

The Equity and Talent Imperatives

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Good morning, everyone ... and welcome to Day Two of State Policy Academy. I'm Jamie Merisotis, president and CEO of Lumina Foundation, and I want to thank you all for joining us here in Chicago. It is wonderful to see so many familiar faces and reconnect with you and your good work in Michigan, Minnesota, Ohio, Virginia and Vermont. We commend you for taking the time to address your states' equity gaps, especially during a busy legislative season in most of your states,

As you no doubt learned during Day One, we designed this academy to be an active event with time for your state teams to roll up your sleeves and put principles into practice as you develop state plans. This is a practical exercise for *you*, not a forum for speakers like me. And so I promise not to talk at you for too long this morning.

Still, I do want to say a few words that I hope will frame and give context to this event ... to explain Lumina's purpose in bringing us together over these two days. In one way, the purpose is obvious, and it is shared by all of you. You're all here to promote equity in

postsecondary attainment in your state. You're looking for ways to close the attainment gaps that swallow far too many of your residents and thus imperil your state's social and economic future.

I've spent much of my career focused on closing equity gaps and increasing college attainment. My background in public policy and higher education—prior to my now nearly decade-long tenure in philanthropy—has given me a deep appreciation for both the opportunities and challenges that present themselves in achieving these outcomes. From my work in states around the nation, to the public policy advising I've done at the federal level and at the national level in several other countries, from southern Africa to the former Soviet Union, I appreciate what's at stake. It's about individual well-being and collective success.

So closing equity gaps and increasing college attainment — that's what we're all here to do. My main role this morning is to focus on the why ... to explain the importance of this effort — not just to Lumina, but to the nation as a whole.

Let's start with the Lumina perspective. Anyone who's at all familiar with the Foundation knows that our sole mission is to increase postsecondary success. You also know that we serve that mission in a very focused way. Everything we do, we do in pursuit of one specific goal: Goal 2025. You've all heard it by now. **By the year 2025, we**

want 60 percent of Americans to hold a college degree, certificate or other high-quality postsecondary credential.

For us, the Goal 2025 effort isn't just a good cause. It's a national imperative. Reaching that goal is the surest way — practically speaking, the only way — for this nation, and your state, to meet its urgent and growing need for talent.

Simply put, our nation needs far more college-educated citizens than are now being produced. Experts agree that some measure of postsecondary education will be necessary for anyone who hopes to maintain a middle-class lifestyle in the coming decades. In fact, labor economists predict that, even before this decade ends, roughly two-thirds of all jobs will require some type of college-level learning. Right now, only 40 percent of working-age Americans hold even an associate degree. Perhaps another 5 percent have earned a postsecondary certificate of significant economic value. Even at 45 percent, though, the talent gap is clear. And the gap within that gap is even clearer. Not only are we producing too few graduates overall, the shortfall is glaringly obvious among underserved students — the first-generation, low-income, and minority students who collectively represent the country's fastest-growing populations.

We all know that our higher education system has historically done a poor job of ensuring the success of these students. Just look at the

numbers. According to the most recent Census figures (2013), 44.5% of white Americans between the ages of 25 and 64 have earned at least an associate degree. Among African Americans in that age group, the rate is 28.1 percent. Among Native Americans, it's less than 24 percent. And in our growing Latino population, the degree attainment rate is just 20.3 percent — only one in five working-age Latinos has even an associate degree.

For the most part, the inequities that play out at the national level are also evident in your states. Just look at the data in the policy briefs that are included in your conference materials. These briefs, extracted from the latest issue of Lumina's *Stronger Nation through Higher Education* report, show significant gaps in attainment linked to race and ethnicity.

Just on their own, these disparities are troublesome. We know intuitively — viscerally — that they're just plain wrong and need to be set right. But when you look at trends in population growth, it's clear that closing these attainment gaps is a practical necessity as well as an ethical one. It's not hyperbole to say that our shared future depends on the postsecondary success of students from all racial and ethnic groups, countries of origin, and socioeconomic groups. In other words, the equity imperative and the talent imperative are inextricably linked ... an interlocking puzzle that **must** be solved if we are to succeed.

And in the long run, for that puzzle to really be solved, the nation's postsecondary system needs to undergo fundamental change. That's because the current system is simply not equipped to properly serve the vast numbers of additional students needed to meet the nation's growing demand for talent. We can't reach that critical 60 percent goal by taking the same well-worn path. We need new routes, new ideas, new approaches ... because we need to serve much larger numbers of students, and we need to serve them better than ever before.

In short, we need a revamped higher education system ... an integrated, fully linked system for developing human capital — for creating talent. This redesigned system must be flexible, affordable, and relentlessly focused on quality. Put simply, it must be a *student-centered* system, one that's designed, not to serve institutional traditions, but to meet the needs of students — *all types of students*. The ultimate aim is to build a system that is based on learning, and not time spent in class or on campus. The new system will be defined by clear, well-defined paths to high-quality credentials for a vast and growing number of students with a wide range of needs for upskilling and reskilling to be productive, sought-after and valued in the new American economy.

And, my friends, you are key players in that redesign effort. Because if we are to build a student-centered system, we need to start at ground level. We need to find better ways to serve real students, millions of

whom face real struggles as they strive for college success. There's no top-down method for this redesign process, no one-size-fits-all way to close those equity gaps. Each state — really, the various cities, regions and locales within each state — must craft their own solutions, tailored to fit their own specific needs and circumstances. Ultimately, then, you can make a huge difference simply by working to assist the students in your state whose needs are greatest. Your individual efforts, made consistently over time, can add up to the big changes we need.

The states are “ground zero” for this vital work, and we are very grateful to you for your commitment to doing it so well. Our role here at Lumina is to help you in every way we can to make that work successful. And that's what this State Policy Academy is designed to do — to provide support, tools and expertise that can help you in this vital effort.

I know you're eager to begin that work in earnest, and I know my colleagues share your eagerness. Before we tackle today's agenda, however, I'm happy to take a few questions...

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