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Contact: Kelly Chesney
313-909-8203
kellyc@businessleadersformichigan.com

BLM: Higher Ed Critical to Growing MI's Economy *Colleges & Universities Well-Positioned to Help MI Become a Top Ten State*

LANSING, Mich.—Michigan's higher education institutions must play a more central role if the state is to achieve an economic transformation, according to a report released today by Business Leaders for Michigan (BLM).

"As our overall economy becomes more knowledge-based, we're seeing a growing demand for both more skilled and highly-educated workers and a greater reliance on higher education to drive innovation," said Doug Rothwell, BLM President & CEO. "Higher education is one of the state's most critical assets for moving Michigan forward. We need to ensure affordability and access, strengthen outcomes and employment transitions, and grow overall economic impact."

BLM's report, which was developed in collaboration with higher education experts from across Michigan and the U.S., as well as business, economic, and public policy leaders, clearly shows a correlation between educational attainment and per capita income.

"Seventy percent of Michigan jobs in 2020 will require some level of education beyond high school," Rothwell said. "Today, only 37 percent of Michigan's working age population has an education beyond high school."

Rothwell said the salaries of Michiganders significantly improve for those that obtain more than a high school education. With some college or an associate's degree, salaries are on average 22 percent higher than those with a high school degree. For those with a bachelor's degree or higher, salaries are on average twice those with only a high school degree.

"If we fail to produce this kind of talent, good jobs will get filled elsewhere and we won't raise personal income levels here at home," Rothwell said.

The report recommends four targeted strategies for strengthening and leveraging the state's higher education sector:

- Bring higher education **access and affordability** to Top Ten levels by boosting higher education funding, strengthening performance-based funding for community colleges, exploring new instructional and administrative efficiencies, and marketing to grow enrollment.

(more)

- Become a Top Ten state for **higher education outcomes** by fully embracing performance-based funding, developing alternative delivery and certification methods, and strengthening partnerships and collaboration.
- Strengthen the **transition from education to employment** by developing structures for matching talent demand with supply, expanding supports for internships and career counseling, and tracking placement and other non-degree outcomes.
- **Grow economic impact** by encouraging higher education to play a greater role in economic development and sharing best practices.

“A voluntary council comprised of business, higher education and state leaders can build on the advantages of Michigan's higher education enterprise and help move the state forward,” said Rothwell. “We call on all stakeholders to form a new public-private partnership to improve collaboration among higher education institutions and interaction with the business community.”

Rothwell said the council's mission should include benchmarking the competitiveness of Michigan's higher education institutions, identifying strategies to accelerate fulfillment of statewide talent needs, maintaining databases of institutional performance and student outcomes and increasing cross-institutional collaboration. Collaboration could include consolidating back-office operations, marketing programs to increase student enrollment and coordinating programs to meet regional workforce development needs.

“By taking these actions—which will be a shared responsibility of the state, the private sector and higher education community alike—we have the potential to change Michigan in profound and exciting ways,” Rothwell said. “We look forward to what the next few years can bring.”

Research for the BLM report was carried out with in-kind assistance from McKinsey & Company. Facts were verified by Anderson Economic Group.

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About Business Leaders for Michigan:

Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a Top Ten state for jobs, personal income and a healthy economy. The organization is composed exclusively of the chairpersons, chief executive officers, or most senior executives of Michigan's largest companies and universities. Our members drive over 25% of the state's economy, provide over 325,000 direct in Michigan, generate over \$1 trillion in annual revenue and serve nearly one half of all Michigan public university students. Find out more at: www.businessleadersformichigan.com.