



Want to Improve Program Completion  
and Job Placement Rates? Learn How  
Legacy Education Did Just That

**With Marc Barron and Ena Hull**

# Agenda

- State of the industry
- How Legacy is addressing market demand
- Increasing completion & placement rates
- How technology is supporting schools to fill the skills gap





## The New Reality – Trends in Higher Ed

- **Growth** in non-academic career market
- **Market creep** – Large Companies and visionaries (Google, Apple, Tony Robbins Time to Thrive Initiative) entering the space
- **Demographics** – Worsening Demographics with declining birth rates
- **Opinions** – Negative Societal Opinions on Higher Ed
- **Politics** – Persistent Resistance and Negative Beliefs against Proprietary Segment
- **Regulatory** – Increased regulations on proprietary Title IV institutions

# Higher Ed Big Picture

## According to the Transformation Collaborative

→ **“The underlying fundamentals have gotten worse since 2019.”**

> A substantial swath of higher ed industry may be vulnerable to collapse.

- > Consumer Behavior
- > Market Shifts
- > Increasing Student Attrition
- > Unsustainable Business Models
- > Substantial moves away from College Degrees for employment

# The New Reality – Shifts in Philosophy



- **1.3 M** missing students since COVID
- **Online Learning Lacking** – High School Seniors or Recent HS Graduates Not Interested in Online Learning – choosing to defer
- **Consumer Behavior** – Debt averse. Financials not good. \$1.75 Trillion in student loan debt.
- **The Degree is Dead** – Major employers no longer require degrees for employment.
- **Alternative Education** – Now a valid option.
- **Blue Collar job demands** higher than White Collar



# Opinions About Higher Education

OVERALL SOCIETAL  
OPINIONS ABOUT HIGHER  
EDUCATION ARE TRENDING  
NEGATIVE



PEW SURVEY (SHOWED  
HIGHER ED GOING IN THE  
WRONG DIRECTION)



GALLUP SURVEY (SHOWED  
DECLINING CONFIDENCE)



HARVARD SURVEY (SHOWED  
STUDENT DEBT IS A MAJOR  
PROBLEM AND THE #1 SOURCE OF  
THE ENROLLMENT DECISION).

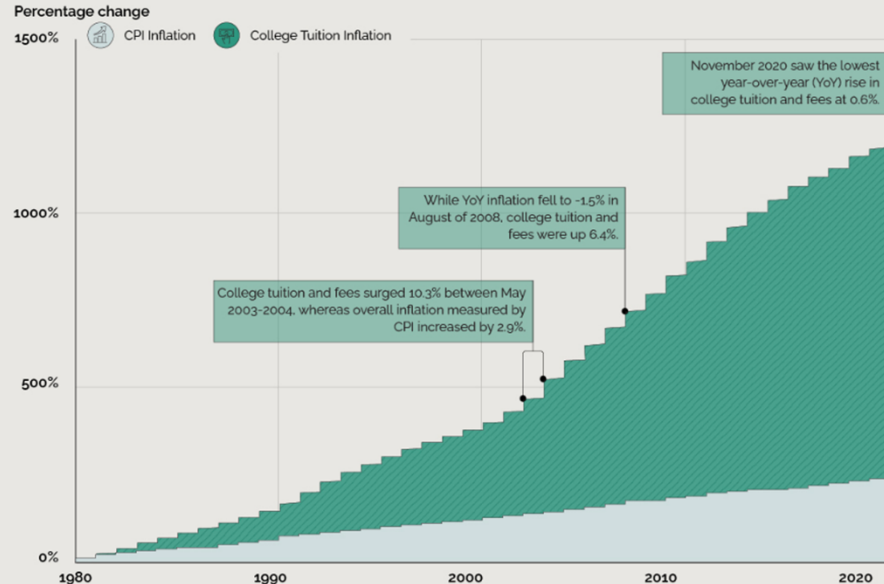
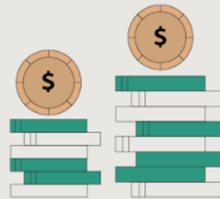




## The Rising Cost of College in the U.S.

# The Rising Cost of College in the U.S.

The costs of obtaining a college education in the U.S. have ballooned relative to overall inflation. Average college tuition and fees have increased by **1200%** since 1980, while inflation is up **236%**.



Based on seasonally adjusted CPI data. Index values based on 1982-84 = 100.

Source: U.S. Bureau of Labor Statistics - Consumer Price Index  
U.S. Bureau of Labor Statistics - Consumer Price Index for College Tuition & Fees



According to the U.S. BLS and Consumer Price Index – The cost of education has exceeded customer elasticity.

- Tuition has increased 1200% since 1980.
- Since 1989, tuition has doubled, after inflation and 8 times faster than wage increases.
- Total student debt is now \$1.75 trillion (exceeding both credit card and auto loan debt)
- Average student debt is now over \$37,000 per person and roughly 20% of students owe more than \$100,000 dollars
- Half of all borrowers are making interest only payment

Many students now feel that the ROI (Return on Investment) is either not positive enough or actually feel negative about higher education.

## The Great 2008 Recession and Today

According to TC, the effects of 2008 are still with us as both wealth and income is lower today than 10 years ago for the majority of Americans.

- **Decimated family wealth**
- **Decreased family income**
- **Shrank the middle class**

**43% of American adults** don't have enough savings to cover a **\$500 emergency expense** such as an unexpected medical bill, car problem or home repair.

Earnings are still lower than before the Great Recession



**6 in 10 Americans don't have \$500 in savings**

January 12th, 4:15 PM EST



# The New Reality - Pace of Change

Change – current **pace** is unprecedented

- **Technological Change**
- **Social Change**
- **Organizational Change**

## Technology Mass Use

Date	Invention or Service	Years to Mass Use
1873	<b>Electricity</b>	46
1876	Telephone	35
1906	Radio	16
1975	<b>Personal Computer</b>	13
1983	Mobile Phone	4
1994	The Web	3
2000	<b>Online Banking</b>	3
2004	Facebook	1.5
2006	Twitter	1
2017	<b>Instagram</b>	1
2019	TikTok	1
2020	Zoom	0.1
2020	<b>DocuSign/Digital Signatures</b>	0.1

# 1991 to Today - Speed is the Key!



**\$13.88 Clock Radio**



**\$1599 Computer**



**\$9.88  
Calculator**



**\$159.99 Scanner**



**\$799 Camcorder**



**\$29.95 Landline  
Memory Phone**



**\$29.99 Cassette Recorder**

**\$129.99 Walkman  
Music**



1991 equipment  
cost \$3030

2022 iPhone Cost  
\$999

*What the consumer is  
thinking and  
experiencing...Just Ask SIRI!*

*Speed to Data Faster than  
ever! Ask SIRI!*

*Memorizing Info Is No Longer  
Needed! Ask SIRI!*

*Computer Degrees obsolete  
in 3 years. Watch YouTube!  
Instructor Experience,  
Background and Degree is  
outdated*



# Speed of Change – Who can pivot more quickly?

Major companies are now questioning who can pivot more quickly....

Private Businesses and Corporations  
(Google, Facebook, Netflix)

OR

Colleges and Universities

**Answer** – *Companies believe they can do it faster!*

→ The In-House Training Industry and Alternative Education Industry is growing rapidly!

Over 60 Major Companies in the last 3 years have dropped degree requirements and provide in-house training programs.



# In-House Industry Training



- Automotive
- Plumbing Welding
- Health Care
- Aviation
- Transportation/Trucking
- New since 2019
  - > Finance and Banking
  - > Hospitality
  - > Insurance
  - > Consumer Goods

*•Trend is showing that employers and industries are not happy with what Higher Education is producing,*

*AND*

*•The cost of in-house education is less than the cost of unfilled positions and in-demand skills gap.*

# The New Reality - Pace of Change Companies Dropping Degrees & Educating Their Own Workforce-House Training – Guess Who's Winning!



# Which one of these Billionaires has a degree?

- Bill Gates – Former Founder/CEO of Microsoft
- Mark Zuckerberg – CoFounder and CEO of Facebook
- Steve Jobs – Former Founder and CEO of Apple
- Richard Branson – CEO of Virgin Group
- Anna Wintour – Editor in Chief at Vogue Magazine
- Elon Musk – CEO of Tesla Motors

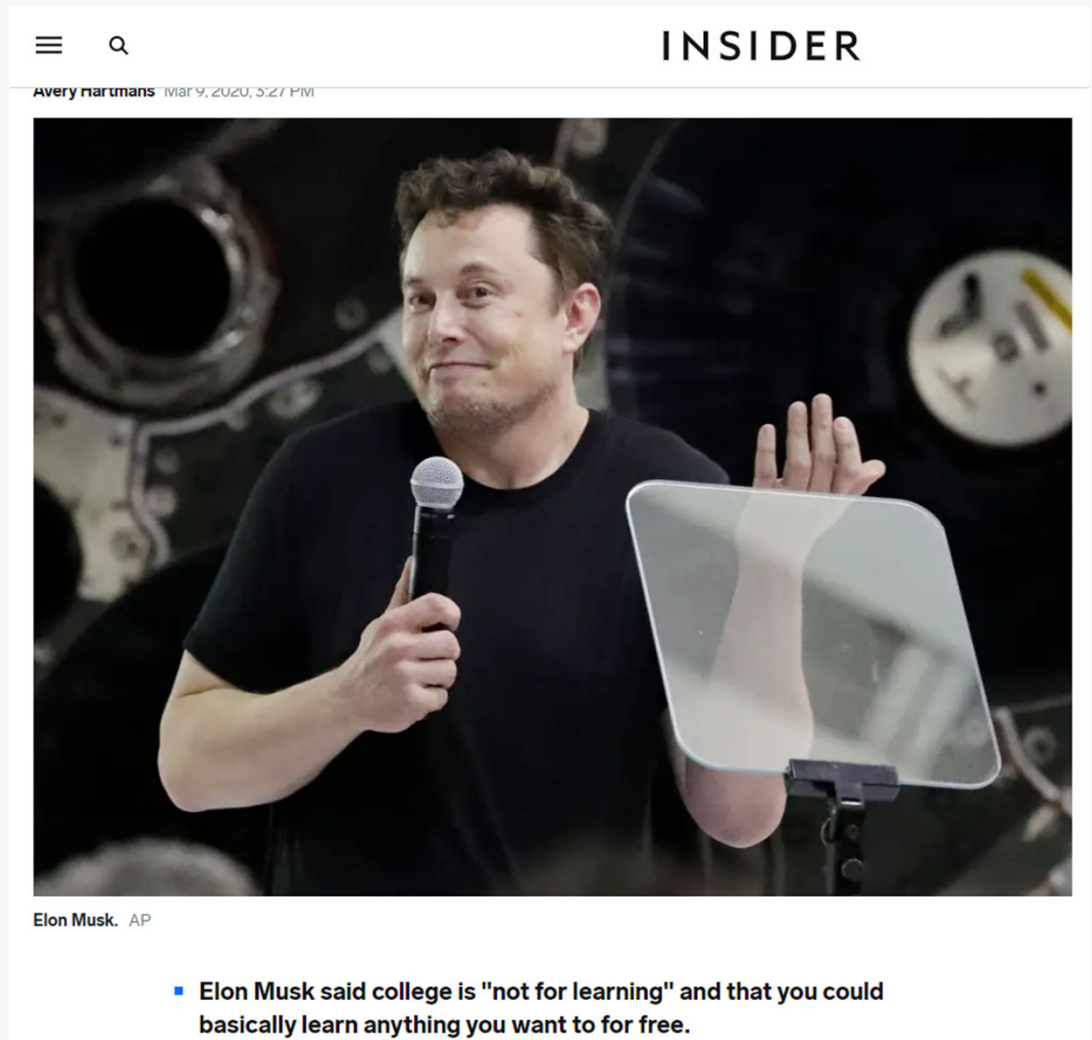


VOGUE

- Richard Schulze – Former CEO of BestBuy
- Ralph Lauren – Fashion Designer
- John P Mackey – CEO of Whole Foods Market
- Henry Ford – Founder of Ford Motor Company
- Debbi Fields – Mrs. Fields Cookies
- Michael Dell – CEO of Dell Technologies



**Answer: Elon Musk  
CEO of Tesla**




# Alternatives to College and Degrees

- Discover Praxis
- Udemy
- Coursera
- TrainSmart
- SkillUp
- MicroCredentials
- Boot Camps
- Paid Apprenticeship

## The New Higher Education: College Alternatives are Good News for Students and Colleges

by Richard Garrett, Eduventures Chief Research Officer at Encoura | Jun 15, 2021 | All Topics, Eduventures Summit, Program Innovation



The graphic features a central illustration of a college building with several dashed white lines radiating from it. These lines connect to various educational alternatives: 'APPRENTICESHIP' with the 'yearup' logo, 'VERTO EDUCATION', 'BOOTCAMP', 'MINERVA', and 'MICROCREDENTIALS' with a 'G' logo. The background is a teal gradient with a sunburst pattern behind the building. Logos for 'encoura Eduventures Research' and 'EDUVENTURES SUMMIT' are in the top corners.

Search Wake-Up Calls

encoura Eduventures Research

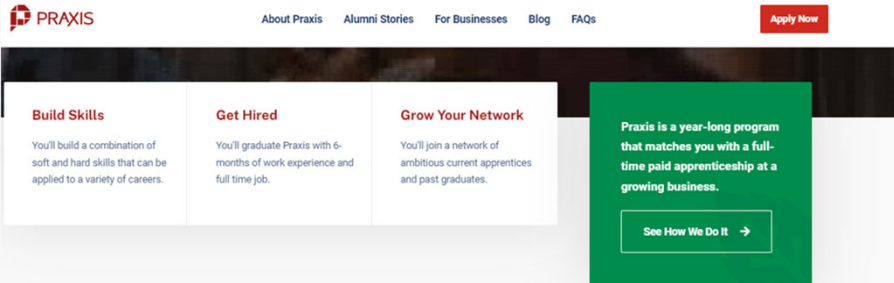
Never Miss Your Wake-Up Call

First Name

Last Name

Company Name

Email Address



The image shows the top portion of the Praxis website. The header includes the Praxis logo, navigation links for 'About Praxis', 'Alumni Stories', 'For Businesses', 'Blog', and 'FAQs', and a red 'Apply Now' button. The main content area has a dark background with three white boxes: 'Build Skills' (describing a combination of soft and hard skills), 'Get Hired' (describing 6-months of work experience), and 'Grow Your Network' (describing a network of current and past graduates). A green call-to-action box on the right states: 'Praxis is a year-long program that matches you with a full-time paid apprenticeship at a growing business.' with a 'See How We Do It' button.

PRAXIS

About Praxis Alumni Stories For Businesses Blog FAQs

**Build Skills**

You'll build a combination of soft and hard skills that can be applied to a variety of careers.

**Get Hired**

You'll graduate Praxis with 6-months of work experience and full time job.

**Grow Your Network**

You'll join a network of ambitious current apprentices and past graduates.

Praxis is a year-long program that matches you with a full-time paid apprenticeship at a growing business.



# Good News - Career Colleges Matter!

AND HOW WE CAN CHANGE TO  
BRING VALUE!

## CECU Research – In Demand Skills Research

- Healthcare
- HVAC, Plumbing, Electrical and Vocational Skills
- Cosmetology
- Transportation/Logistics/Materials Moving
- Information Technology
- Manufacturing
- Culinary Arts
- Auto/Diesel Mechanics

Full report found at:  
<https://wallacekpond.com/in-demand-skills-report/>



A large red circle on the left side of the slide, partially cut off by the edge.

## Programs where majority of Graduates Come from Private Sector

Over half of all employees are career college graduates:

- Cosmetology/Barbering
- LAN/WAN Networking
- Culinary Arts
- Allied Health
- Recording Arts
- Dental Assisting
- HVAC
- Technical/Professional Driving






## Direct Patient Care Depends on Proprietary Schools

- 2 out of 6 Registered Nurses
- 83% of all Medical Assistants
- 78% of all Vocational/Practical Nurses and Assistants
- 64% of all Dental Technicians

AND

- 1 out of 4 Health Science Graduates in the nation come from the Career Colleges!
- 

# Fundamental Influences and What Employers Want

New Functional Skills (Technical, Human, Business) need expertise in multiple areas...not just one

Hybrid Job

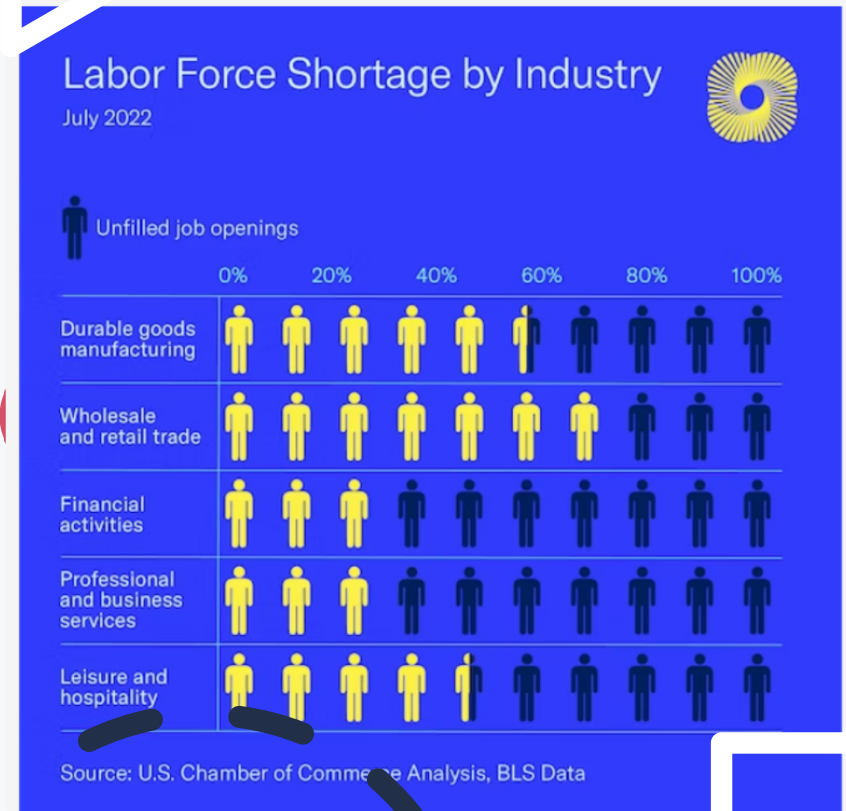
Industry Training for Entry Level Employees

Continuous Post-Graduate Training

Technology/Automation As Core to Curriculum

Artificial Intelligence/Machine Learning

Shift toward Credentialing and Not Degrees



# Leveraging the Great Resignation and Reshuffle

## Factors Contributing to Labor Shortage

- Low Job Satisfaction Rates – Culture makes a difference
- An increase in savings – Stimulus added \$4 trillion to their savings account since early 2020
- Early retirements – 3 million adults retired early during pandemic.
- Lack of access to Childcare
- New Business Starts – Entrepreneurships are on the rise. 10 million new business applications received since March 2020.
- Re-skilling and Re-tooling – Changing careers

## The Great Resignation



July 2022

Workers quitting their jobs has risen sharply over last year

— Individuals who quit their jobs



Source: U.S. Chamber of Commerce Analysis, BLS data

# Blue Collar vs. White Collar

## → White Collar Jobs

- Technological innovation
- Software development
- Health service providers, physicians or administrators
- Accounting
- Marketing
- Consulting
- Engineering
- Law



**Half of employers are planning layoffs  
—here's how to negotiate your exit if it  
happens to you**

Published Tue, Aug 23 2022-11:47 AM EDT

## → Blue Collar Jobs

- Nursing and Healthcare
- Retail
- Manufacturing
- Foodservice
- Construction
- Transportation and logistics
- Municipal services
- Repair and Maintenance
- Agriculture
- Cosmetology

**REAL SKILLS = REAL JOBS**



# Blue Collar Jobs and Entrepreneurship

- ➔ According to Forbes – Gen Z **NOW** Prefer Blue-Collar Work with an Entrepreneurial twist.
- ➔ Jobber #1 Site for Building Blue Collar Business
  - “The blue-collar world is reinventing itself—and Gen Z is here for it. Bringing their tech-savvy to bear on traditionally low-tech trades, they’re reframing the home service industry from the inside out.”
  - “Apprentices in these fields earn while they learn—and rarely have to take on debt to finance their postsecondary training.”  
Sam Pillar, CEO of Jobber a leading provider of home service operations management software. “Our communities couldn’t operate without them.”

*Little to no education debt, low barrier to entry and a great career that stretches their skills: blue collar fields are winning the hearts and minds of Gen Z.*



Gen Z is taking a second look at blue-collar careers GETTY

## What it all means



Private sector career colleges will supply 5 million of the skilled professionals for jobs required between now and 2025



Up until now...Entire industries and society depends on career colleges



Direct patient care would collapse without career colleges



New! There are now alternative programs in post-secondary education to private sector colleges or universities that threatens market share.



# Increasing Completion and Placement Rates

Takes insights and action during **every stage of the student journey.**



ENROLLMENT

Ground/Hybrid

Clinical/Extern

PLACEMENT

# Impact

- CEO/Owner - Speed Matters
- Head of Academics - Student & Staff Retention
- Head of Operations - Standardization & Scalability
- Head of Compliance - Data integrity
- Head of IT - Resource allocation
- Head of Career Services - Increase extern to placement rate

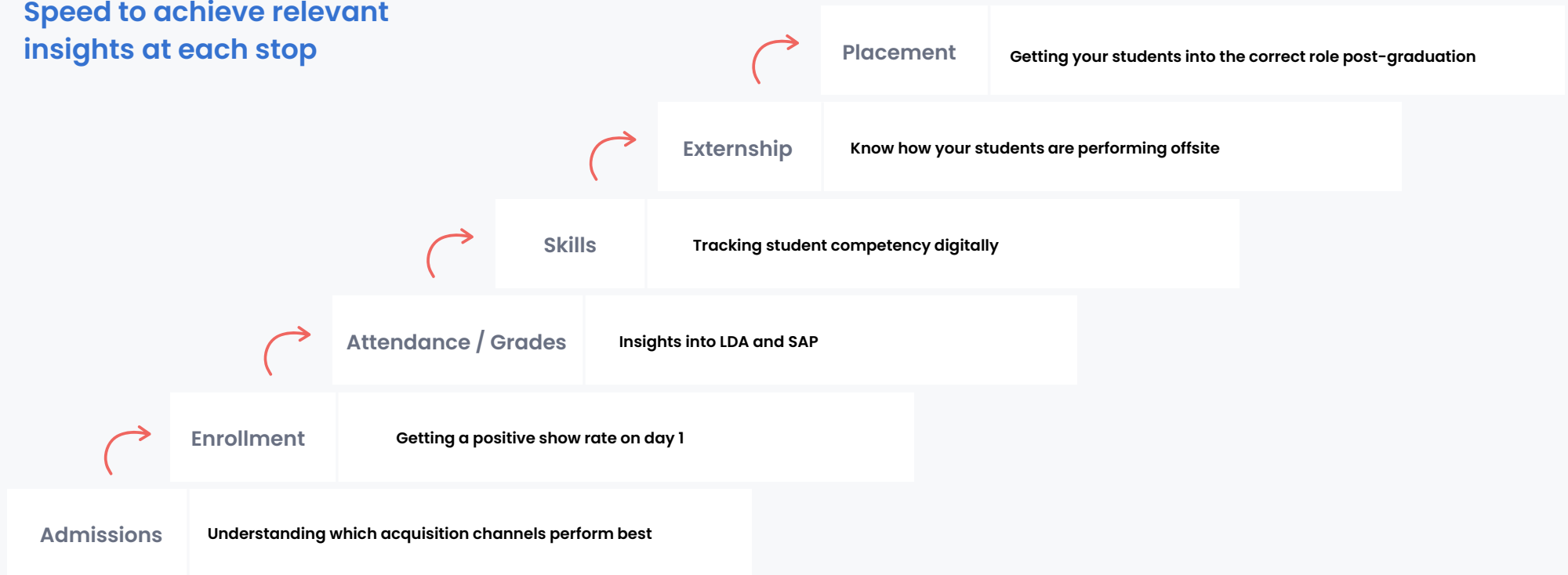


# Who is Playing to Win??

- **In 2022, have you invested in technology specifically designed to eliminate manual data entry for instructors or staff?**
- **Do you have a fully automated solution for getting attendance records into the SIS without human intervention for all modalities (ground, online, hybrid, clinical, externship)?**
- **Do you provide students with an app/portal to see their academic progress that is updated daily?**
- **Do you have a notifications system that automatically notifies faculty and staff of at risk students?**
- **Do you have a notification system that automatically notifies students of positive behavior? (e.g. "great job, you've attended class 5 days in a row")**
- **Do you have an extern-to-hire rate above 85%?**

# Actions Across the Student Journey

Speed to achieve relevant insights at each stop



# Standardization

- Compliance
- Confidence that your campuses are running according to policy
  - > automations → eliminating human data entry processes
  - > data integrity
- Increasingly important in our landscape of changing regulations



# Staff Churn Creates Challenges

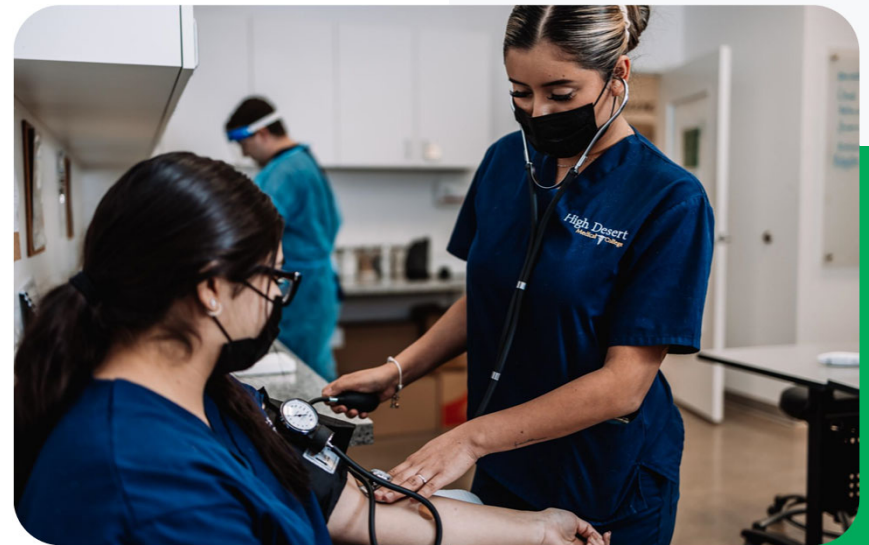


\*It costs \$4,000 to hire a new employee - Glass Door

# Retention of Students

“Where am I? Am I on track?” – Student

- Positive reinforcement through app notifications
- Students having access to their standing 24/7, giving them the tools to take accountability and ownership over progress
- Getting data quickly so you can engage with students and staff on a personal level (similar to a small school!)



# Placement

- Changing student behavior
  - > building sought-after habits
  - > getting students career ready
- Quick and continuous evaluation of student externship performance → their chances of placement
  - > also evaluate student satisfaction at the site
- Automating outreach and communication
- Not chasing paperwork
- SPEED is key



# Scalability

- Resource allocation
  - > Build vs. buy question
  - > What is the opportunity cost?





Thank you