Higher Education and the Future of Hawaii

Presented to the
WICHE Invitational Roundtable
Honolulu, Hawaii

December 1, 2006
A Core Problem Facing Hawaii

- Per Capita Income Declining vis-à-vis the Rest of the Country (and Highly Variable Across the State)
- Heavily Dependent on Service (Especially Visitor) Industry and Government Employment
- Relatively Low Wage Structure (and High Cost of Living)
- Aging Workforce
- Very Low Unemployment and Workforce Shortages in Key Areas
Declining Per Capita Personal Income in Hawaii as a Percent of U.S. Average—1960-2005

Source: U.S. Census Bureau, Bureau of Economic Analysis
Per Capita Personal Income, 1999

Hawaii = $21,525

Source: U.S. Census Bureau, 2000 Census
Percent of Total Gross State Product by Industry and Comparison to U.S.

- Agriculture, Forestry & Fishing: 0.0% (Hawaii 1997), 0.6% (Hawaii 2004), 0.0% (U.S. 2004)
- Mining: 1.0% (Hawaii 1997), 1.0% (Hawaii 2004), 0.0% (U.S. 2004)
- Construction: 4.5% (Hawaii 1997), 4.6% (Hawaii 2004), 4.6% (U.S. 2004)
- Manufacturing: 2.3% (Hawaii 1997), 1.9% (Hawaii 2004), 2.3% (U.S. 2004)
- Wholesale Trade: 3.5% (Hawaii 1997), 3.5% (Hawaii 2004), 3.5% (U.S. 2004)
- Retail Trade: 5.9% (Hawaii 1997), 7.4% (Hawaii 2004), 6.8% (U.S. 2004)
- Transp., Warehousing & Utilities: 6.6% (Hawaii 1997), 5.4% (Hawaii 2004), 5.0% (U.S. 2004)
- Information: 3.0% (Hawaii 1997), 3.0% (Hawaii 2004), 4.7% (U.S. 2004)
- Finance, Insurance, Real Est.: 21.1% (Hawaii 1997), 20.8% (Hawaii 2004), 27.9% (U.S. 2004)
- Services: 22.6% (Hawaii 1997), 25.2% (Hawaii 2004), 25.2% (U.S. 2004)
- Government: 11.9% (Hawaii 1997), 22.1% (Hawaii 2004), 22.1% (U.S. 2004)

Major Export Earnings 1975-2003

Source: Hawaii Department of Business, Economic Development, and Tourism
Percent of Employed Persons Age 16 and Older by Industry, 2000

Source: U.S. Census Bureau, 2000 Census
Median Earnings by Education Level for Population Age 18-64, 2005

*Hawaii adjusted for cost of living

Source: U.S. Census Bureau, 2005 American Community Survey (ACS) Public Use Microdata Sample (PUMS) File, Berry Cost of Living Index
Difference in Median Earnings Between a High School Diploma and an Associate Degree, 2005

Source: U.S. Census Bureau, 2005 ACS PUMS File
Difference in Median Earnings Between a High School Diploma and a Bachelor’s Degree, 2005

Source: U.S. Census Bureau, 2005 ACS PUMS File
Homes on O‘ahu—Beyond Affordable

We can no longer depend on an imported workforce.

Median single-family home price on O'ahu
Affordable price*

* Price of an affordable home based on state’s median household income, average mortgage rate, and a 30-year mortgage with 20% down.

** Projected

Source: The Honolulu Advertiser, University of Hawaii economist Carl Bonham

Source: U.S. Bureau of Labor Statistics
Economic Future of Hawaii

Interviews with Private and Public Sector Leaders Throughout the State Revealed a Common Belief that the Economic Future of Hawaii Depends on:

- Increasing the Number of High-Wage Jobs—Expanding and Diversifying the Economy
- Creating a Skilled Workforce that Can Be Employed in Such Jobs
Some Key Facts About the State’s Workforce

- Generally High Educational Attainment—but Losing Ground
- Aging
- Workforce Participation Is not High in Spite of Low Unemployment Rates—and Varies by:
  > Region of State
  > Education Attainment Levels
- Reliant on In-Migration to Fill Positions in Key Areas and Exporting in Other Key Fields
- Fewer High School Graduates than Open Positions
Educational Attainment and Rank Among States—Hawaii, 2005

Source: U.S. Census Bureau, 2000 Census
Differences in College Attainment (Associate and Higher) Between Young and Older Adults—Percent of Adults with College Degrees

Source: U.S. Census Bureau, 2000 Census
Differences in College Attainment (Associate and Higher) by Age Group—Hawaii, U.S. and Leading OECD Countries, 2004

Source: OECD, *Education at a Glance 2005*
Percent of Population Age 18-24 with Less than a High School Diploma, 2000

Hawaii = 14.2%
Source: U.S. Census Bureau, 2000 Census
Percent of Population Age 25-64 with at Least a Bachelor’s Degree, 2000

Hawaii = 28.7%
Source: U.S. Census Bureau, 2000 Census
Percent of Employees with a College Degree by Job Type, 2000

Source: Tony Carnevale and Donna Desrochers, ETS (PUMS 2000 5% Sample, source data extracted from www.ipums.org at the University of Minnesota)
Projected Change in Population by Age Group, 2000 to 2020

Source: U.S. Census Bureau Population Projections
Occupations of Population Age 55-64 (Those Leaving the Workforce by 2010) Relative to Entire Workforce, 2000

Source: U.S. Census Bureau, 2000 Census; 5%PUMS Files
Percent of Civilian Population Age 25-64 Participating in the Workforce, 2005

Source: U.S. Bureau of Labor Statistics
Percent of Civilian Population Age 16 and Older Participating in the Workforce, 2000

Hawaii = 60.4%

Source: U.S. Census Bureau, 2000 Census
## Hawaii Civilians Age 25-64 in the Workforce by Education Attainment, 2005

<table>
<thead>
<tr>
<th>Education Attainment</th>
<th>In Civilian Workforce</th>
<th>Not in Civilian Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Number</strong></td>
<td><strong>Percent</strong></td>
</tr>
<tr>
<td>Less than High School</td>
<td>34,623</td>
<td>63.8</td>
</tr>
<tr>
<td>High School Diploma or GED</td>
<td>144,239</td>
<td>75.4</td>
</tr>
<tr>
<td>Some College, No Degree</td>
<td>104,974</td>
<td>78.1</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>55,994</td>
<td>81.1</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>111,765</td>
<td>83.9</td>
</tr>
<tr>
<td>Graduate or Professional Degree</td>
<td>53,100</td>
<td>84.5</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, 2005 ACS PUMS File
Net Migration by Degree Level and Age Group—Hawaii

22- to 29-Year-Olds

- Less than High School: 806
  - High School: 1,151
  - Some College: -2,132
  - Associate: -1,787
  - Bachelor’s: -1,962
  - Graduate/Professional: 607

30- to 64-Year-Olds

- Less than High School: 2,108
  - High School: -819
  - Some College: -11,761
  - Associate: -5,778
  - Bachelor’s: -603
  - Graduate/Professional: 607

Source: U.S. Census Bureau, 2000 Census; 5% Public Use Microdata Sample (PUMS) Files
Net Migration of Residents Age 22-29 with a College Degree (Associate or Higher), 1995-2000

Source: U.S. Census Bureau, Public Use Microdata Samples, 2000
Occupations with High Net Imports and Exports, 1995-2000

22- to 29-Year-Olds with College Degrees

Military Officer Special & Tactical Operations Leaders/Managers: 469
Operations Specialties Managers: 379
Health Diagnosing & Treating Practitioners: 338
Air Transportation: 250
Food & Beverage Serving: 213
Other Management Occupations: 170
Postsecondary Teachers: 152
Information & Record Clerks: 139
First-Line Enlisted Military Supervisor/Managers: 135
Lawyers, Judges, & Related Workers: 123

Other Office & Administrative Support: -89
Business Operations Specialists: -96
Media & Communication Equipment Workers: -96
Secretaries & Administrative Assistants: -102
Financial Clerks: -107
Law Enforcement: -124
Sales Representatives, Services: -131
Financial Specialists: -136
Construction Trades: -170
Computer Specialists: -230

Source: U.S. Census Bureau, 2000 Census; 5% PUMS Files
### Occupations with High Net Imports and Exports, 1995-2000

#### 30- to 64-Year-Olds with College Degrees

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Net Import/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Specialists</td>
<td>-953</td>
</tr>
<tr>
<td>Supervisors, Sales Workers</td>
<td>-552</td>
</tr>
<tr>
<td>Financial Specialists</td>
<td>-521</td>
</tr>
<tr>
<td>Operations Specialties Managers</td>
<td>-477</td>
</tr>
<tr>
<td>Military Enlisted Tactical Ops. &amp; Air/Weapons Specialists &amp; Crew</td>
<td>-429</td>
</tr>
<tr>
<td>First-Line Enlisted Military Supervisor/Managers</td>
<td>-367</td>
</tr>
<tr>
<td>Business Operations Specialists</td>
<td>-349</td>
</tr>
<tr>
<td>Military Occupations</td>
<td>-332</td>
</tr>
<tr>
<td>Agricultural Workers</td>
<td>-280</td>
</tr>
<tr>
<td>Other Protective Service Workers</td>
<td>-230</td>
</tr>
<tr>
<td>Other Management Occupations</td>
<td>-1,000</td>
</tr>
<tr>
<td>Supervisors of Installation, Maintenance, &amp; Repair Workers</td>
<td>-1,000</td>
</tr>
<tr>
<td>Supervisors, Food Preparation &amp; Serving</td>
<td>-1,000</td>
</tr>
<tr>
<td>First-Line Enlisted Military Supervisor/Managers</td>
<td>-1,000</td>
</tr>
<tr>
<td>Health Diagnosing &amp; Treating Practitioners</td>
<td>-1,000</td>
</tr>
<tr>
<td>Building Cleaning &amp; Pest Control</td>
<td>-1,000</td>
</tr>
<tr>
<td>Supervisors, Office &amp; Administrative Support</td>
<td>-1,000</td>
</tr>
<tr>
<td>Supervisors, Education, Training, &amp; Library Occupations</td>
<td>-1,000</td>
</tr>
<tr>
<td>Other Protective Service Workers</td>
<td>-1,000</td>
</tr>
<tr>
<td>Social Scientists &amp; Related Workers</td>
<td>-1,000</td>
</tr>
<tr>
<td>Other Military Occupations</td>
<td>-1,000</td>
</tr>
<tr>
<td>Other Education, Training, &amp; Library Occupations</td>
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<td>-1,000</td>
</tr>
</tbody>
</table>

**Source:** U.S. Census Bureau, 2000 Census; 5% PUMS Files
Summary—The Good News

- Relatively Well Educated Workforce in Full Range of Current Employment—Underemployment??
- There Are Jobs (of Some Sort) for Those Seeking Employment
- Many States Have Worse Problems than Hawaii
Summary—The Bad News

- Losing Ground RAPIDLY in Education Attainment
- Not Producing Enough Graduates to Replenish Retiring Workforce
- Hawaii Compares Unfavorably to Global Competitors
A Conclusion

In Order for the Economic Circumstances of Hawaii and its Citizens to Be Sustained and Improved, the State Must Simultaneously Address the Twin Challenge of:

- Workforce Development
- Workplace Development

And It Must Effectively Engage the Higher Education System in This Process.
Workforce Development—The Education Pipeline
Key Transition Points in the Education Pipeline

- Complete High School
- Enter College
- Finish College
- Enter the Workplace
Of 100 9th Graders, How Many…

- Graduate from High School: 91%
- Enter College: 70%
- Enter Sophomore Year: 65%
- Still Enrolled Sophomore Year: 57%
- Graduate Within 150% Time: 39%

Best Performing State: 42%
U.S. Average: 27%
Hawaii: 21%

Source: NCES Common Core Data, NCES IPEDS 2004 Residence and Migration Survey, NCEC IPEDS 2004 Fall Enrollment Survey and Graduation Rate Survey
High School Graduation Rates—Public High School Graduates as a Percent of 9th Graders Four Years Earlier, 2004

Source: Tom Mortenson, Postsecondary Opportunity (rev. 071106)
<table>
<thead>
<tr>
<th>PREPARATION</th>
<th>HAWAII 1992</th>
<th>HAWAII 2006</th>
<th>Top States 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School Completion (20%)</td>
<td>94%</td>
<td>94%</td>
<td>94%</td>
</tr>
<tr>
<td>18- to 24-year-olds with a high school credential</td>
<td>94%</td>
<td>94%</td>
<td>94%</td>
</tr>
<tr>
<td><strong>K–12 Course Taking (35%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9th to 12th graders taking at least one upper-level math course</td>
<td>22%</td>
<td>n/a</td>
<td>64%</td>
</tr>
<tr>
<td>9th to 12th graders taking at least one upper-level science course</td>
<td>18%</td>
<td>n/a</td>
<td>40%</td>
</tr>
<tr>
<td>8th grade students taking algebra</td>
<td>n/a</td>
<td>n/a</td>
<td>35%</td>
</tr>
<tr>
<td>12th graders taking at least one upper-level math course</td>
<td>n/a</td>
<td>n/a</td>
<td>66%</td>
</tr>
<tr>
<td><strong>K–12 Student Achievement (35%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8th graders scoring at or above “proficient” on the national assessment exam:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in math</td>
<td>14%</td>
<td>18%</td>
<td>38%</td>
</tr>
<tr>
<td>in reading</td>
<td>19%</td>
<td>18%</td>
<td>38%</td>
</tr>
<tr>
<td>in science</td>
<td>15%</td>
<td>15%</td>
<td>41%</td>
</tr>
<tr>
<td>in writing</td>
<td>15%</td>
<td>18%</td>
<td>41%</td>
</tr>
<tr>
<td>Low-income 8th graders scoring at or above “proficient” on the national assessment exam in math</td>
<td>7%</td>
<td>7%</td>
<td>22%</td>
</tr>
<tr>
<td>Number of scores in the top 20% nationally on SAT/ACT college entrance exam per 1,000 high school graduates</td>
<td>110</td>
<td>153</td>
<td>237</td>
</tr>
<tr>
<td>Number of scores that are 3 or higher on an Advanced Placement subject test per 1,000 high school juniors and seniors</td>
<td>92</td>
<td>112</td>
<td>217</td>
</tr>
<tr>
<td><strong>Teacher Quality (10%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7th to 12th graders taught by teachers with a major in their subject</td>
<td>58%</td>
<td>73%</td>
<td>81%</td>
</tr>
</tbody>
</table>

*The indicators report data beginning in 1992 or the closest year for which reliable data are available. See the Technical Guide for Measuring Up 2006.

† Ninety percent of 18-24-year-olds have a regular high school diploma; 4% have a GED. The numbers shown for a regular high school diploma and a GED may not exactly equal the number for a high school credential due to rounding.
University of Hawaii Community Colleges—

Fall 2006 Recent High School Graduates
COMPASS Test Takers

Reading: 46.2%
- Basic Skills: 13.2%
- Developmental: 40.6%
- Transfer: 0%

Writing: 38.3%
- Basic Skills: 29.9%
- Developmental: 31.8%
- Transfer: 53.2%

Math: 18.7%
- Basic Skills: 53.2%
- Developmental: 28.1%
- Transfer: 0%
Projections of High School Graduates to 2018
By Race/Ethnicity—Hawaii

Source: WICHE Projections of High School Graduates
College Going Rates—First-Time Freshmen Directly Out of High School as a Percent of Recent High School Graduates, 2004

Source: NCES; Common Core Data, Private High Schools Survey, Fall Residency and Migration Survey
University of Hawaii System First-Time Freshmen as a Percent of High School Graduates by Location of High School Graduation (Zip Code), 2004

Hawaii = 31.1%

Source: UH computer reports 1428B and 2510B; State of Hawaii Department of Education and Administrative Offices of Private High Schools
University of Hawaii Four-Year First-Time Freshmen as a Percent of High School Graduates by Location of High School Graduation (Zip Code), 2004

Hawaii = 11.0%

Source: UH computer reports 1428B and 2510B; State of Hawaii Department of Education and Administrative Offices of Private High Schools
University of Hawaii Two-Year First-Time Freshmen as a Percent of High School Graduates by Location of High School Graduation (Zip Code), 2004

Hawaii = 20.0%
Source: UH computer reports 1428B and 2510B; State of Hawaii Department of Education and Administrative Offices of Private High Schools
Percent of First-Time Freshmen Who Attend College Within Their Reported State of Residence, Fall 2002

Source: NCES, IPEDS Fall 2002 Residency and Migration File
Associate Degrees Awarded per 100 High School Graduates
Three Years Earlier, 2004

Source: NCES-IPEDS Completions Survey, WICHE
### Occupations with the Most Openings Requiring Postsecondary Training or an Associate Degree—Hawaii, 2002-12

<table>
<thead>
<tr>
<th>Rank</th>
<th>Occupation</th>
<th>2002 Employment</th>
<th>Average Annual Job Openings*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Registered Nurses</td>
<td>7,700</td>
<td>350</td>
</tr>
<tr>
<td>2.</td>
<td>Licensed Practical and Licensed Vocational Nurses</td>
<td>2,450</td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Automotive Service Technicians and Mechanics</td>
<td>2,390</td>
<td>90</td>
</tr>
<tr>
<td>4.</td>
<td>Fitness Trainers and Aerobics Instructors</td>
<td>1,030</td>
<td>60</td>
</tr>
<tr>
<td>5.</td>
<td>Preschool Teachers, except Special Education</td>
<td>1,660</td>
<td>60</td>
</tr>
<tr>
<td>6.</td>
<td>Computer Support Specialists</td>
<td>1,230</td>
<td>50</td>
</tr>
<tr>
<td>7.</td>
<td>Hairdressers, Hairstylists, and Cosmetologists</td>
<td>1,180</td>
<td>40</td>
</tr>
<tr>
<td>8.</td>
<td>Aircraft Mechanics and Service Technicians</td>
<td>1,050</td>
<td>30</td>
</tr>
<tr>
<td>9.</td>
<td>Bus and Truck Mechanics and Diesel Engine Specialists</td>
<td>850</td>
<td>30</td>
</tr>
<tr>
<td>10.</td>
<td>Dental Hygienists</td>
<td>760</td>
<td>30</td>
</tr>
<tr>
<td>11.</td>
<td>Legal Secretaries</td>
<td>880</td>
<td>30</td>
</tr>
<tr>
<td>12.</td>
<td>Medical Records and Health Information Technicians</td>
<td>560</td>
<td>30</td>
</tr>
<tr>
<td>13.</td>
<td>Travel Agents</td>
<td>1,220</td>
<td>30</td>
</tr>
<tr>
<td>14.</td>
<td>Electrical and Electronic Engineering Technicians</td>
<td>590</td>
<td>20</td>
</tr>
<tr>
<td>15.</td>
<td>Electrical and Electronics Repairers, Commercial and Industrial Equipment</td>
<td>420</td>
<td>20</td>
</tr>
<tr>
<td>16.</td>
<td>Emergency Medical Technicians and Paramedics</td>
<td>480</td>
<td>20</td>
</tr>
<tr>
<td>17.</td>
<td>Massage Therapists</td>
<td>430</td>
<td>20</td>
</tr>
<tr>
<td>18.</td>
<td>Medical and Clinical Laboratory Technicians</td>
<td>560</td>
<td>20</td>
</tr>
<tr>
<td>19.</td>
<td>Radiologic Technologists and Technicians</td>
<td>660</td>
<td>20</td>
</tr>
<tr>
<td>20.</td>
<td>Real Estate Sales Agents</td>
<td>420</td>
<td>20</td>
</tr>
<tr>
<td>21.</td>
<td>Respiratory Therapists</td>
<td>240</td>
<td>20</td>
</tr>
<tr>
<td>22.</td>
<td>Architectural and Civil Drafters</td>
<td>480</td>
<td>10</td>
</tr>
<tr>
<td>23.</td>
<td>Avionics Technicians</td>
<td>240</td>
<td>10</td>
</tr>
<tr>
<td>24.</td>
<td>Biological Technicians</td>
<td>250</td>
<td>10</td>
</tr>
<tr>
<td>25.</td>
<td>Broadcast Technicians</td>
<td>140</td>
<td>10</td>
</tr>
</tbody>
</table>

*Note: Openings due to growth and net replacements.

Source: America's Career InfoNet 2005; Hawaii Workforce Informer, Labor Market Information
Number of Associate Degrees and Certificates Awarded (2003) Per 100 High School Graduates Three Years Earlier, 2000

Source: NCES-IPEDS Completions 2002-03; WICHE High School Graduates, 2000
Number of Associate Degrees and Certificates Awarded (2003) Per 100 High School Graduates Three Years Earlier, 2000

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Number of Associate Degrees and Certificates Awarded (2003) Per 100 High School Graduates Three Years Earlier, 2000

Source: NCES-IPEDS Completions 2002-03; WICHE High School Graduates, 2000
Bachelor’s Degrees Awarded per 100 High School Graduates
Six Years Earlier, 2004

Source: NCES Common Core Data, IPEDS Completion Survey
Number of Baccalaureate Degrees Awarded (2003) Per 100 High School Graduates Six Years Earlier, 2000

Source: NCES-IPEDS Completions 2002-03; WICHE High School Graduates, 1997
Number of Baccalaureate Degrees Awarded (2003) Per 100 High School Graduates Six Years Earlier, 2000

Source: NCES-IPEDS Completions 2002-03; WICHE High School Graduates, 1997
Number of Baccalaureate Degrees Awarded (2003) Per 100 High School Graduates Six Years Earlier, 2000

Source: NCES-IPEDS Completions 2002-03; WICHE High School Graduates, 2000
**Workplace Development—What Can Be Expected of the Higher Education System?**

- R&D that Leads to Expanded High-Wage Employment
  - At the University
  - In Spin-Off Companies
- Entrepreneurial Training—and the Modeling of Entrepreneurial Behaviors
- Rapid Response Training for Employers Seeking to Fill Living-Wage Jobs
The Bottom Line

- Enhance the State’s Stock of Human Capital
  - Improved Competencies of High School Graduates
  - Increased Skills of Adults with Less than a High School Education
  - Improve Participation and Graduation Rates of College Students
The Bottom Line (cont.)

- Provide Skilled Workers in Critical Need Areas
  - Nursing/Allied Health
  - Teachers
  - Science Technologies

- Help to Expand and Diversify the State’s Economy
  - Technology Transfer
  - Rapid Response to Employer’s Training Needs
Address These Issues as Appropriate in All Parts of the State
### Relative Need for Postsecondary Education/Training by Region

<table>
<thead>
<tr>
<th></th>
<th>East</th>
<th>Cent</th>
<th>'Ewa</th>
<th>Wai</th>
<th>N Sh</th>
<th>Win</th>
<th>E HI</th>
<th>W HI</th>
<th>Mau</th>
<th>Kau</th>
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<td>Population Growth (Percent)</td>
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<td>VH</td>
<td>L</td>
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<td>Projected HS Graduates (Average %)</td>
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<td>Workforce Participation (%)</td>
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<td>VH</td>
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<td>Going Rates (2-Yr)</td>
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<td>Going Rates (4-Yr)</td>
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**VH = Very High  H = High  M = Medium  L = Low**
**Key Short-Term Initiatives**

- Significantly Increase Numbers of Adults Acquiring Workplace Literacy Skills
- Provide Higher Education Access in Areas of Greatest Need
  - Waianae
  - ’Ewa
- Improve Retention

(continued)
Key Short-Term Initiatives (continued)

- Expand Degree Production in Key Areas
  - Nursing/Allied Health
  - Teacher Education
  - Computer Science (Oriented to Engineering Applications)
  - Science Technologies
- Create and Sustain a Rapid Response Capability
- Enhance Educational Programs and Support Systems for Entrepreneurs
- Promote Technology Transfer
The Policy Environment

Create a Policy Environment that Encourages Pursuit of These Initiatives—Realizing that the Policy Environment You Have Yields the Results You’re Getting.

- Formally Adopt a Set of Goals to Be Pursued Agreed to by Executive and Legislative Branches and UHS—a Compact
- Develop a Similar Compact with K-12 Education
- Develop an Agreed-Upon Set of Accountability Measures by Which Progress Toward Goal Achievement Can Be Monitored

(continued)
The Policy Environment (continued)

- Create New Funding Relationship Between the State and UHS
  - Eliminate Line Items
  - Calibrate Funding Against External Benchmarks
  - Align Investment Funds Explicitly with Items Identified in the “Compact”
- Conduct a “Policy Audit” to Identify Policies/Procedures that Create Barriers to Pursuit of the Agreed-Upon Public Agenda
An Action Agenda

Accomplishment of the Objectives Identified Will Require Action on the Part of All Parties.

Executive Branch

- Join with Legislature and UHS in Developing and Ratifying a Compact and Associated Accountability Measures
- Promulgate the List of Priorities to All Appropriate Executive Branch Agencies—Use the Bully Pulpit
- Support K-20 Initiatives Focused on Alignment
- Establish a Policy Leadership Focus for Adult/Workplace Literacy Education
- Submit a Higher Education Budget Aligned with Priorities

(continued)
An Action Agenda (continued)

Legislative Branch

- Join with Executive Branch and UHS in Developing and Ratifying a Compact and Associated Accountability Measures

- Develop a New Approach to Allocation of Resources to UHS
  - Allocation Based on Core Funding and Investment in Priorities
  - Autonomy with Accountability

- Establish Expectations Concerning Delivery of:
  - Long-Range Financing Plan for Higher Education
  - A Policy Audit

(continued)
An Action Agenda (continued)

UHS

- Join with Executive and Legislative Branches in Developing and Ratifying a Compact and Associated Accountability Measures
- Pursue the Priority Items Identified
- Take the Leadership in Proposing a Long-Range Financing Plan for Higher Education for Submission to Executive and Legislative Branches
- Take the Leadership in Conducting a Policy Audit

(continued)
An Action Agenda (continued)

Private Sector

“Pull” Improvements in Education Attainment/Learning
  > Require Employees Lacking Basic Skills to Engage in Workplace Literacy Training
  > Screen New Employees for Requisite Skills
  > Require High School Students Who Are Employed to Take a Rigorous (SSI) Curriculum and Make Satisfactory Academic Progress as a Condition of Employment

Support a Publicly Funded Venture Capital Fund

Support the Public Agenda—Push Government and Education Leaders to Adopt and Sustain the Recommendations Made for Their Action