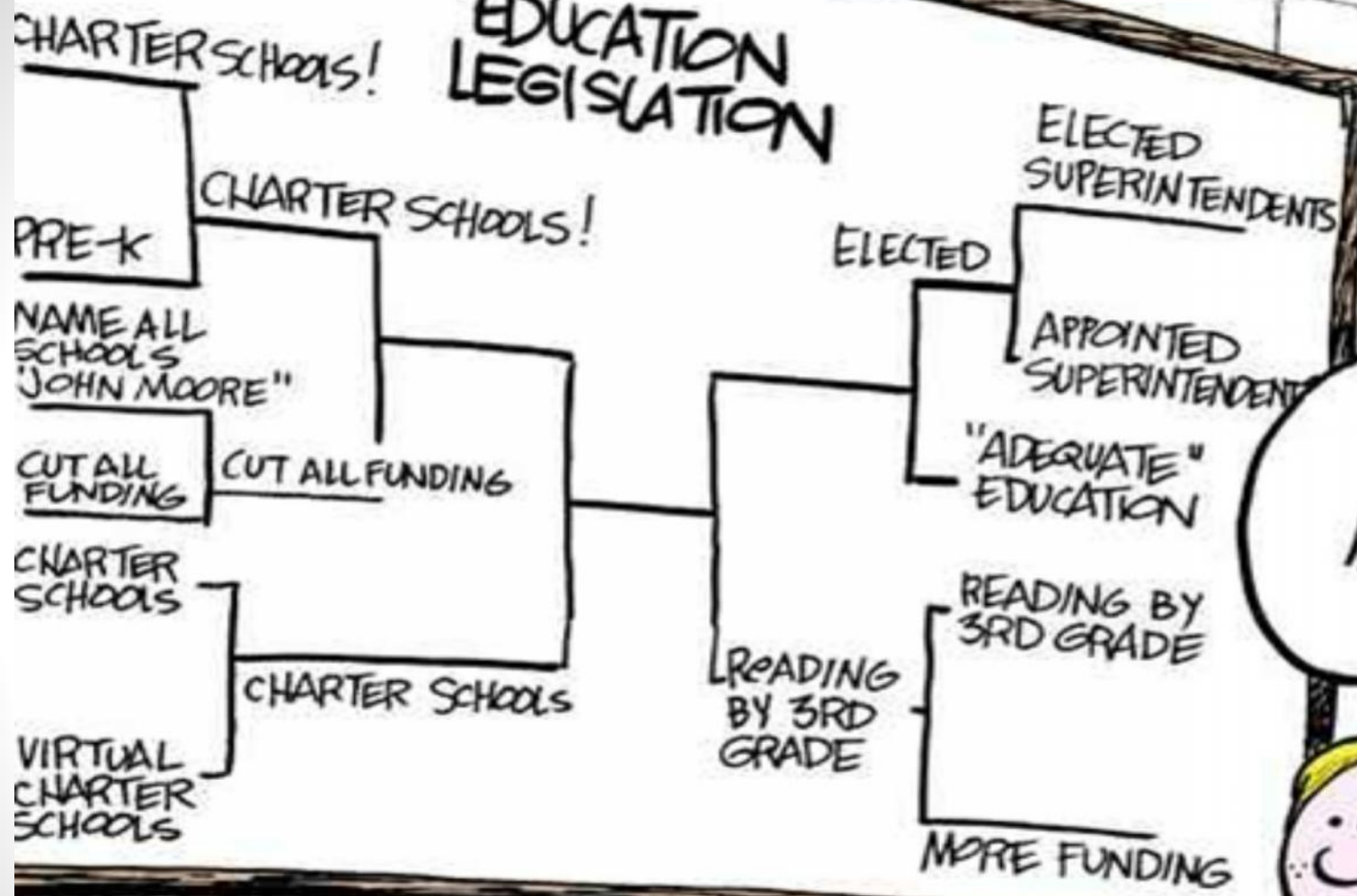


Why Higher Education is Important to the Business Community

Nolan Karras

MARSHALL SWAN

EDUCATION LEGISLATION



IT'S MARCH MADNESS TIME.

MY BRACKETS BUSTED.





GIVE ME YOUR PHONE, YOUNG LADY! NO MORE TEXTING YOUR FRIENDS UNTIL YOUR GRADES IMPROVE.

OK, NOW I'M TEXTING MY LAWYER.

Gary Varvel
THE INDIVIDUAL'S 99
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What does a business/investor face?

- Super Debt Cycle
- Difficulty hiring the “Right People”
- Health Care Uncertainty
- Demographic Challenges
- Deleveraging
- Uncertain economic conditions
- Customers Who Can’t Afford the Products
- Lack of Venture or Private Capital to Fund Entrepreneurs
- Slow Growth
- Foreign Competition... Globalization
- Political Gridlock
- Lack of Certainty Over Tax Policies

Technological Advances Create More Uncertainty

- For the employee and the employer technological advances create more uncertainty. The effect of today's technology on tomorrow's jobs will be immense--and no country is ready for it.



Job Losses Predicted - Next Two Decades

In a book called “The Future of Employment: How Susceptible are Jobs to Computerization” the following probabilities were assigned to job losses in the next two decades:

Telemarketers	0.99
Accountants and Auditors	0.94
Retail Salespersons	0.92
Technical Writers	0.89
Real Estate sales agents	0.86
Word Processing/Typists	0.81
Machinists	0.65
Commercial Pilots	0.55
Economists	0.43

We are headed into an uncertain World.

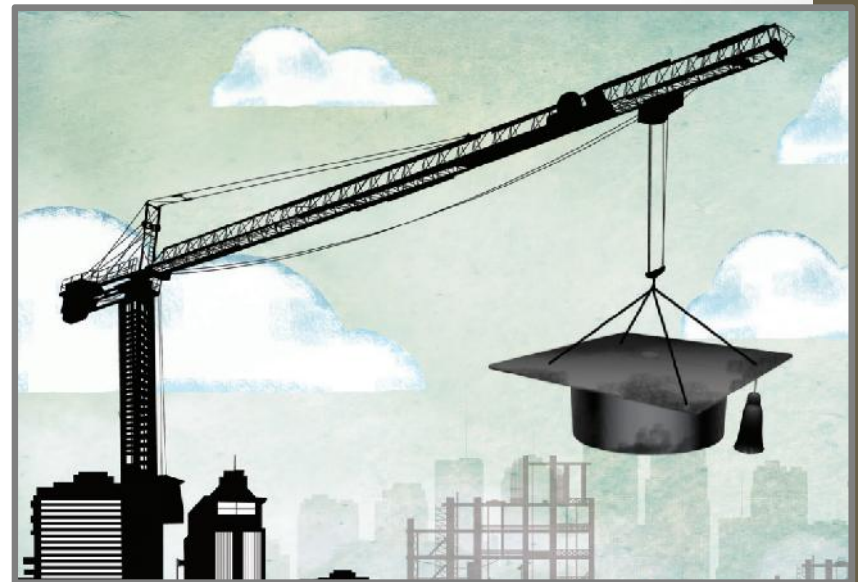
What does a business need to be successful

- Capital
- Raw materials/information/know how
- Educated & skilled employees
- Someone who can afford to buy their product and services
- Vibrant Economy

What is the role of Education in solving the uncertainty faced by business?

Education Increases Regional Economic Prosperity

- Education is our most important source of **sustainable competitive advantage**.
- Just occupying the **same geographic space** as skilled workers benefits the less-educated workforce.
 - As others around you obtain more education, **their wages rise—and yours do, too.**



Better Education, Bigger Economic Benefits

- Adding one year of post-secondary education (certificates, associate, or bachelor's) to employed workers with at least a high school diploma **increases real GDP per capita by 17.4%** and **real wages per worker by 17.8%**



WORLD ACADEMIC RACE

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What I expect as a businessman from Education:

A skilled and knowledgeable workforce

- Capable of Critical Thinking
- Able to Solve Complex Problems
- Express Themselves in Both Writing and Speech
- Prepare them for a Rapidly Changing World
- Basic Skills Required to Perform
- Prepared for a dynamic and fast paced and changing world

What Does Business Expect from Graduates

“College degrees and other credentials are more important than ever; but times have changed, and the vast majority of employers in America put acquired skills far ahead of alma mater or major when it comes to hiring.”

Undergrad Major is Less Important than Reasoning

- Of 318 private and nonprofit organizations surveyed, 93% stated that a new hire's capacity to think critically, communicate clearly, and solve complex problems is more important than his/her undergraduate major.
- Narrow technical skills have a shorter and shorter lifespan.
- All majors, not just STEM, are important.



Source: Association of American Colleges and Universities, April 2013. "It Takes More Than a Major: Employer Priorities for College Learning and Student Success"

What does Business Want from Higher Education?

Are We Listening to Each Other?

- A recent Lumina/Gallup poll found a significant perception gap between business and academic institution leaders when it comes to assessing the workforce preparedness of today's college graduates.
- To the question: Higher Education institutions in this country are graduating students with the skills and competencies that MY business needs:
 - On a scale of one to five with 5 meaning "strongly agree" and 1 meaning "strongly disagree"

• 1 Strongly Disagree	17%
• 2	17%
• 3	34%
• 4	22%
• 5= Strongly Agree	11%

We must strengthen coordination between higher education and industry.

Source: Association of American Colleges and Universities, April 2013. "It Takes More Than a Major: Employer Priorities for College Learning and Student Success" See more at: http://www.luminafoundation.org/newsroom/news_releases/2014-02-25.html#sthash.2lqKsUV.dpuf



MARSH
SKIN

Business Needs Higher Education

- **Cost:** Much of the cost increase over the past 5 years can be attributed to reduced state tax support which has forced an offset through increased tuition. Student debt issues then closely follow. Reluctance on the part of policy makers and the public to increase taxes means the students are bearing more and more of the burden.
 - Education must be affordable
- **Capacity:** In a time of diminished state capacity to fund education, Utah Colleges and Universities must find a way to increase their capacity to meet the goal set by the Governor and Legislature to meet the goal of having 66% of Utahns hold a postsecondary certificate or degree. Where we are now: 43%.
 - Higher Education must be accessible
- **Workforce development:** Higher Education must help meet the “skills gap” wherein companies face difficulties finding applicants with the needed skills. There is a pressing need for leaders in higher education to recognize and understand its role in meeting the demands of a global and competitive economy.
 - We must increase graduation rates.

What Does an Education Offer Business

More than monetary advantages a degree [an education] confers, these graduates become the leaders, innovators and problem solvers who can address the future challenges facing us all.

With a rapid growing technology sector, companies that operate in the global marketplace and assets that attract creative talent worldwide, Utah's vibrant economy demands a well-educated citizenry.

Education Must Succeed

As a Utah Businessman and a concerned Grandparent, I need Utah's educational system, both public and higher education, to succeed--not just for my business, but for the sake of Utah's children and their future.
Utah's economy depends on it.

Success must include serving more students, being more efficient and teaching our students to think critically, communicate clearly, and solve complex problems.

Business Alarm- Prosperity 2020/Education First Call to Action

- Funding efforts for both public and higher education have been falling over more than a decade while other funding needs for Medicaid, roads and other issues crowd out the funds needed to produce the skilled workforce of tomorrow. We all need to join in working to resolve this issue, or we will be accused of “eating the seed corn” that will ensure our future.
- Utah’s citizens must have a civil debate about a long-term plan to put Utah’s educational system on track to be in the top 10 of Reading, Math, Graduation and Post secondary degrees and certificates.

Our Future Depends on it!

Prosperity 2020/Education First

- People are the most important ingredient in the success of a business.
- People are the competitive advantage of a community, a business, a state.
- Our school age population is an asset that must be developed as the State and businesses face the uncertain world.

Economic prosperity driven by Superior Education outcomes will
“Lift All Boats”