

## Refining 40-40-20 – suggestions for moving forward

Oregon's 40-40-20 goal, adopted into law in 2011,<sup>1</sup> has become shorthand for the efforts of the Legislature, Governor, the OEIB, and other state education boards, commissions, and agencies to significantly improve the education achievement levels and prosperity of Oregonians by 2025. While the concept may not be on the tips of the tongues of Oregonians generally, it has become a remarkably familiar one to most state policymakers and many education leaders. Still, two-and-a-half years have passed since its adoption, and it may be useful to reflect on and clarify its meaning and purpose. Particularly as the OEIB and the new Higher Education Coordinating Commission (HECC) begin to develop strategic plans for 2015-17 and beyond, they require a clearer sense of the ultimate outcome to which they are aspiring.

### The Purpose and Vision

The 40-40-20 goal intends to provide a clear target – a “North Star” aligned with Oregonians’ economic, civic, and social aspirations -- against which to generally gauge the state’s educational progress. A major purpose of this document is to help ensure that the goal is clear enough to help shape policy decisions, as well as permit the measurement of our progress against it.

We believe that 40-40-20 is equally significant for the distinct point of view it expresses about the capacity of learners and the responsibility of education system to support them. Fundamentally, 40-40-20 says that *every Oregonian* is capable of earning at least a high school diploma -- and that the job of policymakers, educators, and community members is to adopt the policies and practices to ensure they do so. If taken seriously, and not just as political rhetoric, these are powerful statements that represent significant departures from the implicit assumptions of the past. They imply the need for equally significant departures in educational policy and practice.

A note of caution: as we improve the rigor and clarity of 40-40-20, we recognize a risk that policymakers, the press, and/or the public would attempt to convert the goal into something that would drive rigid and arbitrary funding and accountability measures. We note that 40-40-20 alone – even with refinements along the lines of what is proposed here – will remain a rough yardstick.

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<sup>1</sup> As a result of SB 253 (2011), ORS 351.009 reads as follows: “The Legislative Assembly declares that the mission of all education beyond high school in Oregon includes achievement of the following by 2025:

- (1) Ensure that at least 40 percent of adult Oregonians have earned a bachelor’s degree or higher;
- (2) Ensure that at least 40 percent of adult Oregonians have earned an associate’s degree or post-secondary credential as their highest level of educational attainment;
- (3) Ensure that the remaining 20 percent or less of all adult Oregonians have earned a high school diploma, an extended or modified high school diploma or the equivalent of a high school diploma as their highest level of educational attainment.”

## **Why 40 and 40?**

The ambitiousness of the “upper” and “middle” 40 reflect a balancing of at least four sets of considerations: (a) projections about actual labor market demands; (b) a theory about education’s role in catalyzing widespread economic transformation and uplift; (c) intrinsic as well as indirect benefits of advanced education; and (d) what may be realistic given the experience of other states and countries.

The first consideration is a demand-side perspective that takes into account projections the Oregon Employment Department makes about the educational qualifications that will be necessary for actual jobs likely to be available in Oregon, using employer-reported data. In its December 2011 report to the Legislature, the OEIB noted that Oregon’s economy is shifting, with “dwindling numbers of well-paid jobs that require only a high school diploma – the millwork or manufacturing jobs of the past,” and “new jobs in this information age that increasingly demand post-secondary education.” This economic and demographic transition – one that economists actually observe in real and expected job openings – helps to justify ambitious targets for increasing the level of post-secondary educational attainment.

Still, as some critics have noted, a demand-side perspective alone would probably not justify targets quite as lofty as 40-40. At least under current economic models, it appears unlikely that 80% of job openings in Oregon will require a post-secondary credential or degree by 2025. Settling on 40-40 signifies the view of Oregon leaders that the state’s goals for education should not merely attempt to reflect the labor market we expect to have under current trends and conditions. Rather, they should reflect the economy and conditions of life that we wish to help create. 40-40-20 borrows heavily from the premise that significantly increasing the education levels of Oregonians will help to fuel an economic transformation for the state. This “supply-side” understanding of 40-40-20 predicts that higher levels of educational attainment will lead to job growth and income increases that today’s employers simply cannot predict.

Similarly, the ambitious targets expressed by 40-40-20 reflect an appreciation for all of the intrinsic and indirect benefits of education beyond a high school diploma, including better health, longer lives, greater family stability, less need for social services, lower likelihood of involvement with the criminal justice system, greater likelihood of effectively competing for employment in an unpredictable economy, and increased civic participation.

Finally, 40-40 is roughly aligned with the achievement rates of the highest performing states in the US today, suggesting that while the goal is ambitious, it is also attainable by 2025.

## **Definitional Issues**

Practically since its inception, 40-40-20 has raised a host of definitional issues/questions. In keeping with the spirit of 40-40-20 as a rough-hewn yardstick and not a laser-guided measuring tool, we intend for this document to provide more of a sense of direction than it does a dictionary of definitions.

### *Demography and Equity*

In keeping with what we believe has been the Legislature's, the Governor's, and the OEIB's intent – but not something that has been written into law or policy – we propose that 40-40-20 should be understood as applying equally to all demographics in Oregon. We are particularly concerned to ensure that historically underserved racial/ethnic groups, as well as rural Oregonians, are equally represented in each of the upper-40s.

### *All adults vs. the pipeline*

By the letter of the law, 40-40-20 applies to all adult Oregonians. As OEIB noted in its December, 2011 report, however: “While a rigid interpretation of the legislation would imply a massive effort in adult education, we do not believe it was the law’s intent. We would have to push even older adults, perhaps at the end of their working careers, into retraining, whether or not it benefited them or the state.” The OEIB also acknowledged that 40-40-20 should not apply strictly to the “pipeline” of young Oregonians who are scheduled to be in the high school graduating classes of 2025 and beyond; rather, “our efforts must address both current students who are moving along the education pathway and those who return to traditional and non-traditional pathways to complete or update their educations.”

We propose to understand 40-40-20 as a goal that applies to both, but with a few refinements and distinctions.

As a “pipeline” goal, we propose that 40-40-20 express our aspirations for students scheduled to be in the high school graduating class of 2025 (most of whom started kindergarten in Fall, 2012) and beyond. We propose that 40-40-20 express our aspiration that they complete high school or its equivalent, and that 80% of them earn a post-secondary credential or degree within a reasonable period of time of completing high school. Our goals for students scheduled to graduate from high school before 2025 should be based on a trajectory that will lead to 40-40-20 by 2025.

As a goal for the adult population, we propose that our focus should be adults between the ages of 25 and 60 who are residents of Oregon, regardless of where they received any formal education. We propose that by 2025, the level of post-secondary credentials and degrees obtained by this population should roughly reflect actual and projected labor market demands.

It should be noted that while we believe that the pipeline goal should continue to borrow heavily from the supply-side and intrinsic rationales for 40-40-20, our goals for educational attainment for working-age adults should be continually refined in light of actual and reasonably-projected job market opportunities. As a result, our post-secondary goals for this population are likely to evolve over time (in contrast to our “fixed” pipeline goal of 40-40-20).

### *The Middle 40*

It is well-understood that while two-year associates’ degrees are an important part of the middle 40, they do not represent its totality. But there is much less consensus about what else should “count.” While we are not prepared today to establish a definitive list of every credential that should be understood as part of the middle 40 – much less keep precise track of how many Oregonians have

obtained them – we can at least provide some guidance about the types of credentials that we believe are worthy of attention and support from Oregon policymakers and educators. Generally speaking, we believe that the Middle 40 should be construed broadly, and should include many credentials that are earned by completing courses at a conventional institution of higher education, as well as some credentials that may be achieved through workplace or other non-conventional education experiences. We believe that judgments about what count towards the middle 40 should be strongly informed by what employers value, and that as a result the list will require continual updating.

At present, we are prepared to recommend that the following certificates/degrees be cited as illustrative examples of what is intended with the middle 40:

- Two-year associates' degrees (AS, AGS, AAS, AAOT, etc.)
- A variety of certificates and certifications which meet certain criteria that may include (but not be limited to) third-party validation and/or the completion of an appropriate end-of-program assessment. These may include:
  - Career Pathways Certificates: typically less than six months in length and designed to break longer-term course work into a series of certificates that can be stacked to advance the individual along a career pathways. These are issued by the colleges, and based on employer input and labor market data.
  - One year certificates or diplomas issued by colleges
  - Competency-based AA degrees and certifications achieved in less than two years through approaches like credit for prior learning.
  - Registered apprenticeships whether delivered by organized labor or colleges
  - Industry-based nationally-recognized certificates and certifications. Examples include: Certifications issued by the National Association of Manufacturers; the National Institute for Metalworking Skills; the American Welding Society; CICSO certifications; Professional in Human Resources certifications issued by the Society for Human Resources Management; certificates issued by the National Automotive Technicians Education Foundation; Microsoft Certification, etc.
  - State licensure for medical professionals, etc.

## **Recommendations**

1. After a period of consultation with stakeholders, legislators, and the public, the OEIB should provide guidance that helps to clarify 40-40-20. In particular, it should focus on clarifying (a) its application to the adult working population, and (b) what constitutes the Middle 40.
2. For every credential that is understood as contributing to 40-40-20, staff should establish what attainment data is available to the state of Oregon and what is not in order to support the development of the longitudinal data system and achievement compacts.
3. The OEIB should instruct the HECC to develop recommendations for adult population educational attainment goals linked to workforce needs and opportunities. The HECC's recommendations should be developed in consultation with OWIB, CCWD, and the Department of Employment.