



THE CALIFORNIA STATE UNIVERSITY

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The California State University: Meeting California's Economic and Workforce Needs

The California State University plays a significant role in the state's economy by preparing a well-educated and trained workforce, supporting industries through public/private partnerships and new developments through applied research. As the state faces the current fiscal crisis, and looks to a healthy economic future, ensuring that the CSU continues to serve students, employees and the state is more important than ever.

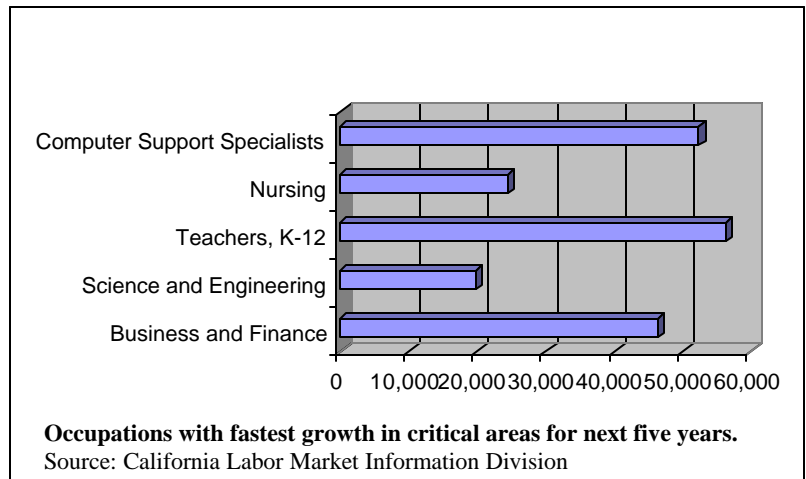
California's New Economy

Despite California's current economic slowdown and subsequent budget crisis, the state continues to maintain the fifth largest economy in the world. Much of this success is a result of a widely diverse economy that runs the spectrum from agriculture to high technology. To achieve this, California has undergone a dramatic transformation that began in the late 1980's and continues today.

Prior to the 1990's, the defense industry served as a linchpin to the state's economy. With the decline in defense expenditures by the US Government, this sector began a dramatic collapse that resulted in massive layoffs, and one of the most severe recessions in state history. Out of the rubble heap of the defense industry, California's economy was reinvented and reborn.

The state's economy shifted from large, large, defense-oriented companies to smaller, commercially adept firms in the technological-based industries of the future such as computers, software and biotechnology; from traditional goods-producing industries to unique "knowledge value" product industries; and from a national and regional trade focus to a more global approach to marketing, trade, and corporate structure.

California's continued economic growth and competitiveness is increasingly dependent on its ability to produce a well-trained and well-educated workforce.



Workforce Needs

California's transformation from a defense and manufacturing oriented economy to one more dependent on technology and information-age industries means more jobs are created for college-educated workers.

This fundamental fact has two consequences.

- ~ First, those with college degrees, specifically in the math, science and engineering fields, will more likely obtain employment, while those without a college degree will struggle with a consistently shrinking job market.

- ~ Second, because of this change in orientation, employers increasingly look to institutions like the CSU to provide the educated workforce their industries demand. The US Department of Labor estimates that postsecondary institutions will have to produce nearly four times as many graduates in computer science as they do now to meet the demand. *In this new economy, 85% of all jobs are classified as “skilled,” compared with 20% in 1950.*

Quality education is the key element in providing the type of workforce employers demand. This requires that California’s classrooms have well-trained and qualified teachers from kindergarten to the university level. A central element of CSU’s workforce strategy is our effort to recruit, educate and retain teachers. *CSU’s teacher preparation programs provide over 56% of credentialed teachers for California’s K-12 classrooms.*

As the nation’s largest public university, the business community relies on the CSU to educate and prepare a large percentage of the skilled workforce they require to remain competitive. *The CSU educates more than 50% of all Californians seeking a four-year degree, including more undergraduates in computer science and engineering than all other California colleges and universities combined.*

The Value of Higher Education for Employers

CSU’s success or failure in its workforce development efforts has a direct economic impact on the state’s businesses and industry. *According to the California Council on Science and Technology, in 1999 California science and technology industries experienced an estimated shortfall of 14,000 workers with baccalaureate degrees in science and engineering fields.* This has forced the industry to recruit outside of California, significantly increasing its costs.

According to a report by the California Chamber of Commerce titled, “Strategies for Economic Recovery,” matching students to the highly skilled needs of the 21st century jobs is a major issue facing employers today. Business is demanding that individuals have high degrees of academic knowledge (math, science and language arts) and be able to apply that knowledge in the fast-paced, high-skilled technology-rich workplace.

College Degrees: The Key to Socioeconomic Mobility and Economic Health

Higher Education’s efforts to produce this workforce are the foundation to economic prosperity for not only California’s businesses, but its workers as well. College graduates have a distinct advantage over non-degree earners in terms of earning potential as well as job availability.

- ~ *The median yearly earnings for a worker holding a bachelor’s degree is over \$40,000 compared to \$24,000 for a worker holding a high school diploma or equivalent.*
- ~ *Unemployment for workers holding a high school diploma or equivalent averages 3.5% compared to 1.8% for those with a bachelor’s degree.*
- ~ *In terms of job growth, overall employment is projected to grow 15% between 2000 and 2010, resulting in 22 million new jobs. Much of this growth will occur in occupations in which large numbers of college graduates are employed.*
- ~ *Workers with college degrees enjoy better promotion opportunities than those without.*

The California Master Plan for Education defines a long-term vision for California’s education system that is shared by the CSU, and the fulfillment of which is a critical part of meeting workforce needs for the future.

“California will develop and maintain a coherent system of first-rate schools, colleges, and universities that prepares all students for learning and for transition to and success in a successive level of education, the workplace, and society at large, and that is fully responsive to the changing needs of our state and our people.”

This vision defines CSU’s mission to educate Californians, as well as the University’s commitment to the continued prosperity of California and its citizens.

CSU Delivers for Californians

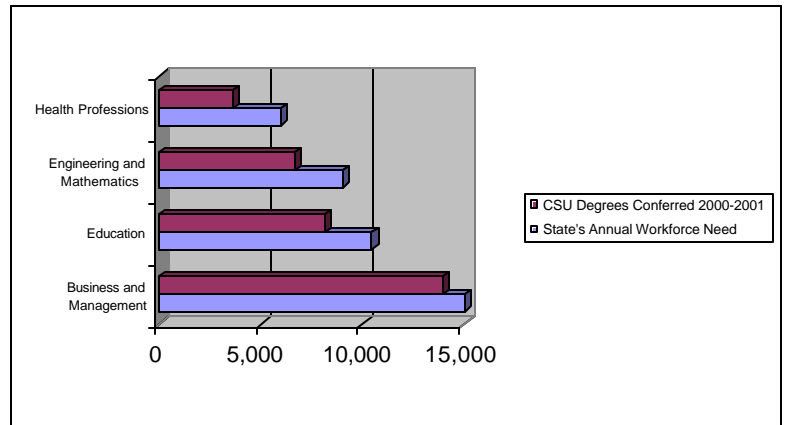
The CSU is the leader in addressing California's workforce needs. For example, *in 2000-2001, the 23 CSU campuses conferred over 60,000 degrees, compared to 40,000 by California's independent colleges and universities, and less than 20,000 by the University of California.*

As summarized in the following table, the CSU's efforts to meet the workforce needs for California in critical disciplines has been incredibly successful. In the health professions, engineering, business management and biological and physical sciences, the CSU educates the largest number of trained workers in these fields.

Of the total degrees awarded by the CSU in 2000-2001, 39.8% were in the critical fields of biological sciences, business and management, computer and information sciences, engineering and mathematics, health professions, and physical sciences. This percentage represents 34,463 degrees conferred.

Health Professions:

- ~ CSU produces over 55% of all health care related degrees in California.
- ~ Many CSU campuses have developed partnerships with California Community Colleges and health care providers to train nurses.
- ~ Through grants from organizations such as the Kaiser Foundation Hospitals, CSU nursing programs are expanding their capacity, and allowing registered nurses to return to college and earn a bachelors or masters degree.



Engineering and Mathematics:

- ~ The CSU conferred degrees on over 44% of the state's engineering students and over 38% of the state's mathematics students of the almost 7,000 engineering and mathematics students earning degrees among the three higher education segments in California.
- ~ The CSU conferred over 3,900 bachelors and master's degrees in Mathematics and Engineering in the 2000-2001 academic year compared to 2,738 from the UC and 1,178 from California's independent colleges and universities.
- ~ The CSU's engineering programs at the Pomona and San Luis Obispo campuses emphasize "learn by doing," making their engineering undergraduates highly sought after in business and industry.

Teacher Education:

- ~ The CSU trains almost 60% of all credentialed teachers in California.
- ~ In 2001-02, the CSU recommended 9,110 multiple subject and single subject teaching credentials.
- ~ Through programs such as CalStateTEACH, the CSU recruits and trains new teachers from a wide spectrum of backgrounds. To date CalStateTEACH has prepared over 330 emergency permit and intern teachers to meet the state's credentialing standards.

Business and Management:

- ~ Of the 29,500 business and management related degrees conferred by California's three segments of higher education, the CSU provided almost 50% of those degrees.
- ~ Business and management programs throughout the CSU system are benefiting from public/private partnerships in the form of endowments and other cooperative arrangements. For example, CSU Fresno recently received an endowment of over \$10 million from the Cid and Jenny Craig Foundation, establishing the Craig School of Business at CSU Fresno and placing the program among the top tier of business schools in the state.