondary credentials
- This supports Idaho's goal of having 60 percent of 25-34 year olds hold a post-secondary credential by 2020

## EDUCATION LEVEL REQUIRED BY 2018



- No High School – 2.5 percent
- High School/GED – 19.3 percent
- Vocational Training – 10.3 percent
- Some college, no degree – 6.6 percent
- Certificates – 6.7 percent
- Associate Degrees – 12 percent
- **Bachelor's Degree – 29.7 percent**
- Advanced Degree – 12.9 percent

## “The Type of Degree Matters!”

### THE TOP 5 DEGREES IN GREATEST DEMAND



- Computer Science/technology
- Business and economics
- Engineering
- Health Science
- Communications

## THE PROBLEM

- Only **35** percent have a post-secondary credential



*2012 U.S. Census Bureau report*

# WORKFORCE GAP

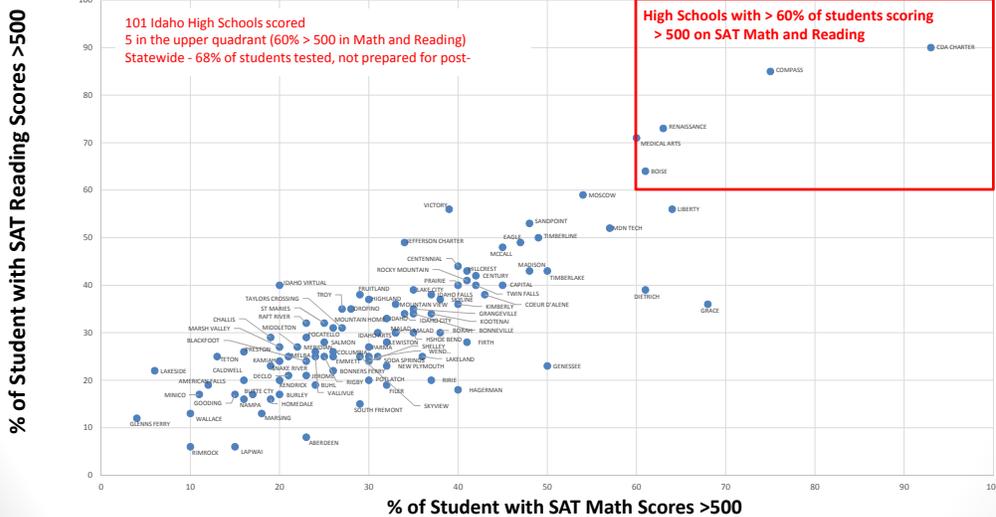


- **26 percent gap** between the educated workforce we have and the one we need to fill jobs by 2018
- Result:
  - **High wage jobs are unfilled & business' leave the state in pursuit of workers**
  - **Low wage jobs are over-supplied, and thus Idahoan wages stagnate and fall further behind**

# COLLEGE READY GAP



SAT Scores - % above 500 Cut line



## THE ECONOMIC FALLOUT



- Without educated workers businesses cannot grow
- Existing businesses may leave
- Difficulty recruiting companies
- Economy will stagnant or contract

## WHAT WE NEED



- Tackle problem with urgency
- Get more H.S. graduates to go on
- Reduce costly remediation
- Get more students to graduate

## WHAT IDAHO THINKS



- 60 Percent of Idahoans don't think we are doing enough for education
- Most think education is state's highest priority
- Nearly 90 percent say Idaho's economy will suffer if we don't do something to improve education

*2013 Albertsons Foundation survey*

## KEY TAKE AWAYS



- Idaho's 60 percent goal is valid – MAYBE LOW
- Most jobs by 2018 will require more education
- Bachelor's Degrees will be in the greatest demand
- All post-secondary credentials are important
- Employers want workers with so-called soft skills
- High school grads can fill 19 percent of jobs
- Those with no H.S. degree will face dim future

# RECOMMENDATIONS



- Support the Idaho Core Standards
- Implement all Governor's Task Force recommendations
- Do "gap analysis" of future jobs and post-secondary credentials
- Strengthen efforts to help H.S. students prepare for post-secondary education and careers
- Get more students to successfully obtain their credentials

# QUESTIONS ?

