

**SOUTH DAKOTA BOARD OF REGENTS**

**Planning and Resource Development**

**AGENDA ITEM: 4 – E**

**DATE: October 7-8, 2015**

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**SUBJECT: Statewide Postsecondary Attainment Goal**

During this year’s August Board of Regents’ retreat in Pierre, Dr. Daniel Palmer, System Director of Institutional Research, presented an item entitled “Promoting Higher Education in South Dakota through Goal Setting.” This item can be found in Attachment I. During his presentation he indicated that our nation likely will require an increasingly skilled workforce due to the rapid transition toward a knowledge-based, service-based economy. In fact, he said by the year 2020 roughly 65 percent of jobs in South Dakota are expected to require some level of postsecondary education (i.e. technical, associates, bachelor’s, master’s and doctoral degrees).<sup>1</sup>

Data from the US Census Bureau indicate that, as of 2013, only 38 percent of working-age South Dakotans (those age 25 years or older) hold an associate’s degree or higher. This means South Dakota needs to increase the educational levels of its citizens in order to satisfy the needs of the future workforce. Meeting the need will not only better equip South Dakota citizens to navigate the ebbs and flows of the workforce demands, but it will also play a key role in increasing the economic growth and success of the region.

Dr. Palmer’s August retreat presentation introduced the idea of setting a statewide postsecondary education attainment goal that would aim to meet the state’s workforce needs of 2020. Considering this idea, the Regents discussed adopting a 65% statewide postsecondary education attainment goal based on projections by the Georgetown University Public Policy Institute’s Center of Education and the Workforce.

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<sup>1</sup> Georgetown University Public Policy Institute, Center on Education and the Workforce (2013). Recovery: Job Growth and Education Requirements through 2020.

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**RECOMMENDED ACTION OF THE EXECUTIVE DIRECTOR**

I move to adopt a statewide postsecondary education attainment goal with the aim of 65% of South Dakota citizens, aged 25-34, holding a postsecondary credential by the year 2025.

Because this goal would span all postsecondary communities – technical institutes as well as public, private, and tribal colleges and universities – it would create an opportunity for a collaborative dialog amongst all educational institutions and statewide stakeholders.

Considering that South Dakota has increased its postsecondary educational attainment by only about 15 percentage points since 1990, meeting the 2020 workforce demand will require a new way to address the challenge. The adoption of a statewide attainment goal could be the beginning of a strategic and collaborative direction toward addressing the need.

With the adoption of the statewide attainment goal, the Regents would have a platform to begin a new conversation aimed at building partnerships and allies within the state. These partnerships could participate in developing the critical strategies to achieve the goal. Critical conversations, partnerships, and efforts would include (but are not limited to) the following:

1. Conversations with governmental leadership and agencies about how the attainment goal helps to achieve many state-level goals, especially those tied to economic development, reduction of dependence on governmental subsidies and improved quality of life,
2. Building strong business community advocacy for education, and
3. Developing an informational campaign that addresses the individual and statewide value of attaining a postsecondary degree in South Dakota.

**AGENDA ITEM – 2****SOUTH DAKOTA BOARD OF REGENTS  
PLANNING SESSION  
AUGUST 11-12, 2015****SUBJECT: Promoting Higher Education in South Dakota through Goalsetting**

Over the next decade, national job growth will be dominated by positions requiring a postsecondary degree. According to the US Bureau of Labor Statistics, the number of positions requiring a postsecondary degree will grow by 14.0 percent in the United States between 2012 and 2022, while jobs requiring a high school diploma will grow by only 7.9 percent.<sup>1</sup> The nation's rapid transition toward a knowledge-based, service-based economy will continue to call for an increasingly skilled workforce, to the point that – by 2020 – 65 percent of jobs in South Dakota are expected to require some level of postsecondary education.<sup>2</sup> These dynamics call for efforts to set and meet a statewide educational attainment goal. This analysis highlights several key data points that should inform the process of setting such a goal.

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<sup>1</sup> United States Bureau of Labor Statistics (2013). *Occupational Employment Projections to 2022*.

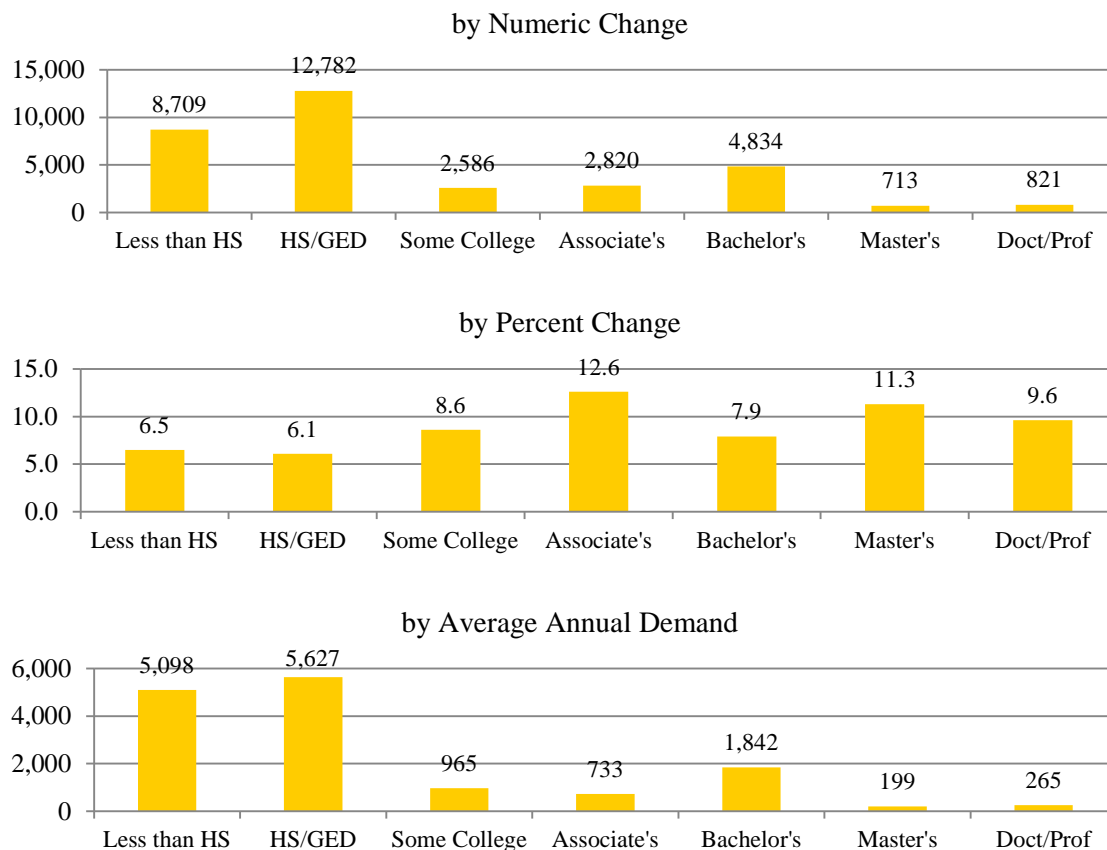
<sup>2</sup> Georgetown University Public Policy Institute, Center on Education and the Workforce (2013). *Recovery: Job Growth and Education Requirements through 2020*.

## Employment Projections

Long-range occupational employment projections are calculated every two years by the South Dakota Department of Labor and Regulation under technical guidelines established by the US Bureau of Labor Statistics. The most recent set of projections, released in 2014, provide information about employment changes that are expected to occur between 2012 and 2022.

Overall, SDDLRL projects that – from 2012 to 2022 – the total number of workers in South Dakota will rise from 472,606 to 505,871, an increase of 33,265 (7.0 percent).<sup>3</sup> In terms of percentage growth (indicating *relative* workforce expansion), positions requiring a postsecondary degree are expected to show the strongest gains over this time period, led mainly by associate’s degree-level occupations and graduate degree-level occupations. Among degree-requiring occupations, numeric growth (i.e., *absolute* workforce expansion) likely will be strongest among bachelor’s-level occupations.<sup>4</sup>

**Figure 1**  
Employment Projections by Typical Education Level, South Dakota, 2012-2022



<sup>3</sup> South Dakota Department of Labor and Regulation, Labor Market Information Center (2015). The roughly 800 occupational categories delineated in SDDLRL projections publications are aligned with the Standard Occupational Classification (SOC) framework and education matrix promulgated by BLS. In Figure 1, “average annual demand” refers to the number of new openings expected each year as the result of new positions and retirements.

<sup>4</sup> For more information about occupation-specific projections, see the [SDBOR Employment Projections Dashboard](#).

Employment projections for the nation as a whole largely mirror those for South Dakota. Based on calculations by the US Bureau of Labor Statistics, Table 1 shows national employment projections through 2022 by degree level.<sup>5</sup> As in South Dakota, the strongest relative expansion is expected to occur among occupations requiring some level of postsecondary education, led (numerically) by bachelor's degree-level occupations.

**Table 1**  
Employment Projections by Typical Education Level, Nation, 2012-2022

	2012 Workers <sup>†</sup>	2022 Workers <sup>†</sup>	Growth (n) <sup>†</sup>	Growth (%)
Less than HS	38,128	42,286	4,158	10.9
HS/GED	58,264	62,895	4,631	7.9
Some College	1,987	2,212	225	11.3
Non-degree Award	8,554	9,891	1,337	15.6
Associate's Degree	5,955	7,001	1,046	17.6
Bachelor's Degree	26,033	29,177	3,144	12.1
Master's Degree	2,432	2,881	449	18.4
Doct/Prof Degree	4,002	4,641	638	16.0

<sup>†</sup> In thousands

## Attainment Goals

Two prominent organizations in US higher education – the Georgetown University Public Policy Institute and Complete College America – have set state-level educational attainment goals for all fifty states. While these organizations frame their goals somewhat differently, each bases its goals on expectations about the skills and knowledge that will be required of each state's workforce by the year 2020. Table 2 provides a summary of these attainment goals for South Dakota and all surrounding states.<sup>6</sup> Overall, both organizations suggest that South Dakota should prepare for a future in which more than 60 percent of jobs require at least some level of postsecondary education. Goals for neighboring states tend to be even higher, signaling a broad regional need for robust postsecondary investment.

**Table 2**  
2020 Attainment Goals – Georgetown and CCA  
(Percentages)

	Georgetown University Public Policy Institute				CCA
	Jobs Requiring Associate's Degree or Less	Jobs Requiring Bachelor's Degree	Jobs Requiring Graduate Degree	Jobs Requiring Any Postsec. Education	Jobs Requiring Any Postsec. Education
Iowa	39	21	8	68	64
Minnesota	36	27	11	74	70
Montana	37	25	7	69	63
Nebraska	38	24	8	71	66
North Dakota	42	24	6	72	69
<b>South Dakota</b>	<b>37</b>	<b>21</b>	<b>7</b>	<b>65</b>	<b>63</b>
Wyoming	41	17	7	65	65
Nation	33	23	11	65	-

<sup>5</sup> United States Bureau of Labor Statistics (2013). *Occupational Employment Projections to 2022*.

<sup>6</sup> Georgetown University Public Policy Institute, Center on Education and the Workforce (2013). *Recovery: Job Growth and Education Requirements through 2020*. Complete College America (2011), *Time is the Enemy*.

## Current Attainment

Today, educational attainment rates in South Dakota fall short of the goals suggested above. American Community Survey data from 2013 indicate that only 38.0 percent of working-age South Dakotans hold an associate's degree or higher. Roughly one quarter (26.6 percent) hold a four-year degree or higher, and 7.6 percent hold a graduate degree.<sup>7</sup> Table 3 displays attainment data from other states, and shows that – across all categories of attainment – South Dakota's attainment rates tend to fall below those of other states.

**Table 3**  
Educational Attainment by State, 2013  
(Percentages)

	Associate's Degree or Higher	Bachelor's Degree or Higher	Master's Degree or Higher
Iowa	37.5	26.4	8.4
Minnesota	44.2	33.5	11.1
Montana	37.4	29.0	9.3
Nebraska	39.2	29.4	9.8
North Dakota	40.9	27.1	7.2
<b>South Dakota</b>	<b>38.0</b>	<b>26.6</b>	<b>7.6</b>
Wyoming	37.3	26.6	8.8
Nation	37.7	29.6	11.2

Data suggest that South Dakota's distribution of college degrees is somewhat anomalous in the nation (Table 4). Among South Dakotans with a college degree, 30.1 percent hold an associate's degree, compared to a national rate of only 21.4 percent. Graduate degree holders, in contrast, account for a disproportionately small share of South Dakota's total degree holders (20.1 percent, compared to 29.7 percent for the nation). Combined, Tables 3 and 4 indicate not only that South Dakota's net educational attainment is lower than most other states, but also that its pool of postsecondary degrees is skewed somewhat toward lower-level credentials.

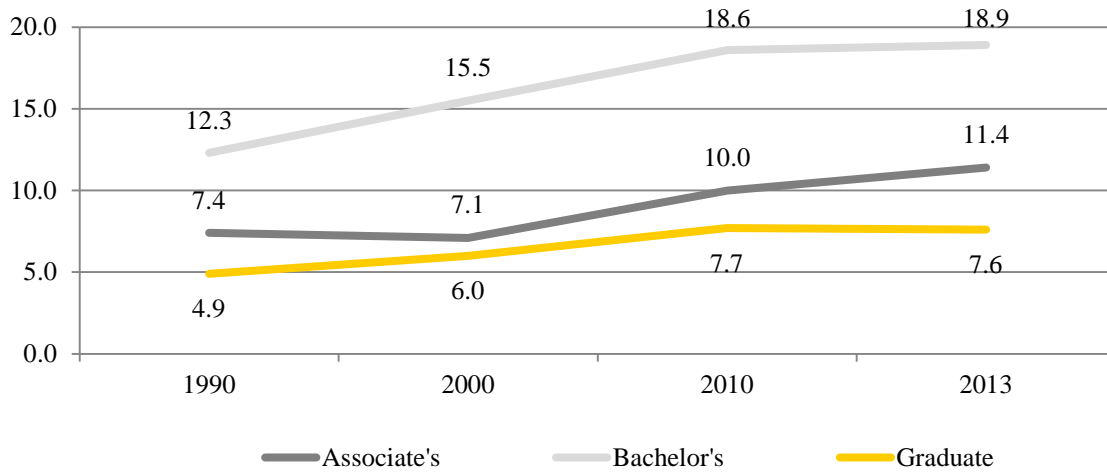
**Table 4**  
Share of Degrees by State, 2013  
(Percentages)

	Associate's Degree	Bachelor's Degree	Graduate Degree
Iowa	29.5	48.2	22.3
Minnesota	24.1	50.7	25.2
Montana	22.6	52.5	24.9
Nebraska	25.1	50.0	24.9
North Dakota	33.7	48.8	17.5
<b>South Dakota</b>	<b>30.1</b>	<b>49.8</b>	<b>20.1</b>
Wyoming	28.8	47.6	23.6
Nation	21.4	48.9	29.7

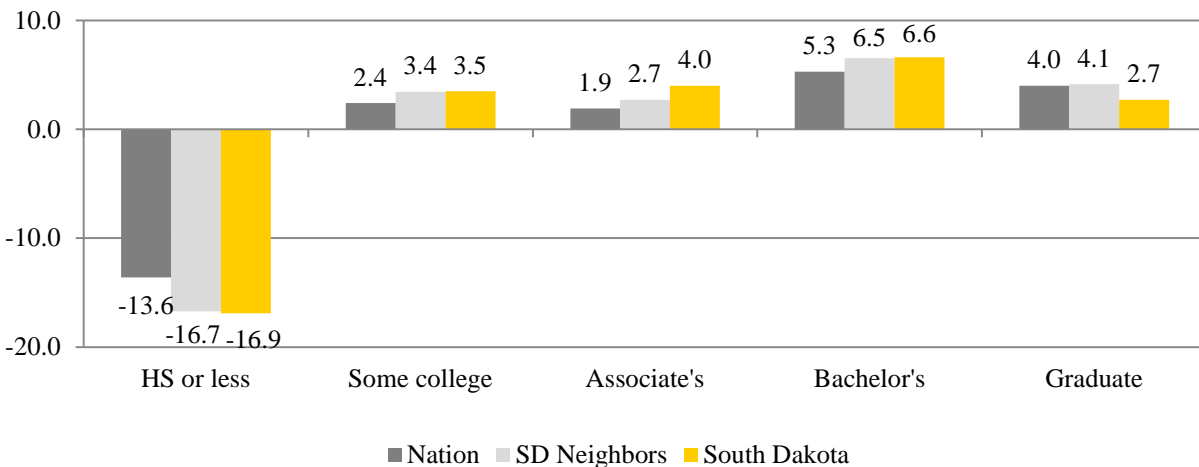
<sup>7</sup> US Census Bureau (2013), 2013 American Community Survey (B15003). These data are based on self-reported survey responses, and thus are subject to the same sources of sampling and nonsampling error associated with any other type of survey research. Accordingly, these figures should be understood as estimates, not hard counts. In order to facilitate comparability with related research conducted by the Census Bureau, attainment calculations include residents age 25 or older. For reference, South Dakota's working-age population in 2013 is estimated at 550,959.

South Dakota’s educational attainment figures have improved somewhat in recent decades. The state’s 2013 attainment level of 38.0 percent (associate’s degree or higher) demonstrates clear improvement over the state’s 1990 level of only 24.6 percent. Figure 2 and Figure 3 depict changes in education attainment from 1990 to 2013, and show that attainment at all levels above the high school level have increased over this timespan.<sup>8</sup> These data also indicate that – relative to national and regional figures – associate’s degree attainment has grown somewhat faster in South Dakota than in other areas, while growth in graduate degree attainment has been relatively slow.

**Figure 2**  
Educational Attainment in South Dakota, 1990-2013  
(Percentages)



**Figure 3**  
Change in Educational Attainment by Geography, 1990 to 2013  
(Percentages)



<sup>8</sup> US Census Bureau, Decennial Census of the Population (1990, 2000, 2010). US Census Bureau (2013), 2013 American Community Survey (B15003). Attainment calculations include residents age 25 or older.