

IU Northwest Environmental Scan 2011

Executive Summary

Office of Institutional Effectiveness and Research

ABSTRACT

The executive summary of the IU Northwest environmental scan condenses the trend statements collected from a variety of sources into a thematic brief.

External Environmental Trends Summary

Indiana University Northwest set out to gather information on the external environment this academic year, in order to assist the campus to plan strategically for the next three to five years. The idea was to collect trend statements that had a solid rationale and evidence to support them, and then to document those statements in a final report. The reliance on staff, faculty, and administrators on campus to submit these trends within their respective areas of expertise is an integral part of the process, and the environmental scan was extended to include a survey of stakeholders in Northwest Indiana communities, which has also been summarized in this report. The final, comprehensive list of trends is found in a separate document. This summary condenses all of the material into a brief.

The trends have been categorized into nine broad areas of change. The nine categories include the following:

• Competition	• Demographics	• Economics
• Education	• Health and Wellness	• Labor Force
• Politics	• Science and Technology	• Society, Lifestyles, and Values

Broader thematic trends emerged within and among the categories, which were corroborated by various sources and are presented below.

Common themes within categories:

Competition

- Effective management of people, resources, and programs is required to remain competitive for employees, students, and faculty.
- Close partnerships with high schools, community colleges, the private sector, and other constituencies will increase in importance, to compete for students and human talent.
- Affordability of higher education, and finding ways to improve students' financial literacy, increase in importance.

Demographics

- Baby boomers continue to age, and, as they retire, they will take valuable experience with them that will need to be replaced.
- Racial and ethnic diversity continues to increase.
- The number of high school graduates will decrease in Indiana over the next several years, income disparities will continue to widen, and students lose confidence in the promise that a college education will benefit them.

Economics

- The energy sector will play a role in Indiana's economy in a number of ways, including biofuels, renewable energy, and the investment of BP in the Whiting refinery.
- The increasing demand in the areas of life sciences, pharmaceuticals, and health care creates a significant role for Indiana in the global marketplace.
- Slow economic recovery continues to put a strain on funding for K-12 and higher education. Higher education is still expected to increase "production" of degrees, to provide a trained workforce for tomorrow.

Education

- There will be increased regulation, assessment, and reporting at all levels of education, to meet the demands for greater accountability.
- There will be decreased financial support for education, as state and federal tax revenues remain scarce.
- Education will continue to stretch existing resources in innovative ways, and find new sources of revenue from other sources.
- Greater numbers of poorly prepared students come to college, as the demand for more college graduates increases.

Health and Wellness

- The aging population will bring an increased demand for health care workers, and the demand will bring a change in how health care is managed.
- The cost of health care continues to rise, and the number of uninsured/underinsured continues to grow.

Labor Force

- The aging workforce: some may delay retirement, but the inevitable exit of millions of workers from the labor force will create a gap in the skill levels of employees.
- Demand for accountants and auditors is expected to increase at a faster than average rate, compared to the rest of the labor force. Other financial sector careers also continue to be in high demand.

- The need for Registered Nurses will also grow at a faster than average rate, and too few will advance their education (*e.g.* Master's level) to meet the demands of health care.
- The growth of the teaching profession will increase at an average rate of about 13 percent, but demand could be exacerbated by additional dynamics, like the aging workforce trend.

Politics

- Increased accountability and planning mandates from federal, state, and accrediting authorities.
- Increased political pressure to keep higher education affordable amidst diminishing or shifting funding sources (*e.g.* Pell Grants).

Science and Technology

- Improved computing technology and networking infrastructure will provide tools to improve learning and the delivery of education, as well as the capability to improve organization operations.
- Mobile computing technology will accelerate the speed of business, and change the way we conduct our daily lives.
- Cybercrime will become an increasing problem, as information technology permeates more of our lives and work.

Society, Lifestyles, and Values

- The idea of diversity among people continues to redefine itself, beyond traditional dimensions of race, gender, and socio-economic class, and with greater variance within those dimensions.
- How we relate to work, institutions, consumer markets, technology, and other people is in constant flux.

Common themes among categories:

Accountability: Education and political trends describe a future of increased accountability, particularly if public funds are a source of revenue.

Affordability: Competition, politics, demographics, economics, and education all had some reference to affordability of higher education. Affordability of higher education remains a key variable in degree attainment.

Aging Population: A majority of the trend categories and the community survey all pointed to an aging population carrying a number of challenges with it, including the loss of experience and skills in the labor force.

Diversity: A number of trends in a majority of the categories broadly defined diversity along multiple dimensions, including age, race/ethnicity, generations, spirituality, defining family, and socio-economic status.

Jobs: The community survey (summarized later) focused a great deal of attention on job trends and the links to education. Trend statements in the environmental scan echoed the sentiment and spoke to a high demand for college degree production, and, specifically, about the growth industries and “hot” jobs of the near future.

Student Learning: Who has an opportunity to receive higher education, how it is delivered using the latest technology, and how effectively does it educate unprepared students for the economy of tomorrow?

Partnerships: The competition category and a few other trends focused on opportunities to partner with various entities, to improve the financial viability of the institution, and increase the success of students – from recruitment to degree to career placement.

Quality: Many trends involve dynamics that have an impact on quality. Diminished resources and affordability of education create additional trends to increase efficiencies or cut costs. The increased demand for higher education from students, industries, and communities generates new trends of identifying and engaging new students who may never have considered attending college, and who bring financial and/or academic challenges. Amidst all the competing forces of change, including diminished resources, stakeholders expect an improvement in the quality of education.

Community Stakeholder Survey

IU Northwest presents a synopsis of the Community Stakeholder Survey that was administered in November and December of 2010. Two letters (or e-mails) from IU Northwest were sent to a list of about 3,000 community members, many of whom are alumni of IU Northwest. There were 144 responses returned to IU Northwest. The following is an overview of those comments.

We asked the question, **“What do you believe are the most important trends, or forces of change that will affect Indiana and the Northwest Indiana Region in the next three to five years?”** Primary concerns fell into a number of broad categories, and the comments we received from any one individual often spread into numerous thematic areas; therefore, percentages do not add up to 100 percent.

Theme of all or part of response	Number of respondents mentioning theme	Percentage (%)
Economy, Industry, and Jobs	88	61
Education and Job Training/Skills	61	42
Society, Lifestyles, and Values	38	26
Politics, Governance, and Planning	36	25
Demographics	14	10

“The job market will force change for many individuals and/or the market that they pursue.”

The economy and jobs themes were most on the minds of our stakeholders from the community, which is not at all surprising. Of the 144 respondents, eighty-eight people (61 percent) made reference to the economy and/or jobs. The need for improved job prospects dominated (over

half) the economic comments, which included a need for retraining, bringing in new small business and new industries to spur job growth, and the prospect of new technologies and industries to revitalize manufacturing.

Education was next on the minds of those who responded. Sixty-one (61) people made comments about how retraining and education remained a key trend towards revitalization of Northwest Indiana, and over half of those comments made an explicit link between education and the economy. When people brought up education or higher education, IU Northwest was mentioned twenty (20) times. Mention of IU Northwest included reference to developing a teaching hospital partnership for the IU School of Medicine-Northwest Center.

Society, lifestyles, and values constitute yet another broad area of trends that bring together quality of life issues in the Northwest Indiana region. Twenty-six (26) percent of the respondents made some reference to these issues. The top three sub-themes include urban decay, racism, and crime. Many times, perhaps because IU Northwest is located there, Gary was mentioned prominently in these comments. Other areas of concern in this category that received mention were the decline in the arts, health care, and environmental quality.

“I fear a hardening of barriers between races, economic levels, and populations of counties in the region.”

“The development of a comprehensive strategic vision for our region and a plan to implement it.”

Politics, governance, and planning are seen as important areas of change as well. This was an area in which the City of Gary received some specific mention as well. Of all the respondents, a quarter of them mentioned trends involving the

politics, governance, and planning in the region. Although the social issues were quite divergent within the sub-themes, political trends focused on regional governance/leadership, and taxes. Most of the other comments were tangential to

those trends, and there was a significant call for unity and cooperation among communities, to enable regional planning initiatives to continue and succeed.

Demographic trends rounded out the five broad categories discussed by our community respondents, although only about ten percent of the participants mentioned a demographic shift they see happening over the next three to five years. There was recognition of the fact that Northwest Indiana has an aging workforce, which will eventually have to be replaced. Mobile populations and an increasingly diverse region were also discussed, and are supported by U.S. Census evidence.

“We do not have a trained workforce to replace the retiring baby boomers in the advanced manufacturing businesses.”

The characterization of the community response overall recognizes that Northwest Indiana faces significant challenges that need the attention of everyone living here. Jobs dominated the conversation, but the other unifying theme is the challenge to unite the diverse people and communities of Northwest Indiana, to build a successful future for the region.

Next Steps

The trends and responses from the community demonstrate a significant amount of overlap, despite differing perspectives. Particularly when it comes to the links between economic prosperity and education, both recognize the relationship in detail. A context has been set to begin answering the follow-up questions to inform IU Northwest in its strategic planning. What implications do these possible futures have for our communities? What implications do these possible futures have for Indiana University Northwest?

Appendix

Below is a list of the new trends submitted from faculty and staff at IU Northwest. The trends have been incorporated into the larger report, but they are presented in this summary for your consideration.

Population

Competition 0 (IUN): Diversity Management

Adequate market share of diverse students and employee talents may be lost to more effective planning and management by competitors.

Demographic 01 (IUN): Strength of the Workforce

Over the next 25 years or so, as better educated individuals leave the workforce they will be replaced by those who, on average, have lower levels of education and skill.

“The strength of America is in the population that’s closest to retirement.” Patrick Callan, President of the National Center for Public Policy and Higher Education.

Demographic 02 (IUN): Geographic Shifts Locally

The most recent census data indicate the population in the Northwest Indiana Region is shifting away from the urban centers.

Demographic 06 (IUN): Racial/Ethnic Diversity in Indiana

Indiana expects to see an increase in racial/ethnic diversity. Racial underrepresented groups in Indiana are projected to grow from 11.6 percent of Indiana’s population in 2005 to 14.4 percent of the population in 2030. Hispanic ethnicities are expected to grow from 4.5 percent of Indiana’s population to 8.1 percent of the population by 2030.

Economy

Economic 01 (IUN): Sustainable Industries

As the focus moves from the individual focus of the Reformer Generation to the collective focus of the Civic Generation, new theories are emerging which state the purpose/goal of an business/organization should be to create shared value by supporting its supply chain to create a sustainable industry.

Economic 02 (IUN): Degree Production

The number of adults with college degrees in Indiana needs to increase to remain globally competitive.

Economic 03 (IUN): BP Whiting Refinery Expansion

The \$3.8 billion BP Whiting Modernization Project will increase the refinery's capacity to process Canadian heavy crude by 260,000 b/d and increase the facility' gasoline and diesel production by 4.7 billion gallons per year, which is approximately 15% of the current annual output.

Education

Education 01 (IUN): Nursing Faculty

Nurse faculty workforce nears retirement, and continued inequities in faculty salary in nursing.

Education 02 (IUN): Online Courses

Shift to on-line courses to meet student demand for flexible scheduling of courses to fit their busy lives.

Healthcare

Health and Wellness 01 (IUN): Health Education Growth

Baby boomer aging will require more care and more practitioners of this age will be retiring. Shortages of all health care personnel are predicted; up to 30 percent increase in capacity of universities to produce doctors and nurses are being projected as necessary.

Health and Wellness 02 (IUN): Uninsured

Numbers of uninsured/underinsured continue to rise due to not only unemployment but also the cost of health care.

Workforce

Labor Force 01 (IUN): Delaying Retirement

Older Workers remain or return to workforce.

Labor Force 02 (IUN): Business Jobs

The 50 best careers of 2011 include accountant, financial adviser, financial analyst, sales manager and training specialist and actuary. Employment of accountants and auditors is expected to grow by 22 percent between 2008 and 2018, which is much faster than the average for all occupations.

Labor Force 03 (IUN): Healthcare

Nine of the top 20 fastest growing occupations are in the health care industry between 2008-2018, and the demand for registered nurses is expected to increase 22 percent in that same time period.

Labor Force 04 (IUN): Teachers

Employment of kindergarten, elementary, middle, and secondary school teachers is expected to grow by 13 percent between 2008 and 2018, which is about as fast as the average for all occupations.

Labor Force 05 (IUN): Degrees in Nursing

There are currently too few nurses choosing to advance their education.

Labor Force 06 (IUN): Demand for Healthcare Record-Keeping

There is an estimated need for 30,000 more Medical Records and Health Information Technicians by 2016.

Information Technology

Science and Technology 01 (IUN): Convergence

The shared world-wide Internet Protocol (IP) network infrastructure is becoming the primary media for all public and private data types including mission critical -- databases, banking, news, entertainment, GPS, voice, utilities, building management, security, video, government, military, etc.

Science and Technology 02 (IUN): Smartphones

Sale of Smartphones exceeds PC sales, use of Smartphones to become ubiquitous.

Science and Technology 03 (IUN): Twitter

Twitter messages effective in positively impacting behavior. Email is passé.

Science and Technology 04 (IUN): Virtual Computer Labs

Technology officials at several colleges that have recently deployed or tested “virtual computing labs” agree that the day of large dedicated computer facilities will be replaced with informal and collaborative work areas. This advancement will also transfer to the workflow of faculty and staff members making an efficient and powerful impact.

Quality of Life

Society, Lifestyles, and Values 01 (IUN): Collective Action

As the nation greets the era of a new Civic Generation, more people will expect the institutions they interact with to provide opportunities for them to make a difference in their community through collective action.

Society, Lifestyles, and Values 02 (IUN): Rejection of Hype

The focus of the civic generation is on honesty and genuine expression.

Society, Lifestyles, and Values 03 (IUN): Stress Management and Engagement

Organizations that promote enjoyable activities for their employees that can multi-purpose improving the work environment, engage the employee, and relieve stress will retain workers that have high satisfaction with their jobs.