

**Testimony to the Special Committee on Strategic Job Creation-
Rebecca Martin**

August 25, 2010

Good afternoon, Chairman Wirch and Vice Chairperson Strachota, and Members of the Committee. I am Rebecca Martin, Senior Vice President for Academic Affairs in the UW System. Thank you for the opportunity to appear before you on behalf of the University of Wisconsin System.

Joining me today is UW-Milwaukee Chancellor Carlos Santiago. As you may know, he recently announced that he'll be leaving Wisconsin to become CEO of the Hispanic College Fund in Washington. In his years as chancellor of UWM, he's been a tireless advocate for the UW's expanded role in addressing the state's broader economic development needs.

Today I'd like to discuss the UW-System's role in improving the long-term economic viability of the State and its citizens. I will focus my remarks on some of the initiatives and strategies we are employing to generate more and better prepared graduates, and the jobs that will

employ those college-educated workers. These are inter-dependent goals. Think of this as “supply and demand.”

Strategic job creation – boosting demand for workers – goes hand-in-hand with efforts to increase the supply of people who are prepared for success in the 21st-century innovation economy. These are the core goals of UW System’s *Growth Agenda for Wisconsin*, our strategic framework for economic recovery and renewal.

Slide 2 illustrates how those Growth Agenda goals are linked, supported by a competitive UW workforce. Underlying these strategies is the need for state support, as well as flexibility to implement modern business practices that help us make more efficient use of our limited resources.

Let’s first look at our core goal to increase the number of college-educated workers, in the context of the state’s growing need for workers with some type of college degree.

The majority of new jobs in Wisconsin, and throughout the country, will require some kind of postsecondary education. According to a June 2010 report by Georgetown University, the number of jobs requiring post-secondary education will increase to a national average of 63% by

2018, outpacing the number of qualified workers by 3 million. By 2018, 61% of jobs in Wisconsin will require post-secondary education – 139,000 more jobs than in 2008.

If we're successful in increasing the number of graduates, a more educated Wisconsin workforce will have higher incomes, thus producing a broader tax base that supports education, healthcare, transportation, public safety, and other core public services.

Moreover, by providing our students with a broad range of both traditional and cutting-edge academic disciplines and programs, our college graduates will have the knowledge, skills and habits of mind to be future leaders and entrepreneurs, both filling and helping to create jobs that don't even exist yet. That type of economic vitality benefits all of us in Wisconsin.

We need only to look across our border at Minnesota as an example of a state with significantly more college-educated citizens than Wisconsin. Not long ago, our two states were very comparable in terms of education and per capita income. Today, that is no longer the case. 32% of Minnesota's workforce holds a baccalaureate degree, whereas Wisconsin lags with just 26%.

Not surprisingly, Minnesota's per capita income has grown considerably, and the financial gap between our two states has widened. If per capita income in Wisconsin were raised to the Minnesota average, residents here would collectively take home nearly **\$30 billion** more in earnings every year.

To help address that challenge, UW System earlier this year announced a detailed, measurable plan to boost the number of college graduates. Over the next 15 years, we want to produce an additional 80,000 graduates. That's a cumulative number of additional grads, above and beyond our current rate of degree production. If we hit these targets, you'll see the UW campuses confer about 40,000 degrees per year, which would represent a 30% increase over today's rate.

This will require work on many fronts:

Improving retention and graduation rates for all UW students;

Reaching a broader, deeper cut of Wisconsin high school graduates, enrolling more students of color, more first-generation students, more veterans, and others;

Reaching out to working adults, helping them finish their degrees more easily;

Offering “new pathways” toward the college degree – new delivery channels such as online programs; and increasing transfer opportunities within the UW System and with other higher education partners.

In the coming biennial budget, we’re hoping to secure some targeted state investments that will advance these strategies, including funding for “high-impact practices.” These are things like undergraduate research, learning communities, and first-year seminars – programs that are proven to improve student retention and graduation rates.

We’re also working with the K-12 schools to increase preparation and aspiration among middle- and high school students. We want them to want a college degree and we need them to be fully prepared for college work when they arrive on our campuses.

Quality: Our emphasis on growth and numerical targets does not mean that we are abandoning our longstanding commitment to educational quality. To the contrary, we need *more* graduates who are also *better prepared* graduates. A critical part of our efforts to help

Wisconsin thrive in the knowledge economy is ensuring that students leave our institutions with the inter-cultural competence, communication, critical thinking and problem-solving skills they can apply in the workplace. In this regard, we are paying a lot of attention to the outcomes that employers say are essential for the employees they will hire.

As I said, we must look at both sides of the “supply-and-demand” equation, and more college graduates will not benefit the state if there aren’t good jobs here to employ them. With that in mind, the UW System is also working to create more jobs through an expanded emphasis on transforming UW research into well-paying, knowledge-based jobs.

The University also has a role in helping businesses work better and grow. This has long been true for Wisconsin’s “staple” industries, such as agriculture and manufacturing – areas where the UW helped farmers and businesses emerge as global leaders.

Today, the Wisconsin Technology Council tells us that academic research and development is a \$1.1-billion industry in Wisconsin, translating into more than 38,000 jobs. This is more than either the plastics and rubber industry (with 32,380 jobs) or wood product manufacturing (23,790 jobs).

More important are the private-sector jobs created by university spin-offs – the kind of high-wage “green” jobs you see a few miles west of here at the UW-Madison Research Park. By investing strategically in this established job-creation research engine, Wisconsin can cement its position as a global leader, attract new businesses, and provide new jobs for the people of Wisconsin.

Last year UW System President Kevin Reilly created a *Research to Jobs* Task Force with a focus on the “more jobs” component, and the UW System’s efforts to stimulate economic growth by leveraging academic research and development. That Task Force, chaired by Carl Gulbrandsen from WARF and made up of representatives from business, industry and both political parties, completed its work and issued a report with recommendations in September 2009.

We are also appreciative of efforts taken by the legislature, the governor, and in particular Representative Louis Molepske, to incorporate several of the R2J recommendations into last year's Wisconsin C.O.R.E Jobs Act.

Just last week, the Board of Regents approved UW System's **2011-13 biennial budget request**, which advanced some of the recommendations from the *Research to Jobs*. Among the highlights:

Targeted investments to build research capacity at all of our comprehensive regional universities to spur economic development in their regions and statewide.

Included in this initiative would be the creation of 3 Emerging Technology Centers, such as the one already authorized at UW-La Crosse under the C.O.R.E. bill I just mentioned.

Strengthening both UW-Madison and UW-Milwaukee research efforts that will leverage significant federal and private funding – something that Chancellor Santiago can discuss in greater detail.

Providing all UW students, faculty and staff with access to a common set of electronic research materials, similar to what is available at UW-Madison.

Setting aside our future funding needs, you should also know that the UW today is becoming more nimble, responding more quickly to workforce needs here in Wisconsin and around the nation. We are working to meet those demands through changes to our academic program array that prepare students in cutting-edge fields and emerging professions.

One example of this responsiveness is at UW-Whitewater, where students can now major in **media arts and game development**, one of the few programs of its kind in the country.

Another great example is our new online collaborative degree in **Sustainable Management** – helping to fill the growing number of “green jobs” with qualified workers. This program is offered jointly by UW-Extension, UW-Parkside, UW-River Falls, UW-Stout, and UW-Superior.

UW Platteville **Collaborative Online Engineering Degrees** expand and meet the needs of place bound students and working adults throughout Wisconsin, UW-Platteville in collaboration with the UW Colleges, will supplement UW Colleges courses with UW-Platteville engineering courses via a new delivery method of streaming media.

The School of Freshwater Sciences Programs at UW-Milwaukee is the only school in the nation dedicated solely to the study of freshwater, and only the third worldwide. (Which I am sure Carlos will be happy to elaborate on.)

A Global Business Certificate is being offered through UW-Whitewater's Global Business Resource Center. This new program is designed to help small companies or entrepreneurs enter the global market. The program—subsidized by a Federal Development Administration grant—will offer training that culminates in this new certificate.

I should also mention UW-Extension's key role as a strategic partner in implementing economic development strategies through the Small Business Development Centers (SBDC's) and the Wisconsin Entrepreneurs Network (WEN). These programs help prepare entrepreneurs to start a business, and existing business owners to expand their operations. ([WI Entrepreneurs Network \(WEN\) Annual Report](#); [WI Small Business Development Center \(SBDC\) 2009 Annual Report](#))

You are fortunate to have on this Study Committee Kim Kindshi who heads up both of these programs at UW-Extension. I am sure Kim will echo the importance of the collaborative nature of both WEN and our SBDCs and the importance of building long term relationships throughout the state. As Kim is fond of saying “**There are no boundaries in economic development**”.

I would like to now turn it over to Chancellor Santiago now who can tell you firsthand about some of the amazing work being done at UW-M to enhance both research and educational capabilities and opportunities in Milwaukee. Efforts that will truly benefit all of Wisconsin.

(CARLOS...)

Thank you, Chancellor Santiago.

In conclusion, I hope that this presentation helps inform your Study Committee and I hope that each of you will support our Growth Agenda to help create both the grads and jobs Wisconsin needs for its future economic vitality.