



Education Commission
of the States

Arkansas Policy Profile



Overview

The Arkansas General Assembly created the Legislative Task Force on Higher Education Remediation, Retention and Graduation Rates in 2007. The task force's report and set of recommendations defined the core issues and the magnitude of the current completion challenge. The General Assembly responded to the recommendations by developing and refining strategies related to college and career readiness, transfer and articulation, and student financial assistance. However, to reach the state goal of doubling the number of college graduates in the state by 2025, legislators should evaluate the impact of state and system policies on meeting workforce demand and increasing adult completion rates.

While education and workforce challenges cannot be solved immediately, legislative policies and accompanying investments — state, federal and private — can advance education attainment rates and support economic growth. The General Assembly has emphasized the use of data to make funding and accountability decisions. In 2011, Arkansas instituted a performance funding system, which should foster innovation by rewarding institutions that use data and evidence-based practices to propel student achievement. To further achieve their ambitious state goals, policymakers might consider:

1. Evaluating whether state financial aid programs can be structured to provide greater assurances that students graduate on-time, with less debt and complete degrees in high-demand fields
2. Examining how performance funding might impact program redesign and whether the legislature can leverage these investments to accelerate learning, reduce time-to-degree and increase institutional productivity
3. Participating in the scaling of innovative institutional programs that carry a low relative cost yet produce a high impact, especially for low-income and minority youth
4. Assessing whether policies and strategies focused on developmental education and academic transfer have led to measurable improvements in degree attainment rates
5. Studying the impact of career pathway programs and whether additional modest investments would improve the advancement of low-income workers into middle-skill jobs through structured, accelerated certificate and associate degree programs.

Following is a short policy overview and a set of policy questions that can guide further discussion among policymakers and higher education leaders.

Leveraging Funding to Improve Degree Completion Rates

Arkansas should examine how to improve postsecondary retention rates and assess whether current programs and strategies best equip the state to reach the 2025 goal.

The Arkansas General Assembly has been especially active since the task force issued its report in 2008. Since that time, the legislature has enacted 15 policies related to college and career preparation, academic transfer and performance funding. Coupled with the Arkansas Academic Challenge Scholarship, these priorities could improve postsecondary retention rates.

Most of the legislature's time has been spent on developmental education and transitions between high school and college. With a high percentage of students requiring developmental education, the Arkansas Department of Higher Education has emphasized structured, streamlined courses that accelerate students through remediation and onto college-level work. Arkansas received a Completion Innovation Challenge grant in 2011, which will leverage current investments in remediation and career and technical education to improve student retention rates. Performance funding legislation (S.B. 766-2011) has the potential to support further innovation by rewarding institutions that increase retention rates for low-income and minority students, decrease time-to-degree and produce high-demand credentials.

The data reveal that the majority of credentials awarded in 2009 were below the bachelor's degree level. However, related labor force data also show that certificates and associate degrees are in greater demand than bachelor's and graduate degrees. Two Arkansas programs — the Path to Accelerated Completion and Employment (PACE) program and the Career Pathways Initiative — have leveraged TANF and WIA funds to encourage low-income adults to enter middle-skill jobs through certificate and associate degree pathways. These two programs are successful because they incorporate a workforce dimension into postsecondary training. Traditional students could also benefit from more transparent discussion of what a credential is expected to bring in the labor market.

To improve participation for adults and to increase retention for recent high school graduates, the legislature might evaluate whether:

- Current financial aid and developmental education programs are accessible and tailored to the students who are most in need
- Resources can be rapidly deployed to postsecondary institutions to meet labor market needs in STEM, health care and high-tech fields
- The Academic Challenge Scholarship is structured in a way that rewards retention and completion toward a credential
- Current policies meet the state's economic development challenges, balancing demand for certificates and associate degrees with the continued need to invest in bachelor's and graduate degree production.

Strengthening the Alignment between Postsecondary and Workforce Strategies

Arkansas should identify specific growth occupations requiring at least a certificate and associate degree, and develop strategies to increase postsecondary productivity in these programs.

Economic projections from the Georgetown Center for Education and the Workforce find that 52% of jobs in Arkansas will require some college or a postsecondary credential by 2018. With the supply of jobs for college-educated workers second-to-last in the nation in 2018, Arkansas must consider a strategy to increase college attainment rates, which might generate corporate investment in new industries.

Arkansans who currently hold a degree or certificate in a high-demand field can expect to earn more than their peers without college degrees. However, they will likely earn less than their counterparts in other states. Improving degree productivity in high-demand fields thus impacts two goals: increasing overall educational attainment and state median incomes. Arkansas should look at the existing capacity of the postsecondary system to align academic programs to meet workforce demands. The state also should develop workforce goals and metrics that complement those adopted through Arkansas' membership in Complete College America and that measure whether all postsecondary institutions are meeting short- and long-term workforce needs.

Preparing for and Providing Access to High-Demand, High-Wage Jobs

Arkansas should consider how to adapt instruction to meet the unique needs of adults seeking degrees and certificates.

Arkansas has adopted a comprehensive reform program to prepare students for college and careers. A similar program, tailored to and accessible for older adults, could remove some barriers to participation for low-skill adults. With many middle-aged adults without college credentials struggling in the current downturn, it makes sense to develop strategies that will improve their skills, so that they can compete for the increasing number of jobs that require postsecondary credentials. Arkansas should orient adults with no college toward certificate and associate degree opportunities to enhance short-term job prospects. At the same time, the state should adopt policies that ensure that these credentials place adults on a pathway to additional education opportunities that lead to a bachelor's degree and beyond. In essence, a separate but complementary strategy for advancing adults through postsecondary programs is a way of meeting overall completion goals while recognizing the unique differences between youth and adults.

Policy Questions to Consider

- ★ What impact have current programs and strategies had on increasing postsecondary retention and completion rates? To what extent do programs reduce time-to-degree and decrease the cost of earning a credential?
- ★ How will Arkansas respond to the need to advance adults to middle-skill jobs through associate degree and certificate programs while also meeting the continued need for workers with bachelor's and graduate degrees?
- ★ How can the state leverage existing investments in financial aid and developmental education to encourage more students to enroll in postsecondary education?
- ★ How does the legislature project that postsecondary and workforce outcomes will change as the state implements performance-based funding?
- ★ While Arkansas has articulated completion goals, what should its workforce goals entail? How might the legislature and postsecondary system measure progress toward workforce goals and their alignment with completion metrics?

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