

## President's Report

May 27, 2021

When I left high school in western North Carolina, which was a little while ago now, many of my classmates went directly into the working world. They had every expectation of finding and keeping a good job that could sustain a family. In manufacturing, textiles, agriculture, and a host of other industries, you could take an entry-level job with a solid company and expect to stay there for decades.

That is less true today. It's much harder for North Carolinians with a high school diploma or less to build the kind of lives they want, with the kind of income and stability that makes it possible to raise a family and give back to the community. It's not *impossible*, and I know there are good jobs out there that don't require a four-year degree. But almost all of them require some kind of specialized training, some kind of technical expertise, that isn't easy to acquire. This is one reason I'm so passionate about community colleges.

I've been thinking a lot about that over the past few months as the economic recovery from the pandemic gathers steam. It's an odd moment, when the overall rate of growth is accelerating faster than we've seen in generations and yet millions of Americans are out of work. That is a disconnect.

We're not going back to the same economy we had in February of 2020, much less 2010 or 2000. The trends I mentioned above, most especially the rise of automation and artificial intelligence, will accelerate fundamental changes in the American economy.

What that means for our public universities is simple yet daunting: a lot more people are going to need a second chance at higher education, the opportunity for a meaningful college experience in the middle of their lives and careers instead of at the beginning. We need a new, expanded vision of who our colleges and universities are meant to serve.

For almost 150 years, American higher education has counted on a steady increase in the number of young people ready and eager to step through our doors. That's been especially true in the half-century of the UNC System's rise, when our growing state and modernizing economy meant huge demand for educating recent high school grads in everything from biochemical engineering to arts and design.

With the unwavering support of our state's leaders, in both parties, we've met that demand. North Carolina created one of the strongest, most diverse, most affordable systems of higher education in the country. Each of our institutions was purpose-built to serve particular regions and particular sectors of the state and with particular goals in mind.

Our best moments have come because we listened to the needs of a changing world, and we responded.

I believe another of those moments is at hand. There are hundreds of thousands of North Carolinians who could benefit from higher education but didn't get the opportunity when they were 18 or 19 years old. Maybe they already had a job, maybe they were already starting a family, maybe they just weren't ready yet. All the answers to life's questions aren't necessarily known at the age of 18.

Last week, I joined many of our chancellors and a number of our Board members for a discussion with Nathan Grawe, an economist who studies labor markets and higher education. He walked us through the demographic trends that will make business as usual impossible for traditional colleges and universities in the years ahead.

Our traditional focus has been on 18-24 year-olds and that commitment will continue. But Dr. Grawe also spoke about the tremendous potential for institutions that embrace the need for change, that learn encouraging lessons from the adaptation and agility that we've seen during the pandemic. His findings and others like it, have many in education concerned, though.

One news summary put it like this, "there are indications that the depth of their predicament is also finally prompting colleges and universities to make structural changes that critics contend are long overdue, which could flatten or lower students costs, reduce dropout rates, better connect academic offerings to workplace demand, make it easier to transfer and adapt to the needs of older adults and other untapped markets."

It sounds similar to the to-do list we've discussed. I believe strong institutions like ours can use this moment to redefine our value to adult learners.

When you survey working adults about where they would look for retraining or career transitions, very few of them name higher education. They know we're not really built to educate people with jobs and families and full lives, and they look elsewhere. More than sixty thousand adult learners in North Carolina are taking classes from out-of-state providers, mostly online, because we didn't reach them or they didn't find our offerings flexible enough to meet their needs.

That must change. It's no longer enough to tinker at the margins of our business model, or run a few small-scale programs designed to help working adults. Making sure that all North Carolinians have real opportunity, at any stage of life, is a great challenge of our university right now.

In the months ahead, we're going to make a significant effort to turn this vision into a reality — to build our capacity to translate the extraordinary value of a UNC education into a form that working adults can access. I want to see us reduce student costs even more than we have; build much greater flexibility into our degree programs; embrace the potential of improved and enhanced digital instruction that we've seen over the last year; and show North Carolinians looking for a second chance that there's a clear path between a UNC degree or a community college credential and a high-quality job.



We can fundamentally change our appeal to adult learners, and doing it on a statewide scale. I believe the future of our institutions and the prosperity of our people depends on it.

Much more to come, but my thanks to all of you who have been engaged in this conversation and eager to embrace this work.