



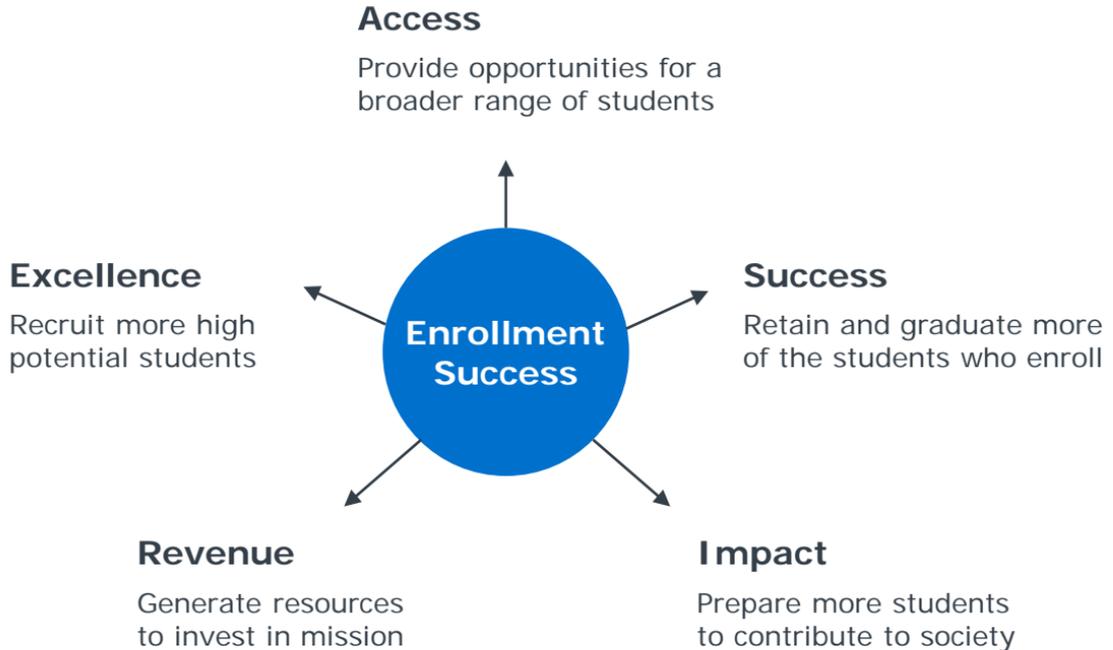
# The Changing Enrollment Landscape

Implications for UMBC



# Why Enrollment Matters

Everyone on Campus Has a Stake in Enrollment Success



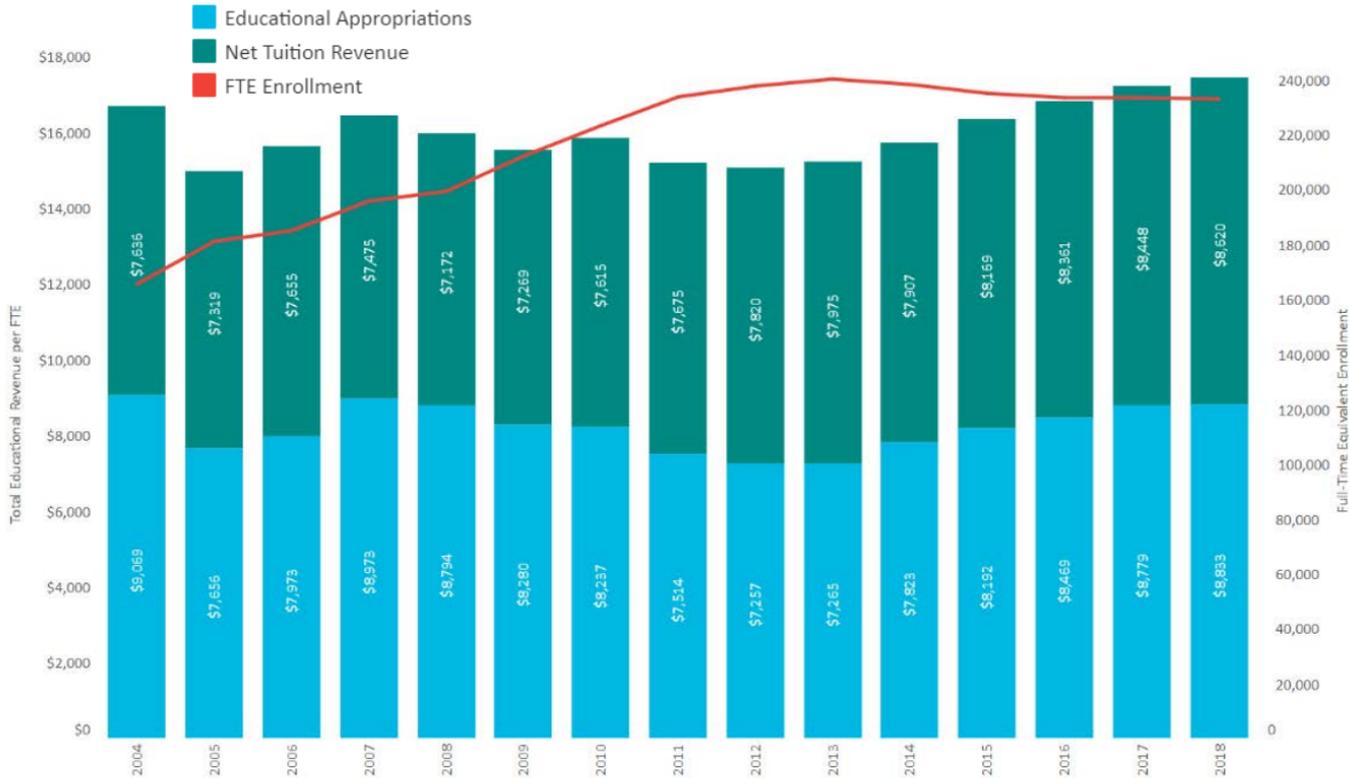


# The Enrollment Challenge

- The **number of traditional undergraduate students is declining**, leading to intensifying competition among public and private institutions
- **State funding is not keeping up** with the rising costs of education, making public universities more dependent on student tuition and driving up student debt
- Incoming undergraduates (Generation Z) have **different needs and preferences** than previous generations, forcing universities to adjust recruiting, student support services, academic programming, and pedagogy
- Students are increasingly **focused on career outcomes** and relevant experiences. They want to see a clear “return on investment” for the high price of education
- As revenues from undergraduates have flattened, many universities have aggressively grown programs for working adults, especially **professional masters and certificate programs**, often delivered in online or hybrid formats
- **Doctoral education and faculty scholarship** are fundamental to the mission of a research university, but they must be subsidized by other revenue generating activities (typically growth in tuition revenue)

# State Funding Flat as Tuition Revenue Rises

State Funding vs. Tuition per Student FTE in Maryland, 2004-2018



# Different Student Populations, Different Needs



## Understanding the Opportunities and Challenges in Serving Each Group

### Direct from High School

#### *Challenges*

- Demographic “cliff” in 2026
- Intensifying competition esp. for high income, high ability

#### *Opportunities*

- Serving students with diverse backgrounds

### Community College Transfers

#### *Challenges*

- Declining community college enrollments
- Affordability concerns

#### *Opportunities*

- Improving credit articulation and advising

### International Undergraduates

#### *Challenges*

- U.S. immigration policies
- Foreign government scholarship funding

#### *Opportunities*

- Better career counseling

### Adult Degree Completers

#### *Challenges*

- Credit articulation
- Low persistence in online programs

#### *Opportunities*

- Prior learning assessment and competency-based education

### Professional Masters/ Certificates

#### *Challenges*

- Intensely competitive
- Rapid program innovation and launch

#### *Opportunities*

- Niche programs focused on regional employer needs

### Research Graduate Students

#### *Challenges*

- Require large institutional subsidies
- Competitive federal funding

#### *Opportunities*

- Cross-disciplinary, grand challenge projects

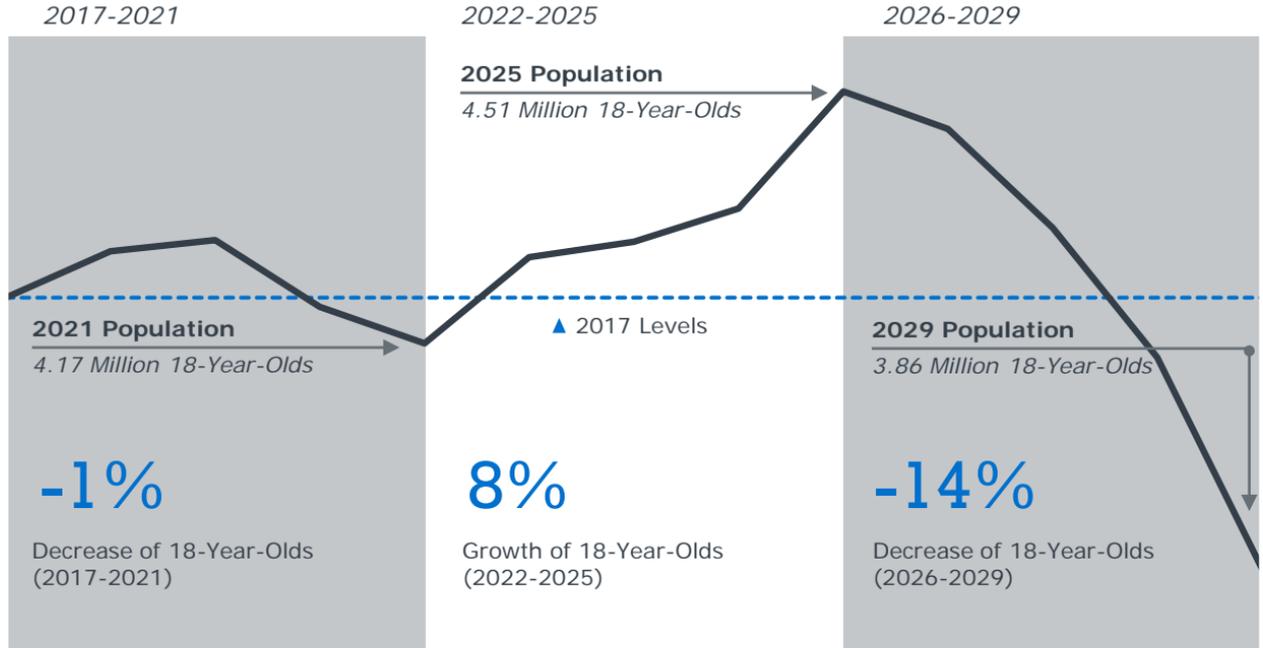
# The Coming Demographic Cliff

Population of 18-Year-Olds to Contract Sharply After 2025

Modest Decrease...

...Followed by Growth Spike...

...Met with A Sharp Decline



# Do We Have Too Many Colleges?

Some Regions Will See Thousands Fewer Students over the Next Decade



## New England

**4,000** fewer students each year



## Mid-Atlantic

**7,000** fewer students each year



## Midwest

**16,000** fewer students each year

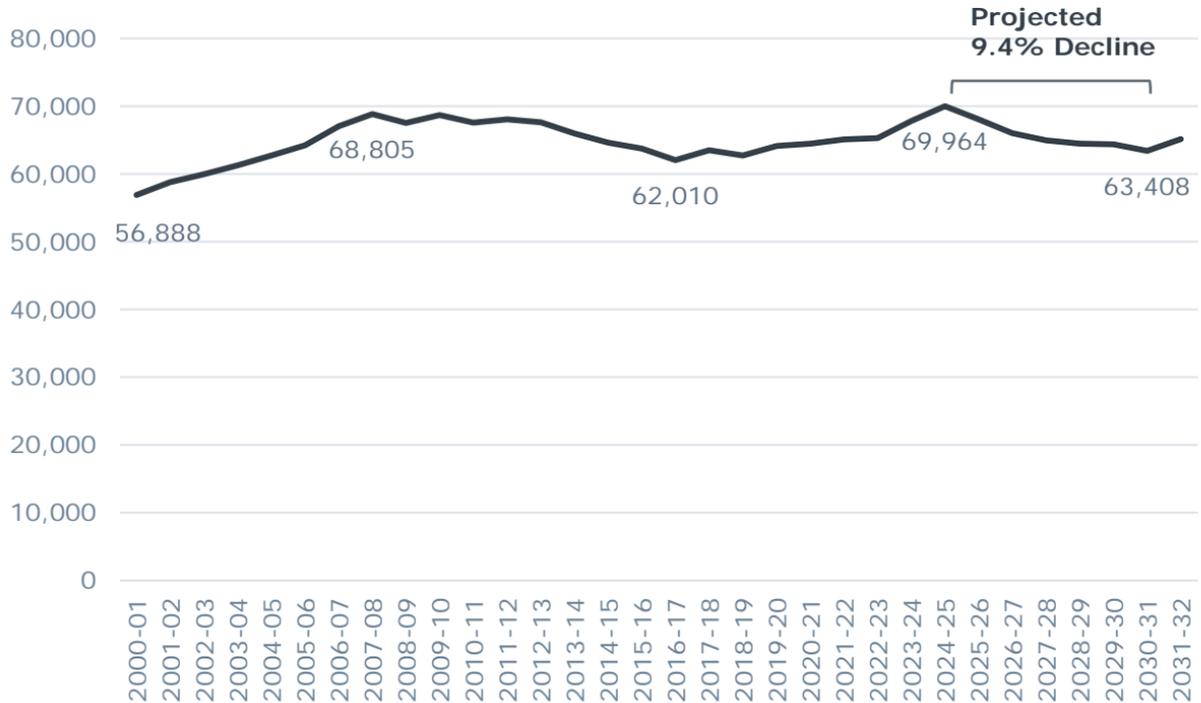
This is the equivalent of

**27** mid-sized colleges  
1,000 incoming students each



# A Less Steep Decline Projected for Maryland

## Actual and Projected High School Graduates in Maryland



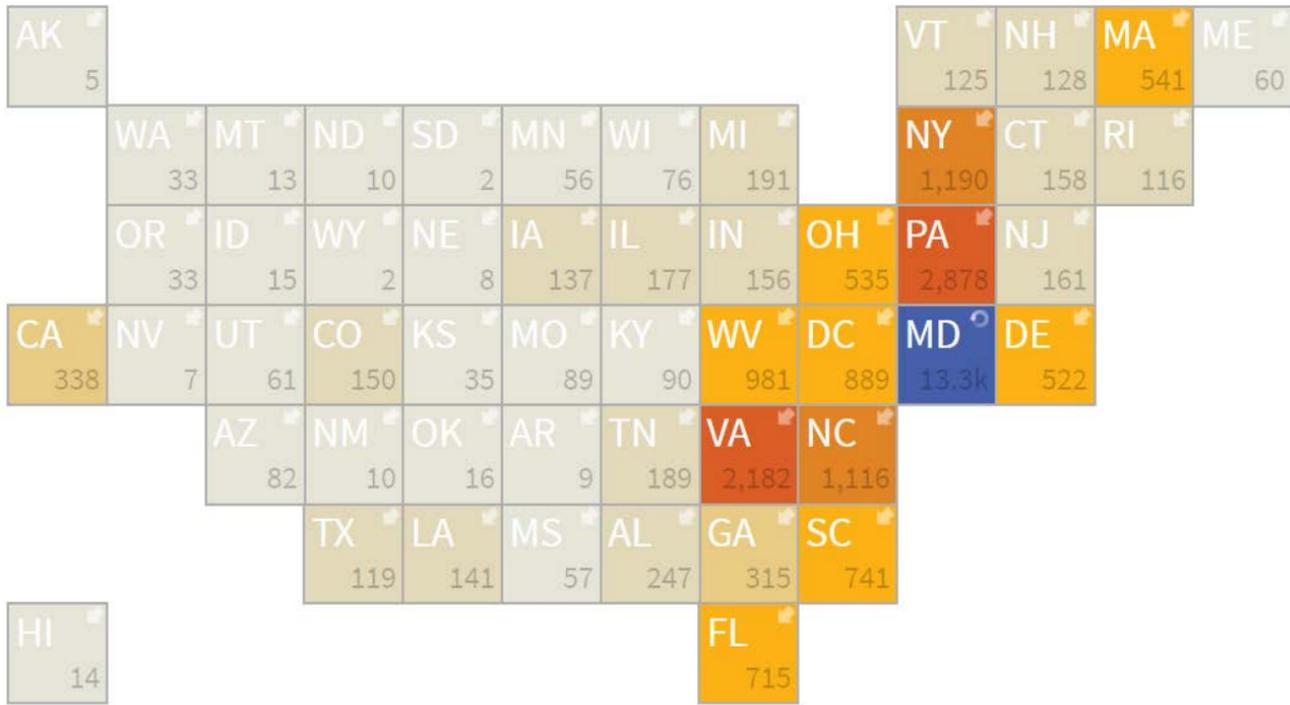


# More MD High School Grads Leave the State than Stay <sup>9</sup>

## Destinations for College Bound High School Graduates from Maryland, 2014

In-state: 13,323 Out-of-state: 15,921

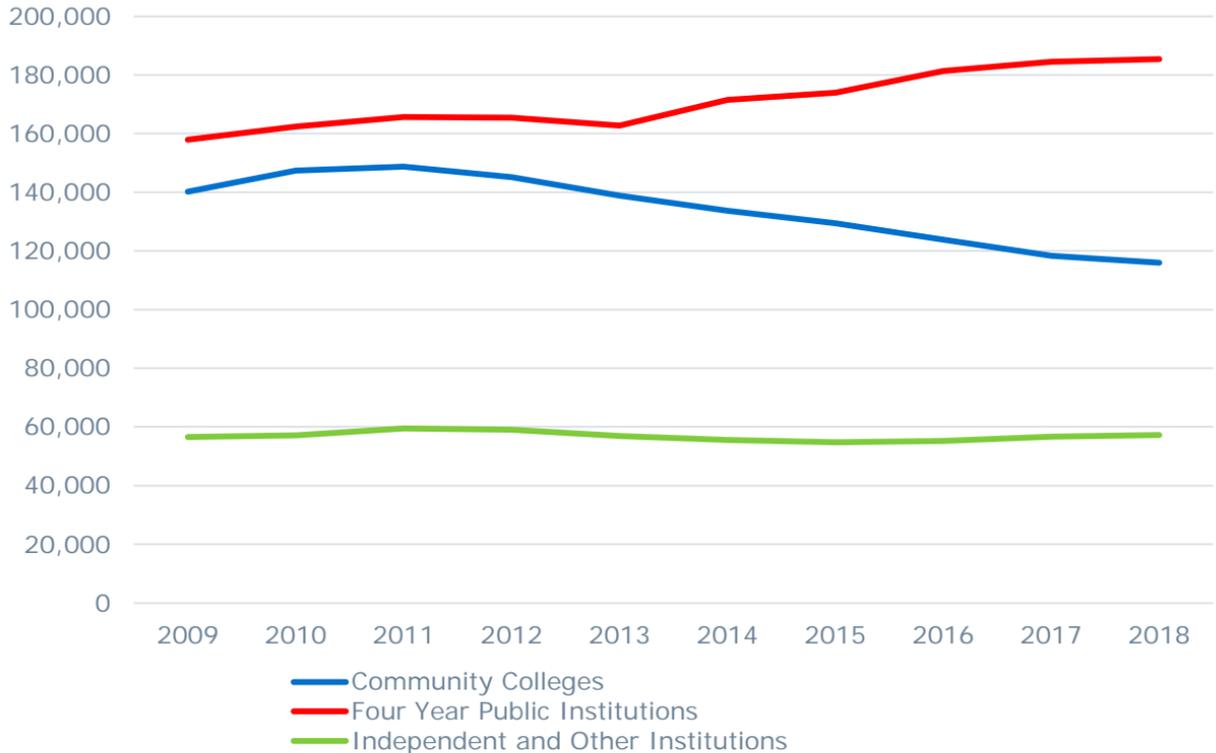
■ HOME STATE ■ 0 STUDENTS ■ 1-100 ■ 101-250 ■ 251-500 ■ 501-1,000 ■ 1,001-2,000 ■ 2,001+



Source: [https://www.chronicle.com/interactives/where-does-your-freshman-class-come-from#id=ostate\\_24](https://www.chronicle.com/interactives/where-does-your-freshman-class-come-from#id=ostate_24)

# MD Universities Growing While Colleges Shrink

## Enrollment at Maryland Colleges and Universities by Segment



# Pressure on Regional Publics From All Sides

## Community Colleges

For price sensitive families, we are often losing to CCs on price and practicality

## State Flagships

Selective publics are capitalizing on the flight to "affordable quality"

*"I know many students in our region plan to transfer to us after two years, but so few ultimately do."*

*"Our flagship has expanded its recruiting and affordability efforts, targeting our high flyers."*

## Workforce Entry

Debt concerns combined with a focus on trade and vocational programs attract price sensitive students

*"How can I make the case to a 17 year old that he should leave the workforce for several years, only to graduate with a mountain of debt?"*

## Private Institutions

Aggressive marketing campaigns focused on outcomes and a personalized experience

*"Our local private competitor shows prospective families our graduation rates side by side...we can't compete."*

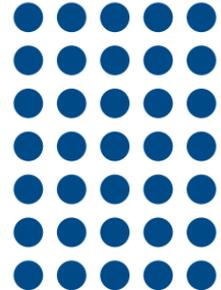


**Regional Public Institutions**

# The Stark Realities of Student Outcomes

A True Perspective on Outcomes Demands a New Set of Success Metrics

For Every **100 Students** Who Start a Bachelor's Degree...

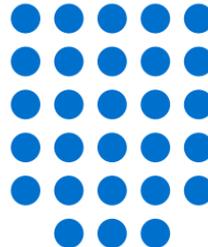
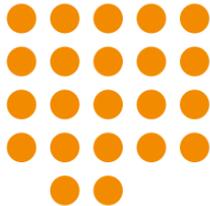


**22** Drop out of college

**12** Still enrolled after six years

**3** Earn an associate's

**28** Graduate but are underemployed



**35** Graduate and are working a job requiring a BA by age 27

Our new student success mandate:

Graduate more students...

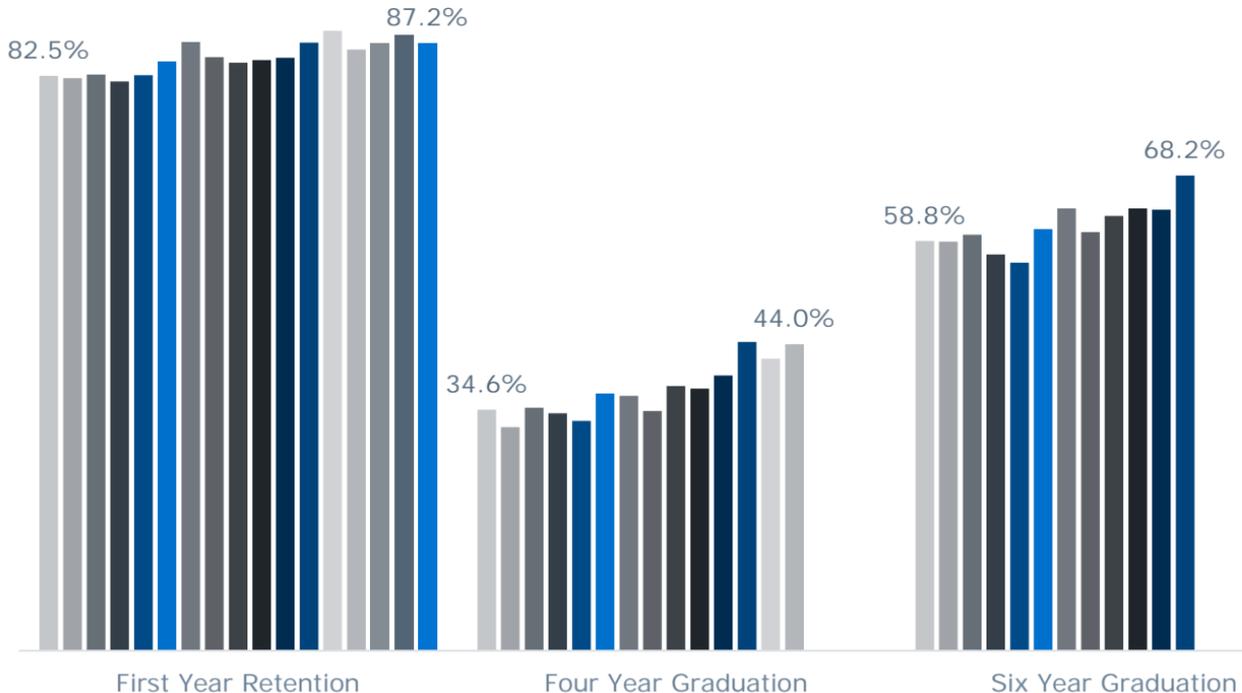
...in less time, at lower cost...

...with better post-grad outcomes...

...to deliver a better **Return on Education**

# Improvements in Retention and Graduation

Key Student Success Metrics at UMBC, Fall Cohorts 2001-2017



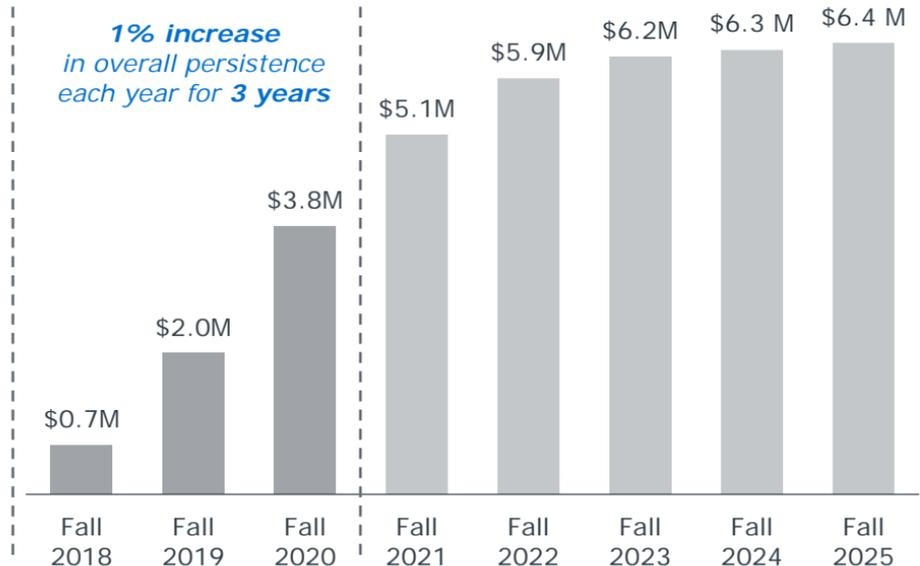
# Student Success as an Enrollment Driver

## Financial Impact of a Retention Improvement

### Projected Net Revenue Above Baseline

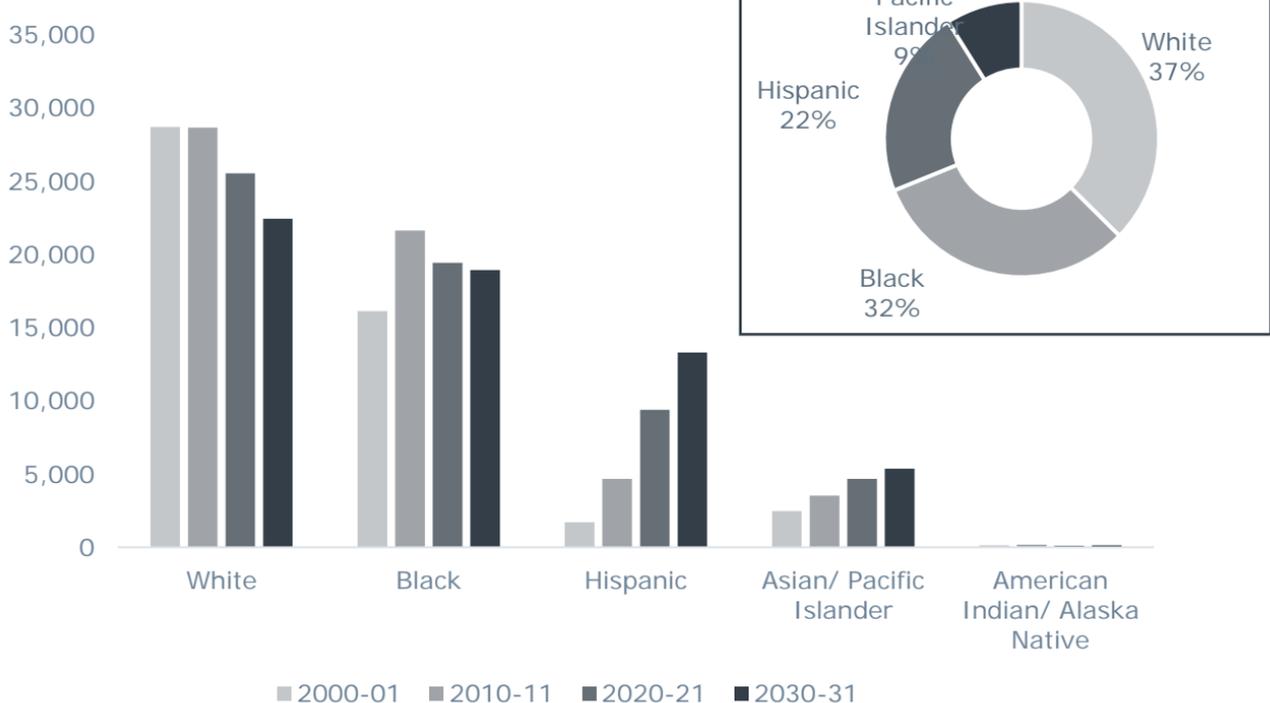


- **10,000** student public institution
- **\$12,000** net revenue per student



# Maryland High Schools Will Continue to Diversify

## Race and Ethnicity of Maryland High School Graduates



# The Evolution of a More Discerning Customer

## Key Life Events Shape the Gen Z Mindset

### Paradigm Shift in Information Access



Gen Z have always had information at their fingertips and now expect transparency in all interactions

49%

want brands to make it easy for them to find what they want quickly

### Great Recession & Financial Crises



Gen Z watched savings shrink and markets crash during their formative years, making them more pragmatic and cautious

79%

of students say cost is a factor in college choice

### A New Way of Shopping



Gen Z is looking for a good deal. They are used to comparing prices across products, and not sacrificing quality for cost

43%

compare prices when making a purchase decision

### Weight of Student Debt on Millennials



Millennials have more student debt than previous generations and their struggles to pay have received a lot of media coverage

69%

of Gen Z is "seriously concerned" about taking on student loan debt

# (Perceived) Value More Important Than Price

Proliferation of Rankings and Search Tools Based on Career Outcomes

New Resources to Measure ROI Emerge Post-Recession

**2010**



College salary and ROI reports

**BUSINESS INSIDER**

Survey asks which schools best prepare for postgrad success

**2012**



State-level salary data for VA, AR; later expanded to CO, FL, TN, TX

**2013**



Alumni giving as indicator of outcomes, ROI



20% of ranking based on earnings

**2014**



Placement rate at top companies in hot industries



One-third of rankings by career outcomes

**2015**



Value added vs. predicted salary



Colleges' value added based on Scorecard data



Increased weight for outcomes in rankings formula

## College Scorecard Now Front and Center in Online Search

Georgia State Undergraduate Admissions  
 website requirements • Georgia State University •  
 helps to collect SAT or ACT scores. Please refer to the state  
 accepted GSI students.

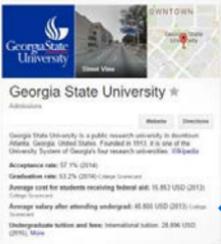
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 1000. In public university. In the faculty. • Great!  
 helps with admission. Early Action.

admission Chances, SAT and ACT Scores ...  
 georgia state university admission: •  
 "It" • What are the SAT and ACT requirements for students to  
 apply and what score do you need to get in? • 47 percent of  
 applicants are accepted.

admissions • Niche  
 state university admissions: •  
 including tips from current students on • if it's not within  
 the school's area.

applicants: 8,440  
 acceptance rate: 37%.

rich  
 university



Georgia State University

Georgia State University is a public research university in downtown Atlanta, Georgia, United States. Founded in 1913, it is one of the University System of Georgia's four research universities. [View page](#)

Acceptance rate: 37.1% (2014)

Graduation rate: 53.2% (2014) (Lower than most)

Average cost for students receiving federal aid: \$5,963 USD (2013) (Lower than most)

Average salary after attending undergraduate: \$5,888 USD (2013) (Lower than most)

Undergraduate tuition and fees: international tuition: 28,896 USD (2013), state




**College Scorecard**

Median earnings 10 years out; Percent students earning > \$25K

Source: [http://www.collegemeasures.org/4-year\\_colleges/college-performance-rank/](http://www.collegemeasures.org/4-year_colleges/college-performance-rank/).

# A Spectrum of Approaches to Online Education

Approaches Vary by Institution and by Student Type

|                                  | Online at the Margins                | Growing Online Presence                           | Mature Online Programs   | Born Digital Institutions                  |
|----------------------------------|--------------------------------------|---|--|--|
| <b>Proportion Online</b>         | <5%                                  | → 5-10%   | → 10-30%   | → 80-100%                                  |
| <b>Residential Undergraduate</b> | Limited Summer Courses               | Bottleneck Gen Ed Courses Online                  | Gen Ed Core Online<br>Self-Paced Courses                       | Fully Online Baccalaureate Degrees         |
| <b>Graduate and Professional</b> | Blended Master's Programs            | Few Online Master's Programs<br>Regional Audience | Multiple Online Master's Programs<br>National Audience         | Dozens of Degree and Certificate Offerings |
| <b>Adult Degree Completion</b>   | Converted Night School / ESL Courses | Small General Studies Degree                      | Multiple Completion Programs Tailored to Local Workforce Needs | Competency-Based, Modular Programs         |



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