FIRST REPORT OF THE ENVIRONMENT COMMITTEE
Strategic Planning Process
March 5 and 6, 1986

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For the past few weeks members of the Environment Committee have been gathering data about economic and demographic trends generally in Washington State and particularly in an area that includes the counties of Skamania, Clark, Wahkiakum, Pacific, Cowlitz, Lewis, Grays Harbor, Mason, Jefferson, Clallam, Thurston, Pierce, Kitsap, and in some cases, King. Some of these counties are experiencing serious economic difficulties because of the decline in resources industries, while others such as Clark, Thurston, Pierce, Kitsap, and King are experiencing economic stability and even growth.

In addition to these economic and demographic data, we have been studying the political environment, with special focus on the executive and legislative branches in Washington State, higher education trends, and enrollment history at TESC. In all of our work we have tried to link Washington State trends to those at the national level, as appropriate.

What follows in this report, which will be used as a framework for our first draft, is a listing of major features and issues that we believe should be considered in TESC's strategic planning process. In some instances these items will represent constraints, or even threats, to our programmatic choices in the future; others will present clear opportunities for developing new programs or improving existing ones, and yet other items in the list will serve to ratify current efforts as those most appropriate for Evergreen. Responding to these features and issues in the external environment will certainly provide Evergreen with stimulating challenges and avenues for continued vitality in the years to come.

This preliminary report is our first effort to identify aspects of the external environment within which Evergreen must operate and survive. We ask you to review this material and give us your best thoughts. Please let us know which points from our list you would include in a first draft as well as others you see as important that we have not addressed. Members of our committee will be present at the public sessions on March 5 and 6 to record your remarks and advice; if you are unable to attend or have additional thoughts about our work after the meetings, please send these to Carolyn Dobbs, LAB 1, before Wednesday, March 12. Thank you for your attention and assistance.

We have identified five features of the external environment that should be critical parts of TESC's strategic planning process. They are political environment, TESC's image, educational trends, demographic factors, and Washington State's economy. Under each of these features we have indicated a number of issues that will affect Evergreen's future. We have not prioritized items in this list, nor have we omitted duplications at this stage of our work.
I. Political Environment

A. Unit Costs

There is severe criticism of the college because it's per student costs are higher than the other regional institutions.

B. "Brewster Question"

Although there is growing recognition that the quality of Evergreen is high, the question of whether the state can afford the luxury of such a "quality" institution has been asked.

C. Legislative Mandate

The college's mandate includes three distinct (and perhaps contradictory) charges:

1) To serve as an "alternative" liberal arts college in the state.
2) To specifically serve southwest Washington students and regional research/development needs.
3) To specifically serve the needs of state government to which the college is so proximate physically.

It is generally agreed that TESC has certainly met the first charge, but that more attention should be given the second and third charges. The question has also been raised whether TESC's service area might be better focused on South Puget Sound.

D. State Tax Structures and Revenues

The state is in very difficult financial times; state revenues are not meeting expenditure needs, consequently, funding for any new educational initiatives will be difficult to obtain and small in amount.

E. Cost of (new) TESC Programs

Related to (D) and (A) above: new programs at TESC will have to (a) be low in costs, (b) reduce (or at least not increase) unit costs.

F. Growth at TESC

The college is under great external pressure to grow to (a) reduce unit costs, (b) to counter a perception that we are not attractive to students.

G. Outcomes

The legislature is increasingly anxious that state programs (including those in higher education) produce measurable outcomes that allow for quantitative comparisons of programs in terms of production, and tangible results.
H. Off-Campus Programs/Policies

The legislature is interested in regulating the proliferation of off-campus programs offered by the four-year institutions.

I. Access

Within the legislature there is a group for whom the major higher education issue is providing "open access." This has focused some discussions of higher education policy and funding within this context.

J. Policy by Exception

In the absence of stable revenues and long-term planning in higher education, the natural tendency has been to make individual policy decisions which may work against a coherent structure for higher education in the state.

K. South Puget Sound Area

The Puget Sound basin seems increasingly to be the state's major focus of economic development and demographic growth. It is also has considerable political representation in state government.

II. TESC Image

A. By high school community

Still mixed, but improving.

B. By community colleges

Traditionally strong and continues to hold its own.

C. By four-year colleges

Treated with suspicion, slowly shifting towards positive, until recently, low visibility and low involvement.

D. By Southwest Washington community

Mixed, but improving as graduates enter the communites.

E. By legislature

Mixed opinions, our image here needs work.

F. By employers

Most employers of TESC grads are very satisfied; other employers continue to remain skeptical.
G. Expectations for TESC

Evergreen grads are expected to prove themselves to an unusual extent relative to graduates of other four-year institutions.

H. Communicating Self-Image

Questions are raised about how well we define ourselves; do we have a coherent and consistent self-image; how can our institutional self-esteem be promoted.

I. National Image

Quite good; recognized as a leader in quality education. National image is perhaps much better than the state-wide image.

III. Educational Trends

A. Programmatic Changes in K-12

- New graduation requirements take effect 1985 increasing distribution requirements
- Increasing proportion of minorities
- Decreasing number of "traditional age" students available to the four-year system through 1995.
- TESC share of market very small; can only increase
- State mandate to fund; competitive with higher ed for dollars
- Increased emphasis on quality, accountability without dollars

B. Programmatic Changes in Community Colleges

- Washington community college participation rates high
- Enrollment declined in 1981; steady state forecasts through 1987
- Vocational and basic skill enrollment increasing relative to academic enrollment - especially in Southwest Washington community colleges
- Concern about articulation, especially with new general education curriculum at four-year colleges
- Concern about "access"
- Large share of TESC entering class
- High attrition
- Seeking models to faculty development and curriculum (academic) revitalization

C. Programmatic Changes in Four-year Colleges

- Differential growth decline
- Competition with each other, community colleges
- Increasing admission standards
- Reform general education (WSU, WWU...)
- Emphasis on outcome assessment (UW)
- Clarify missions
- Strategic planning
- Attempting to cooperate with other institutions
- Trying to maintain autonomy of institutions
- Most, except UW, into off-campus and "service" to increase enrollment
D. Major Issues Nationally

- Access (often contrasted to quality). Code word for limiting access to minorities and low income
- Federal role
- Productivity. Is higher education producing good enough products for the investment?
- Assessment
- Quality
- Role of liberal arts
- General education
- Professional and vocational education
- Need for new skills, computer, telecommunications, etc., information revolution, foreign languages
- Retention
- Partnership, articulation
- Strategic planning
- Serving adults
- Impact of state policy

E. State Issues

- Need for educational institutions to do better long-range planning
- Access
- Role of four-year vs. two-year colleges, relative costs
- Articulation between two-year and four-year schools
- Quality
- Accountability
- Productivity, educational outcomes
- Relation to economic development
- Higher expectations for higher education
- Centralization
- Increased emphasis on planning, needs assessments
- Concern about cost
- Concern about program duplication
- Are teacher education programs good enough?
- Is state program review and approval process good enough?
- Competition among educational institutions. How to reduce. Need more effective policy and structure.
- Ecological niche—empty or full? Program duplication concerns.
- Off-campus programs
- Accreditation: costs and program demands

F. Career Trends

- What will people want to do with college education in the future?
- A number of fields bottoming out
- Number of times students change minds makes prediction difficult
- Broad skills needed for everyone
G. Washington State Higher Education Coordinating Board

- Last stand in terms of state effort to maintain coordinating board rather than Super Board to coordinate higher education; many politicians skeptical
- Episodic nature of politics makes its success possible
- Promising strong leadership
- Will try to take "high road to educational policy;" avoid policy by exception
- Turnover in education staff of Legislation Governor's Office and HEC Board leaves few "experts" in place
- Board will pick a few crucial issues, i.e., outcomes, role and missions

H. Financial Aid Trends

- Federal picture makes some decline likely. Will adversely affect enrollment if substantial
- Cutbacks in Indian Education money already evident

IV. Demographic Factors

A. Out-migration from Southwest Washington

Southwest Washington has experienced an out-migration of between 9% and 49% since 1982.

B. State/Regional In-migration

Washington State, particularly in the Puget Sound basin, will experience an 18% per year immigration.

C. "New Demographics"

The baby boom's immediate and long-term effect on demographics; i.e., age structures. Mid-career promotions, higher education needs.

D. Changes in Family Structures

What changes are occurring, such as increasing single parent families, that will affect TESC?

E. The Changes in Personal Incomes

Many declines with shifts from resource and manufacturing industries to service industries.

F. Washington State's Racial/Ethnic Composition

What needs are generated and how do they affect TESC?
G. Student Participation at TESC by County

Where are TESC students coming from?

H. The Evergreen State College Service Area Compared with Other Washington State Colleges

Over 11% of the state's population is within a 30-mile radius of Olympia.

I. TESC Responsibility to the Urban Place-Bound Adult

Serving this population is becoming increasingly important in higher education planning.

V. A. The Decline of Resource-based Industries (wood products, fishing, agriculture)

These industries, which have traditionally provided primary economic support for the state, are either in a severe recession (wood products and fishing) or on the brink of one (agriculture). It appears unlikely that at least the first two categories will ever attain their former levels of employment.

B. Decline of Manufacturing

The manufacturing industries in the state have been declining as a proportion of total employment for over twenty years. The higher than average wage levels in these industries make manufacturing a crucial industry for the state economy.

C. Geographic Dimorphism

The Puget Sound basin and other urban areas have generally experienced healthier, more diverse economies than the more rural areas of Washington state. Both types of regions need to be considered in any examination of the state economy.

D. Growth of Small Business

In both the U.S. and in Washington, a majority of the growth in employment takes place in small businesses.

E. International Trade

Washington ports are more than a full shipping day closer to Asian markets than any other mainland American ports. This would seem to imply a role for Washington as a gateway port for Pacific Rim trade.

F. Economic Development

It is very important to gauge accurately the nature of economic development in the state. Industries that are our fastest growing include wholesale and retail trade and services. Industries that are being actively pursued by the state include tourism and "high tech" manufacturing. These are all low wage industries. The nature of work is also changing. The shift from manufacturing to services means more people are changing jobs more often.
G. Personal Income

While personal income has been rising in the state, all of the increase has been in the non-wage portion of personal income (interest, dividends and rent). Real wages have been falling since 1979.

H. Disappearing Middle Class

The decline in high wage employment (wood products, other manufacturing) and the rise in low wage employment (services, retail trade) not only lowers real wages, it changes the distribution of income. In what has been called the Mount Saint Helens effect, the middle portion of the income distribution may be disappearing. High wage blue collar jobs are being transformed into low wage service sector jobs. If this trend continues, the proportion of wage earners that are in the middle income classes will decline.