

President's Report
State Board of Community Colleges
Dr. R. Scott Ralls, President
Thursday, September 15, 2011

Exactly a week ago today, I was testifying before the House Small Business Committee on Capitol Hill on workforce development innovations and their importance for American small businesses. I was invited at the suggestion of the National Association of Manufacturers, a testament, I believe, to both the important role national leaders see for community colleges in addressing our significant economic dilemmas and the positive examples they perceive that our North Carolina community colleges provide.

Flying home that evening, feeling lucky to have made it out with stormy weather and after having to weave my way through the ramped up security provisions put in place for the President's address to Congress, I settled into my seat and began reading Thomas Friedman's new book, *That Used to Be Us*, co-written with Michael Mandelbaum.

The book's content further emphasized to me the vital economic role we play today, and there is even a North Carolina community college connection to the title. "That used to be us," is a statement from a speech President Obama gave at Forsyth Tech last November, the same speech in which he first suggested that we as Americans have reached a new "Sputnik moment."

The need for a Sputnik moment – a recommitment to education rigor and relevance in overcoming our economic and competitive challenges – was further emphasized by Tuesday's release of the *2011 Education at a Glance* report from the Organization for Economic Cooperation and Development or OECD.

Among other alarming data for the U.S., the report indicates that today we stand alone as the only industrialized nation where the education of those entering the workforce, aged 25-34, is lower than those preparing to exit, ages 55 to 64. The U.S. has now dropped to 15th among 34 leading industrialized nations in terms of higher education attainment in the 25 to 34 age group.

While suggestions are that our lack of educational attainment is significantly weakening our international competitive position, other recent research points to an emphasis on community college-level education and skills development as vital to immediate economic recovery in our region. Last month at the Southern Governors' Association meeting hosted by Governor Perdue in Asheville, a report by the National Skills Coalition on *Middle-Skill Jobs in the American South's Economy* was released during a panel session among the Governors. The report indicated that middle-skill jobs, those requiring technical skills above high school but below a four-year degree, account for 51 percent of all jobs today in the South, but that only 43 percent of our region's workers are trained to that level. In other words, the report suggests that even in the height of a jobs crisis, skills gaps persist that suggest mismatches and skills shortages, and leads to a conclusion from the report that the gap threatens to undermine economic and innovation efforts.

So bottom line, what does all this mean? To me, it means that we cannot take our eye off the ball and must remain vigilant in our focus to foster economic opportunity through workforce development and student success.

It also means that in an era of declining resources, we have to be very smart in how and where we make our investments. In that regard, research and

analysis will be ever more important, and today, I am proud to announce to you an important new partnership in which our System will participate.

For our telephonic meeting today, I am calling in from the campus of Columbia University in New York City where I am participating as part of a national community college research advisory group. Over the past two years, the Community College Research Center at Columbia University has become one of our most important allies in SuccessNC, and that is a connection we will strengthen in the future.

Recently, Columbia was awarded a [significant grant](#) from the U.S. Department of Education to develop a new research center to advance knowledge regarding the link between the post-secondary education and the labor market. We have agreed to become one of five partner states, along with Michigan, Ohio, Virginia, and Florida, in the new Center for Analysis of Postsecondary Education and Employment. We are excited because this partnership, along with our other efforts with Columbia and the Gates Foundation such as Completion by Design, will not only further our analysis and data intelligence, but will also increase our own infrastructure and on-ground capabilities with respect to research and analysis.

From my perspective, enhancing what is essentially our community college R&D capability is going to be a core requirement for addressing our generation's Sputnik moment. As the rest of the world attempts to economically out-compete us by becoming smarter, we will have to be ever smarter in how we approach workforce development and education. Data and analysis will provide the additional IQ.