



REIMAGINING SOCIAL CHANGE

# Western Region

PREPARED FOR ACCELERATE NEBRASKA | FEBRUARY 2016

# Executive Summary

STATEWIDE AND REGIONAL SUMMARIES

# Statewide summary

## STATEWIDE FINDINGS

- While the **current population is predominantly white (89.4%)**, **growth in the minority population accounted for two-thirds of Nebraska's overall population growth** in the 2000s
- Overall the **poverty rate has held steady at 12.8% and unemployment is at 2.9%**, however, these **numbers vary drastically for minority populations** with over **28% of the Hispanic population living in poverty** and **unemployment reaching 15% for the black population**
- Nebraska has among the **nation's highest high school graduation rate (90%)**, **but there is a large achievement gap between minority and low income students and their white counterparts**
- There is a **strong college-going culture (69.5% college-going rate)**, but some students **are not college ready** as evidenced by **high developmental education numbers and average completion rates**
- The **majority of Nebraska's jobs are low and middle wage**, which is misaligned with the number of four-year degrees the state produces, leading to **underemployment and brain drain**

## FOUR STATEWIDE OPPORTUNITIES & KEY DATA POINTS

*Research suggests several opportunities to better align Nebraska's education system with the state's labor market:*



### **Align on expectations for K-12 education outcomes**

- Nebraska's average ACT score of 21.5 and 90% high school graduation rate (in 2014) are near or above national averages, yet nearly 40% of all students test below passing on the 11<sup>th</sup> grade Math NeSA. Nebraska must create clear standards to ensure that it does not continue to pay to teach students the same materials multiple times (e.g., once in high school and again in developmental education courses).



### **Decrease the achievement gap for Nebraska's low income and growing minority populations**

- Minority and low income students are more than twice as likely to test below passing than white students on the 11<sup>th</sup> grade Math NeSA. Nebraska must provide minority and low income students and their families with additional supports if it wishes to ensure that these individuals will enter the labor market at similar rates and wages as their white counterparts.



### **Increase persistence and completion rates at the postsecondary level**

- Postsecondary completion rates are on par with national averages (Bachelors: 55.1% NE vs. 55.5% U.S.; Associates: 30.3% NE vs. 29.2% U.S. in 2013), but have plenty room for improvement. Nebraska must improve retention and completion to ensure it does not continue to use resources educating students who drop out of college.



### **Increase the number of high skill, high wage jobs**

- A high school diploma or less will be required for almost two-thirds of jobs in 2020. Relative to those needs, Nebraska has more than double the required number of recent graduates (aged 25-34) who attended some college or received an associate's degree. Nebraska must create more high-skill jobs to keep the educated young people who are critical for the state's future success and contribute to the state economy and tax base.

# Western summary

Western faces a number of **challenges related to its students' academic readiness** and its **rural geography**. The region has a growing Hispanic high school student population which suffers from a **large achievement gap**. Additionally the regional community college has some of the highest rates of developmental education enrollment in the state. Moreover, Western's rural geography creates a number of **unique labor related challenges** for the region: lack of high skill jobs, difficulty in attracting skilled candidates to rural communities, and a shortage of affordable housing.

<b>Demographics</b>	<ul style="list-style-type: none"><li>• Western is a smaller rural region home to <b>5% of Nebraska's population</b></li><li>• Western and Scottsbluff's populations have <b>fewer advanced degrees than the rest of the state</b></li></ul>
<b>K-12</b>	<ul style="list-style-type: none"><li>• Western has the fewest number of high school students of any region (4,228 students), with a <b>significant portion of those students concentrated in Scottsbluff</b>; Scottsbluff County accounts for 43% of the entire region's high school student population</li><li>• Scottsbluff Public Schools, the largest and most diverse district in Western, has a <b>significant achievement gap between white and Hispanic students</b>, with Hispanic students nearly twice as likely to test below passing on 11<sup>th</sup> grade Math NeSA than white students</li></ul>
<b>Postsecondary education (PSE)</b>	<ul style="list-style-type: none"><li>• Western has <b>two major postsecondary institutions</b>: Chadron State College and Western Community College</li><li>• Given its geographic isolation, the postsecondary institutions in Western Nebraska attract <b>students primarily from the region, many of whom</b> may not graduate high school at a college-ready level; this has resulted in <b>70% of Western Community College's first time students needing to enroll in math developmental education courses</b></li></ul>
<b>Labor market</b>	<ul style="list-style-type: none"><li>• The majority of Western's labor market is within Scottsbluff, with <b>Scottsbluff County accounting for 54.3% of the region's labor force</b></li><li>• Western continues to have a <b>preponderance of jobs (~70%) that require a high school degree or below</b>; the educational attainment needs are not projected to change significantly from 2012-2022</li><li>• The educational attainment needs are in line with Western's <b>fastest growing occupations</b> which include <b>carpenters, retail sales, secretaries, and production workers</b></li></ul>

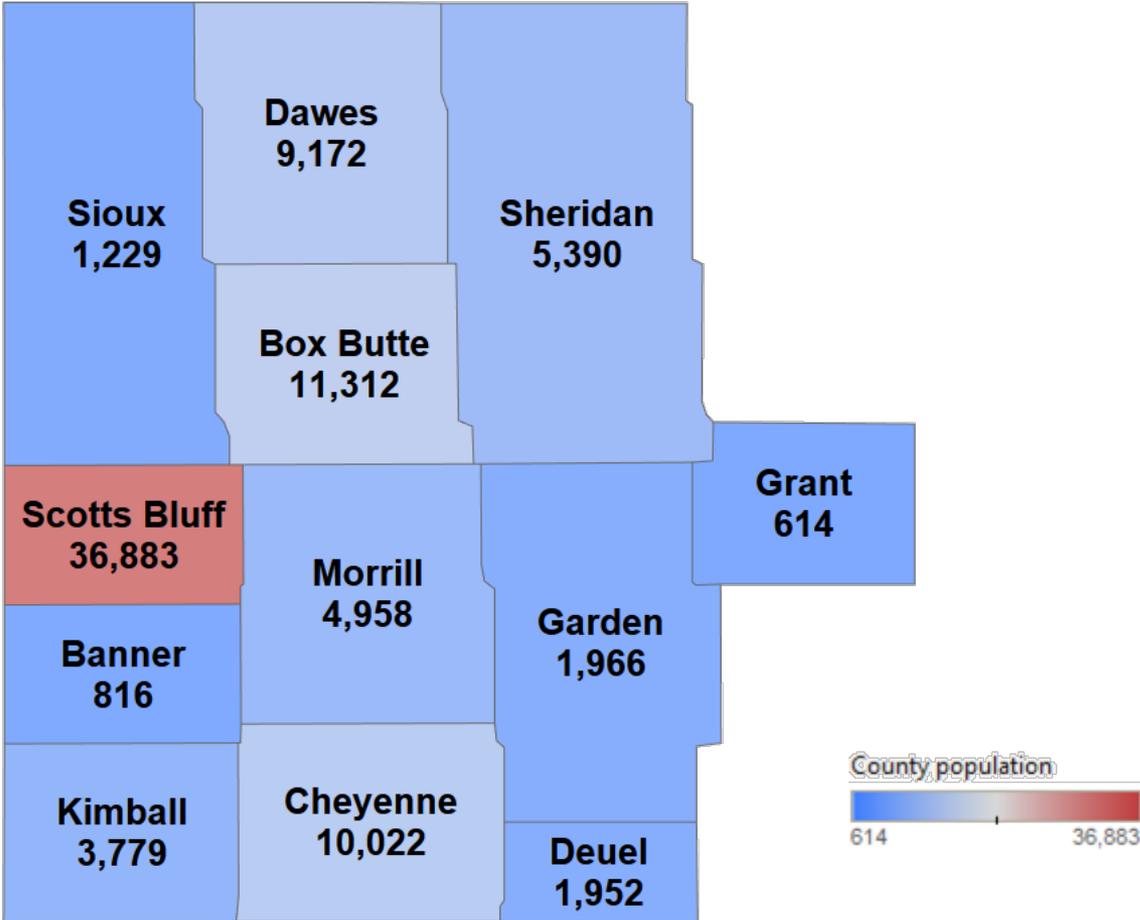
# Demographics

SMALL POPULATION WITH POCKETS OF HEAVY DIVERSITY

# As one of the most rural regions, Western Nebraska has a small, dispersed population

With only one county with a population above 15,000 people, this region has a small portion of the state's population at **approximately 5%**

*Population by County*

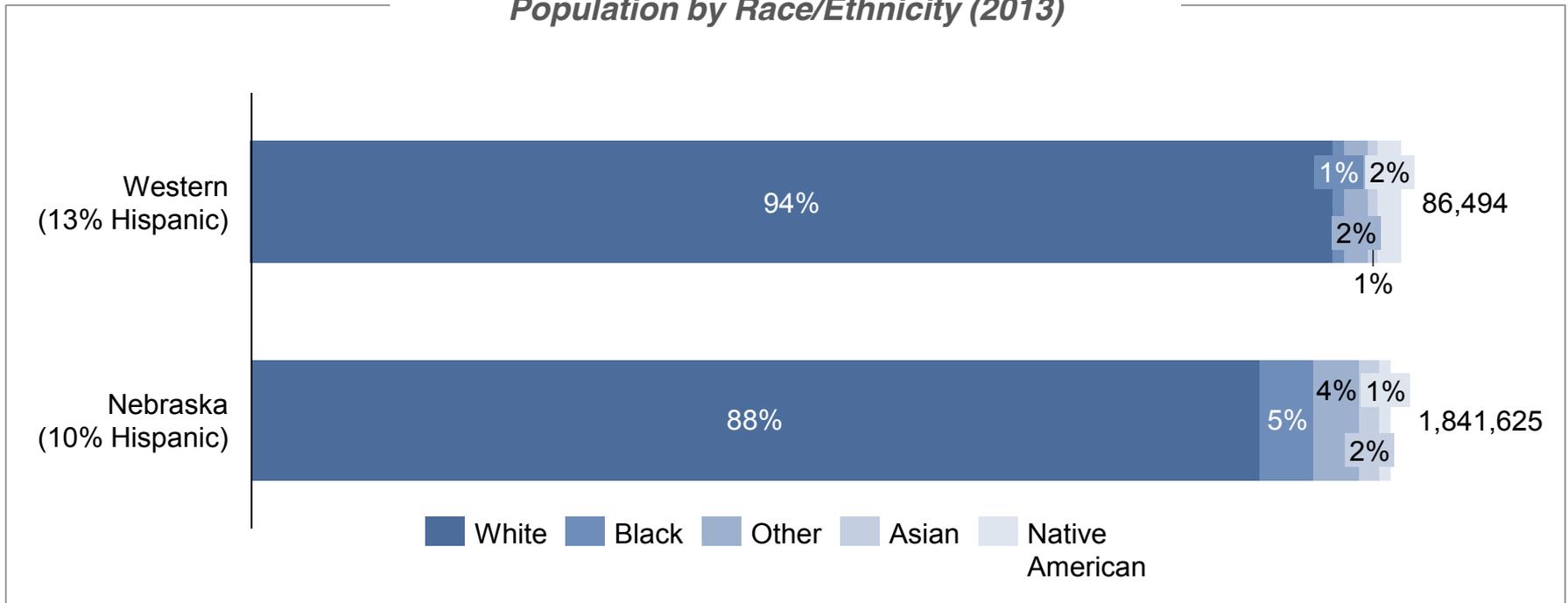


# Western's population is primarily concentrated in Scottsbluff and predominately white



- While **overall Western's population is less diverse than the rest of the state**, the county by county breakdown varies significantly
- The **Hispanic population is heavily concentrated in Scottsbluff: 22%** of Scottsbluff's population is Hispanic and **69%** of Western's Hispanic population is in Scottsbluff

*Population by Race/Ethnicity (2013)*

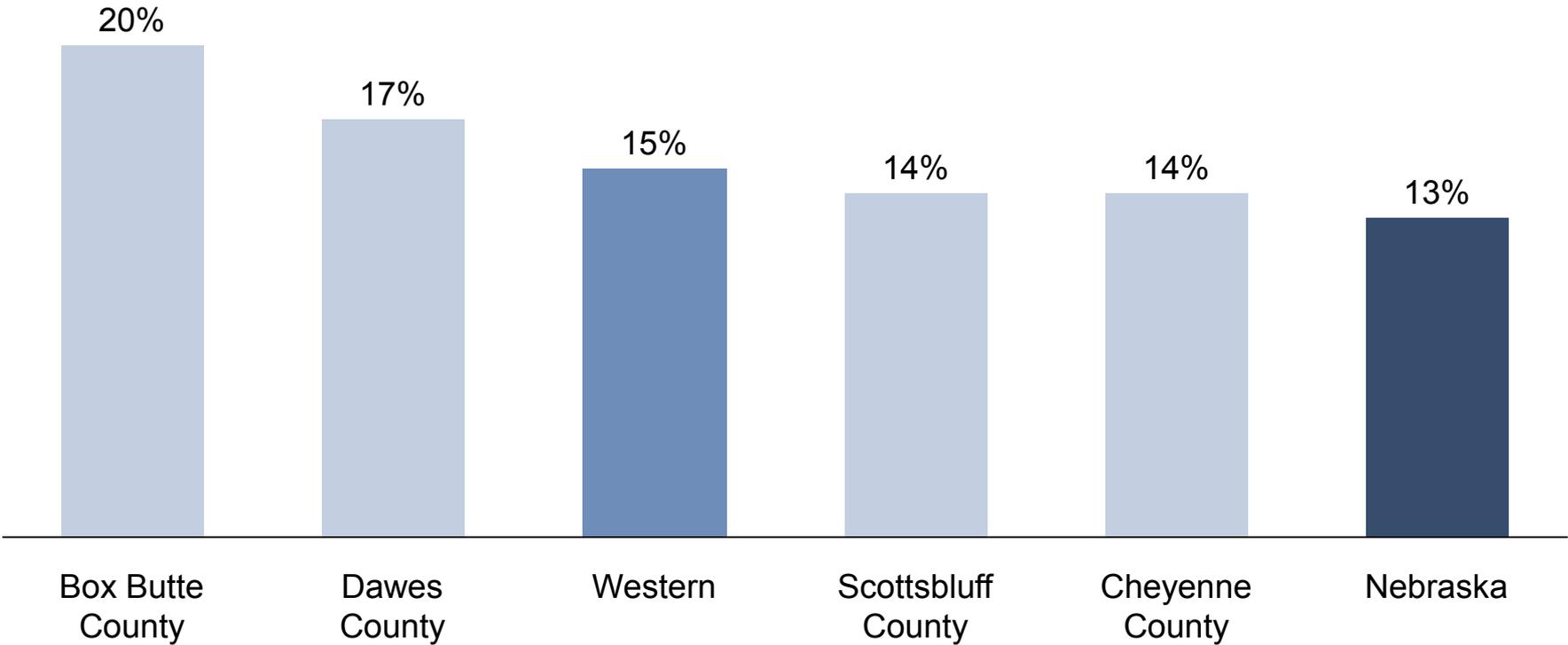


Source: American Community Survey

Note: As Hispanic is compiled as an ethnicity, it cannot be calculated in conjunction with race, due to significant data differences, data accounts for "one race alone" population

# Western's incomes are well below the state average and several counties are experiencing high-levels of poverty

Poverty rate



Median Individual Income (2013)

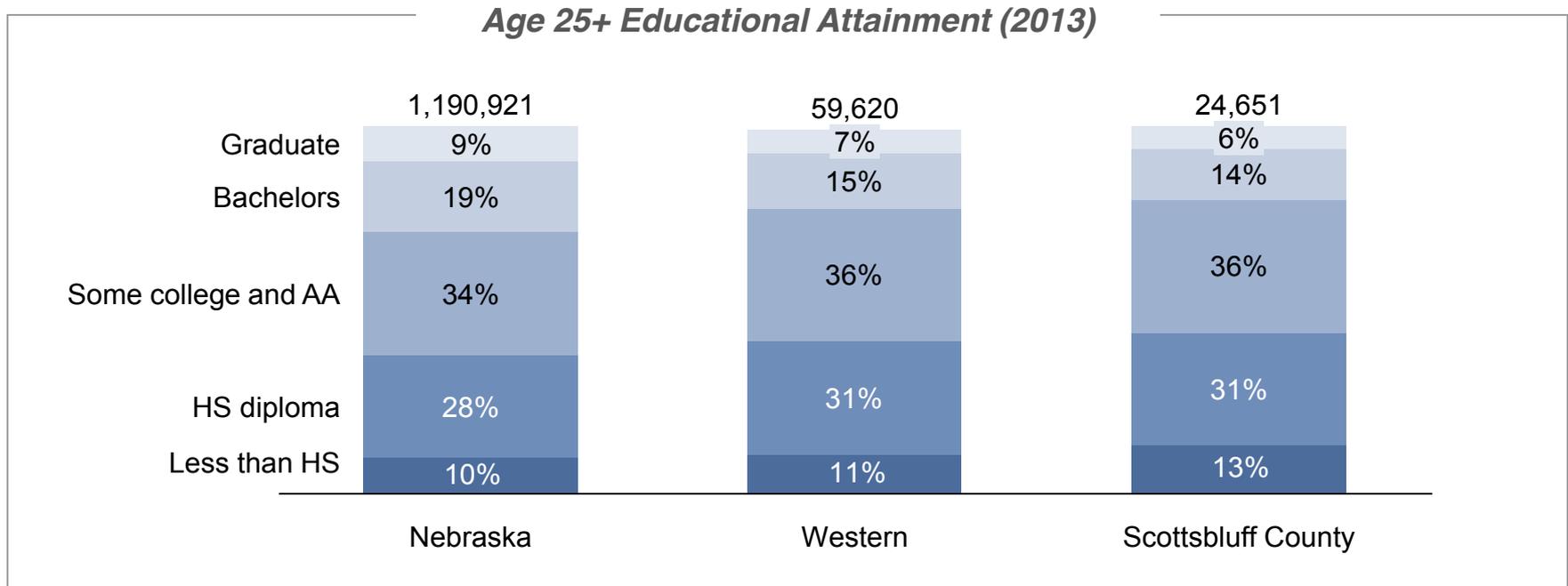
**\$29,063**  
Nebraska

**\$24,923**  
Western

**\$25,551**  
Scottsbluff County

# Western's levels of educational attainment may be driven by labor market needs

Western and Scottsbluff's populations have **fewer advanced degrees** than the rest of the state



However, stakeholders highlighted that in Western, and in Scottsbluff, **fewer jobs require advanced degrees\***

*"We are overproducing bachelor's degrees here. The **majority of jobs that are open require a 2-year degree or less.**"*  
– Business leader

*"**We are happy to hire folks who have not received their Associate's.** We prefer to train our employees ourselves. It is a lot easier to train the first time than retrain them."* – Business leader

# K-12 Education

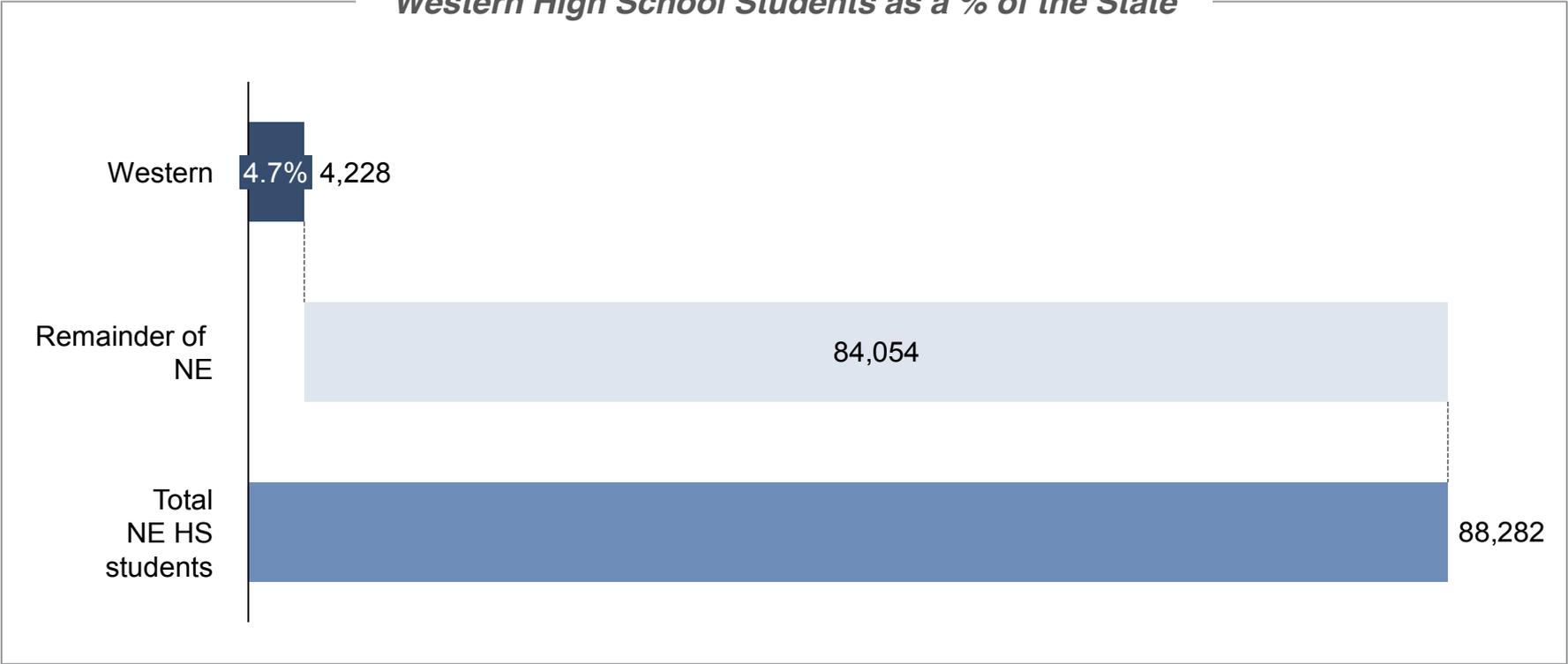
THE K-12 EDUCATION SYSTEM FACES A SIGNIFICANT  
ACHIEVEMENT GAP

# Western has a small number of high school students, with a significant portion of them concentrated in Scottsbluff



In addition to being the largest school district, Scottsbluff Public Schools is also the most diverse: Scottsbluff has **19% of the entire region's high school population** and **37% of the minority student population**

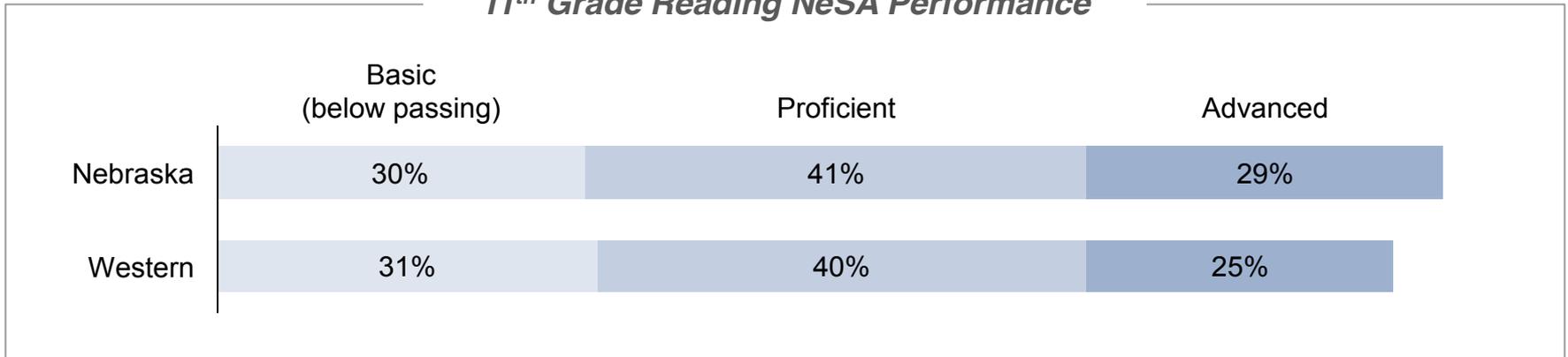
*Western High School Students as a % of the State*



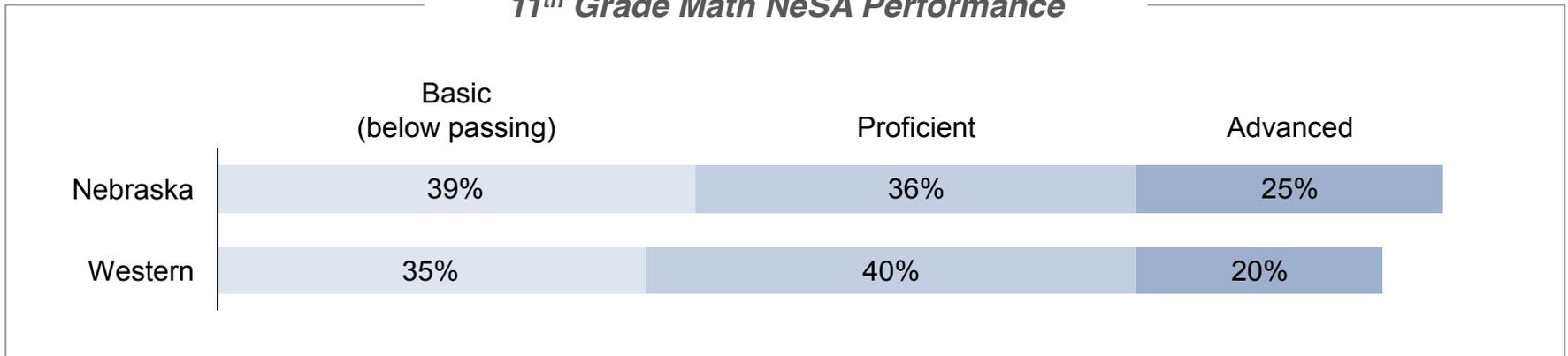
# Overall Western students' NeSA performance appears to be on par with the rest of the state

Due to gaps in reporting, it is **difficult to make conclusive comparisons** between Western's and the state's NeSA performance; it is possible that Western students are scoring above, below, or in line with the rest of the state

## 11<sup>th</sup> Grade Reading NeSA Performance



## 11<sup>th</sup> Grade Math NeSA Performance



Source: 2014-2015 State of the Schools Report

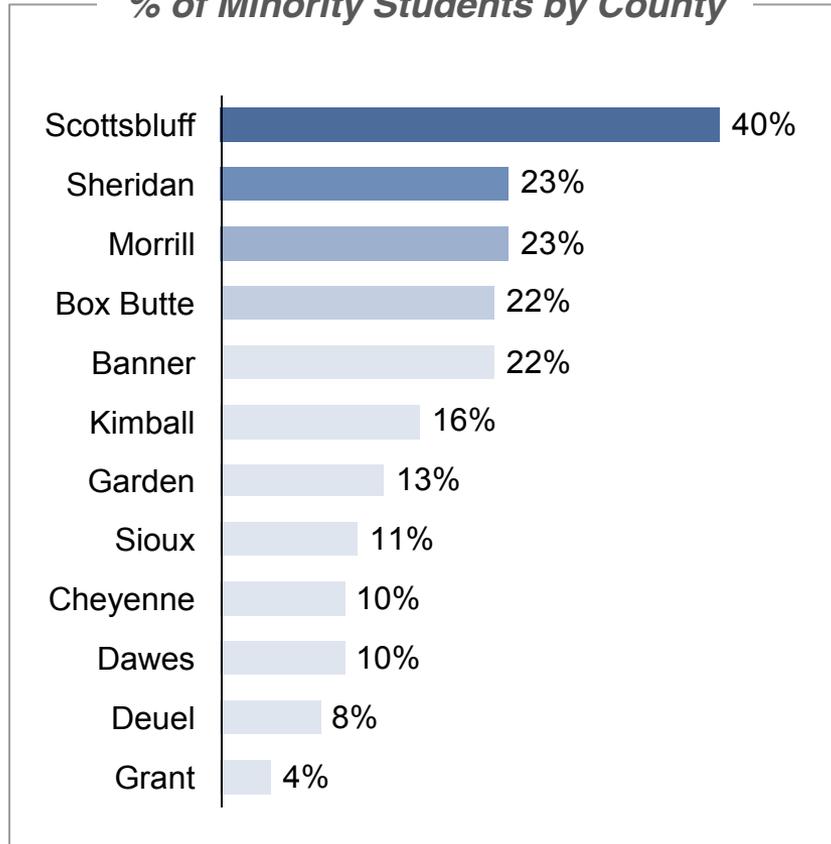
\*All regional performance data are weighted averages of county level data.

Due to gaps in reporting regional NeSA scores will not add up to 100%. Please refer to regional presentation for additional insights.

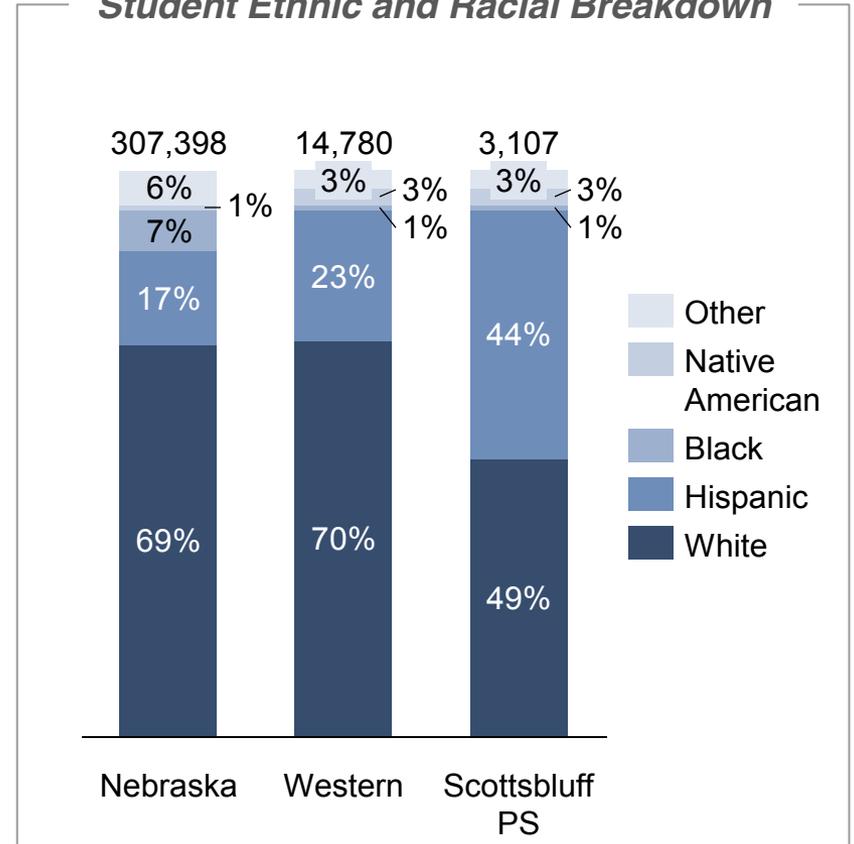
# Scottsbluff County services nearly twice as many minority students than the rest of the region

Overall, Western's student body is primarily **white (70%)** and **Hispanic (23%)**. However, Scottsbluff schools are 40% minority

**% of Minority Students by County**

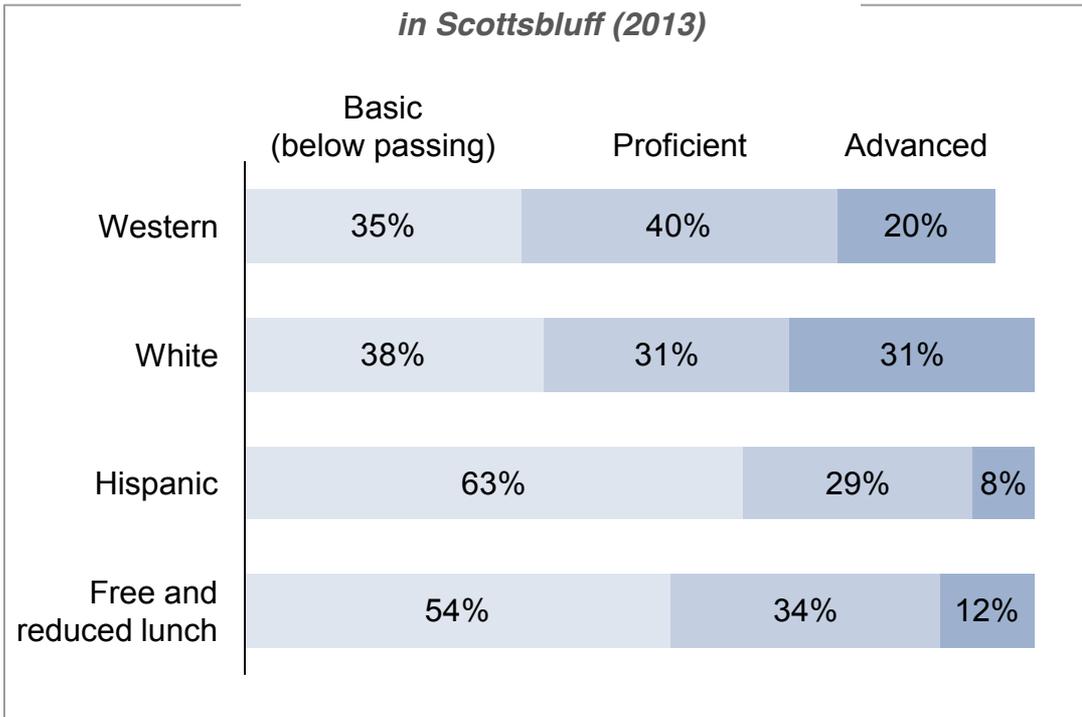


**Student Ethnic and Racial Breakdown**



# Scottsbluff Public Schools has a significant achievement gap between white and Hispanic students

11th Grade Math NeSA Performance in Scottsbluff (2013)



## Key insights

In Western, **35%** of students test at **below passing for mathematics**:

- Due to their predominance in the population, **white student performance raises the average NeSA test scores**
- Hispanic students are **nearly twice as likely to test at below passing** than white students and **white students are nearly four times as likely to test at advanced**
- Low income students (free and reduced lunch) are **nearly a third as likely to be advanced in math as white students**

**“There is a clear achievement gap between our white and Hispanic students.** The achievement gap is present at both the reading and math level, but it’s a lot bigger in math.” – Postsecondary educator

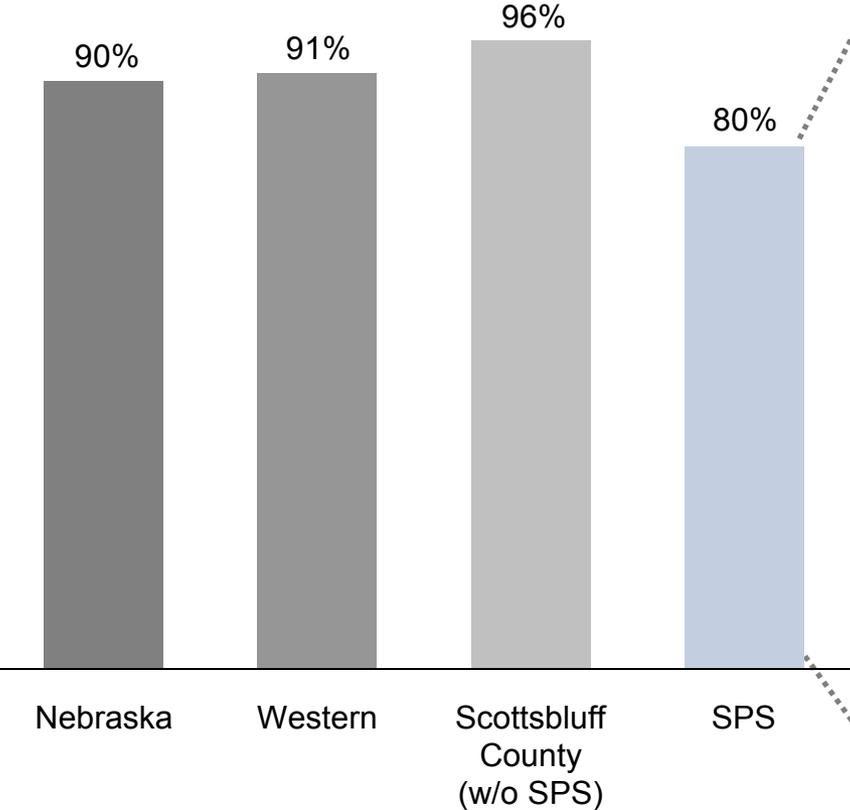
“Overall I would say that both **poor students and Hispanic students tend to perform at a lower level** than their counterparts.” – Postsecondary educator

# While Western's high school graduation rate is on par with Nebraska's, Scottsbluff Public Schools is significantly lower

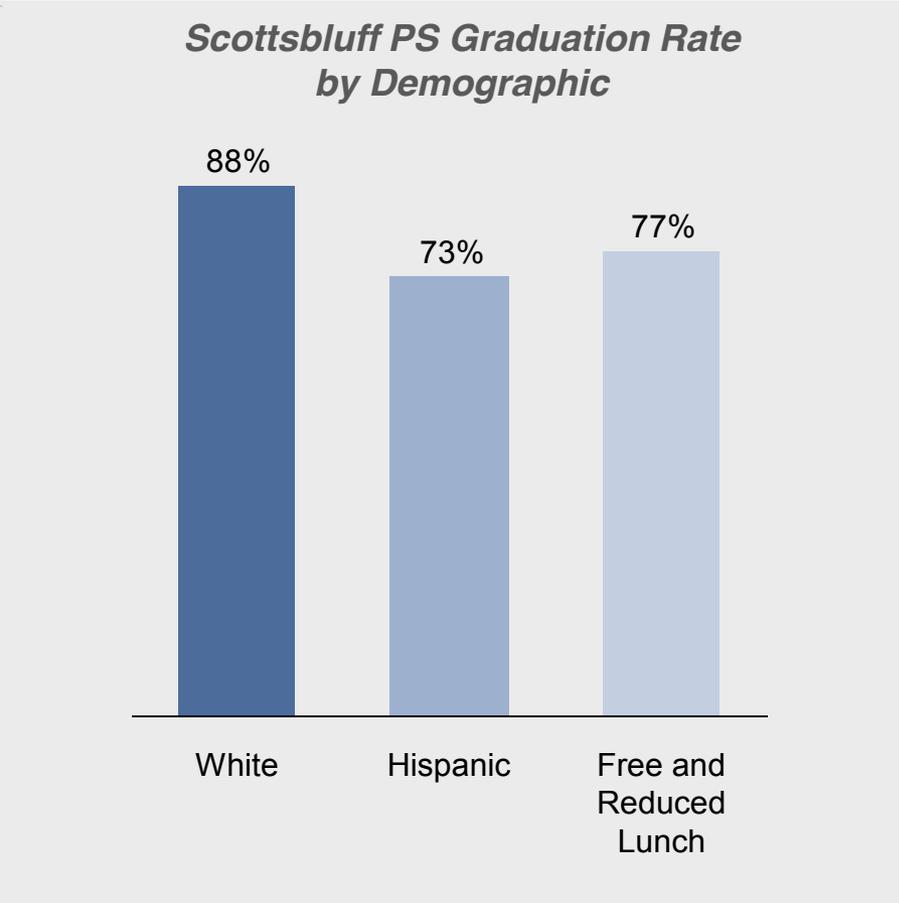


Scottsbluff Public School's graduation rate continues to **lag behind the state and the region**; this may in part be explained by its large Hispanic and low income student population

**Weighted Graduation Rate**



**Scottsbluff PS Graduation Rate by Demographic**



Source: 2015 Higher Education Report Card  
Note: Minatare Public Schools did not report a graduation rate

# Postsecondary Education

PSE INSTITUTIONS FACE CHALLENGES WITH RETENTION  
AND COMPLETION

# Western has two postsecondary institutions that help serve the labor market needs of the region

## 2014 Snapshot of Western Postsecondary Institutions

**CC**

**Community Colleges:**  
42,005 total



<b>Enrollment (PT + FT)</b>	1,960 (5% of all community college students)
<b>% minority enrollment</b>	28% (20% community college average)
<b>Retention rate</b>	49% (57% community college average)
<b>Completion rate (6 year)</b>	23% (26% community college average)

**ST**

**State Colleges:**  
7,581 total



<b>Enrollment (PT + FT)</b>	2,432 (32% of all state college students)
<b>% minority enrollment</b>	12% (12% state college average)
<b>Retention rate</b>	67% (62% state college average)
<b>Completion rate (6 year)</b>	33% (41% state college average)

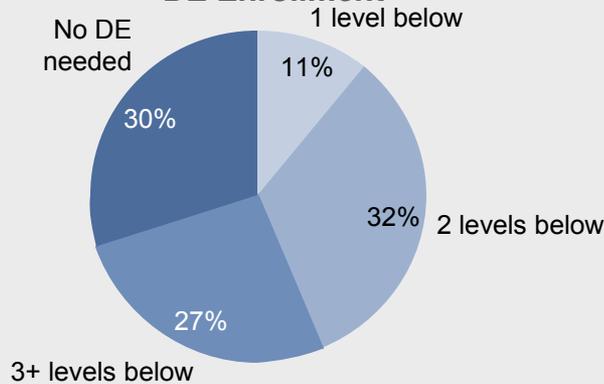
Western’s **minority population is not well-represented** at the postsecondary level

# Western has one of the highest developmental education enrollment rates in the state

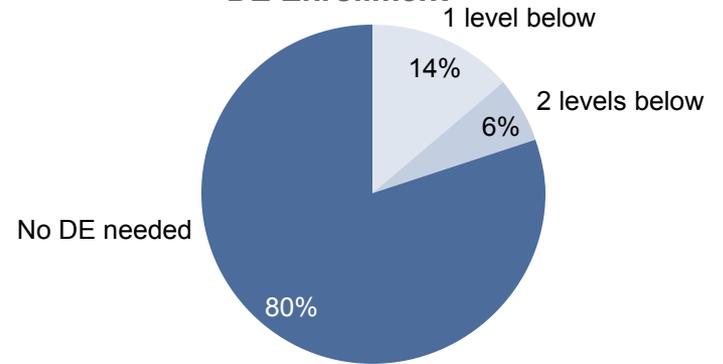


Students who do complete developmental education courses at Western often **do not go on to complete the subsequent college equivalent course**

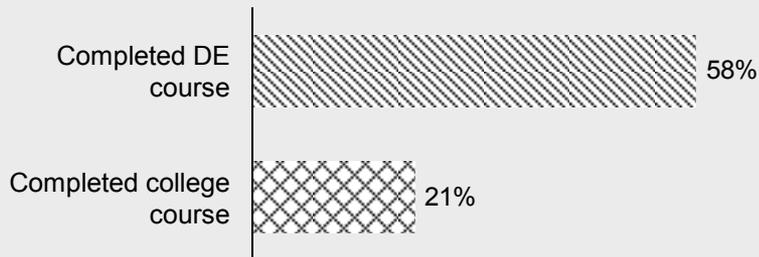
**First-Time Student Math DE Enrollment**



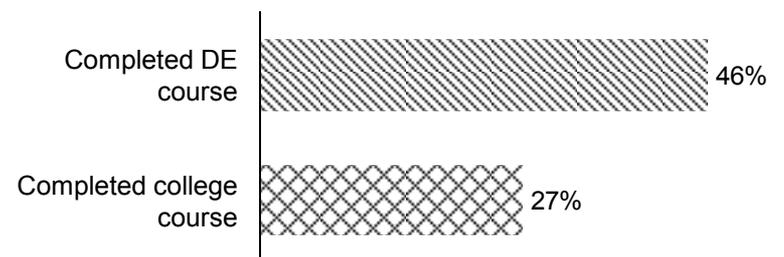
**First-Time Student English DE Enrollment**



**First-Time Student DE and College Course Completion (Math)**



**First-Time Student DE and College Course Completion (English)**



Source: Voluntary Framework of Accountability

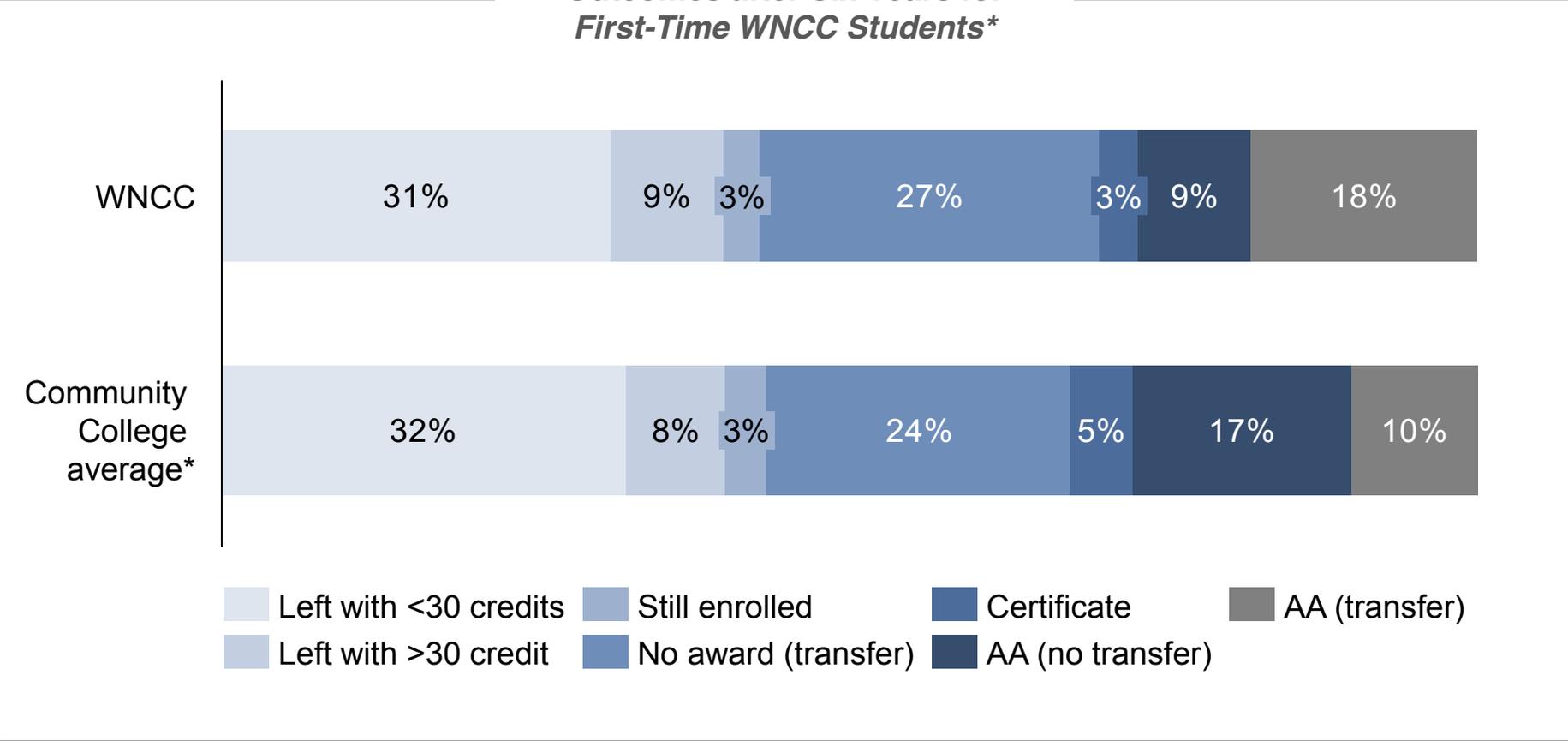
Note: X level(s) below is defined as needing XXX number of classes to be allowed to enroll in college equivalent course

# WNCC students are more likely to transfer to four year institutions than their peers



Western’s high transfer rate may be explained by the **close proximity to Chadron State College**

*Outcomes after Six Years for First-Time WNCC Students\**

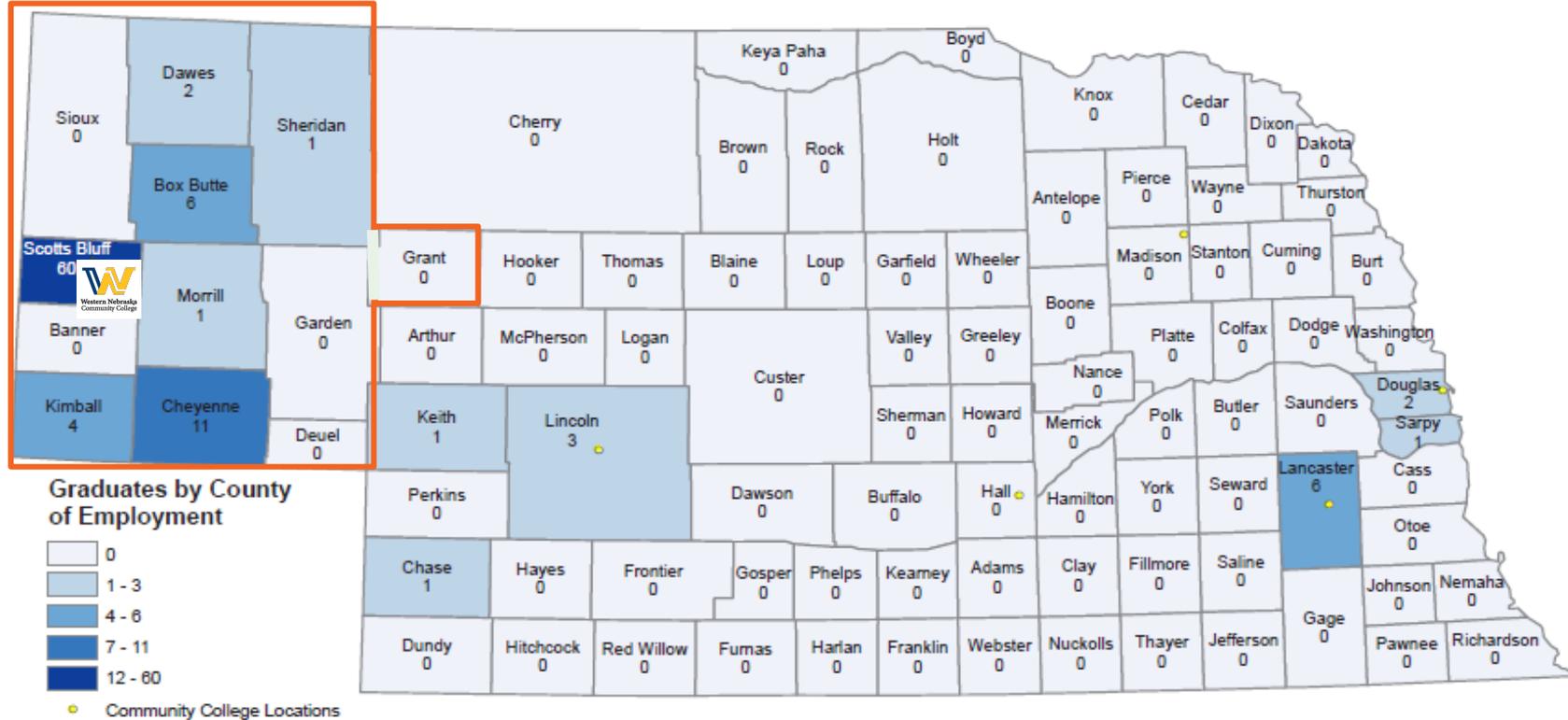


Source: Voluntary Framework of accountability  
 \*: Does not include Metro Community College as they do not report to the VFA

# Most WNCC graduates who stay within Nebraska stay in the region



*Location of Employment of Recent Employed WNCC Graduates*



## Top Industries of Employed Graduates

Industry	Avg. annual earnings*
Health Care	\$25,205
Retail Trade	\$22,663
Educational Services	\$19,480

## Key Takeaways

- 12.6% of WNCC graduates were minorities, this is slightly higher than Nebraska's average of 11.4%
- The estimated annual wage for white WNCC graduates was 9.6% lower than it was for minority students
- The highest median annual wage of \$28,575 was earned by female graduates

# Chadron State primarily graduates educators, many of whom remain in the region



Post-graduation, **50%** of Chadron State College graduates **stay within Nebraska**; the majority of those who stay within Nebraska remain within the region

### Illustrative quotes about Chadron State

*“We believe strongly that one of our **core goals is to produce high-quality teachers for the region**” – PSE administrator*

*“We are very proud to provide the students in the region with an affordable four-year option. **We’ve tried to tailor our curriculum to meet the labor market needs**” – PSE administrator*

### Top Industries of Employed Chadron State Graduates (2013)

Industry	% of Chadron State grads working in industry	Avg. annual earnings*
Educational Services	50%	\$33,501
Health care	9%	\$24,262
Retail trade	8%	\$18,638
Public administration	7%	\$30,699

# Labor Market

WESTERN'S RURAL BUSINESSES ARE STRUGGLING TO GROW

# Western's largest employers span a wide range of industries

Scottsbluff Major Employers		Industry
Regional West Medical Center		Health Care
Aurora		Financial Services
Walmart Super Center		Retail
Western Sugar		Agriculture
Scottsbluff Public Schools		Education

Source: American Community Survey, Regional Economic Development Strategy 2014

Note: employment numbers for major employers were not found

# The majority of Western's labor market is within Scottsbluff

## Key Takeaways: Labor Market

- At approximately 19,300 individuals, Scottsbluff County accounts for **54.3% of the labor force of the entire region**
- From 2004 to 2014, **Scottsbluff County had a 2.2% increase in its labor force**, and the region had a 4.4% increase
- **Scottsbluff County claims** the second highest workforce **participation rate within the region at 66.2%**

## Key Takeaways: Employment and Educational Attainment

- Employment in Scottsbluff County has increased by **4% over the last decade**
- **Only 31.4% of adults** over 18 have at least an **Associate's degree** in Scottsbluff
- Scottsbluff has a **regional brain drain** issue where a significant number of their bachelor's degrees leave the region

 Scottsbluff **employment rate has increased more quickly than its labor force**, producing shortages in the labor market

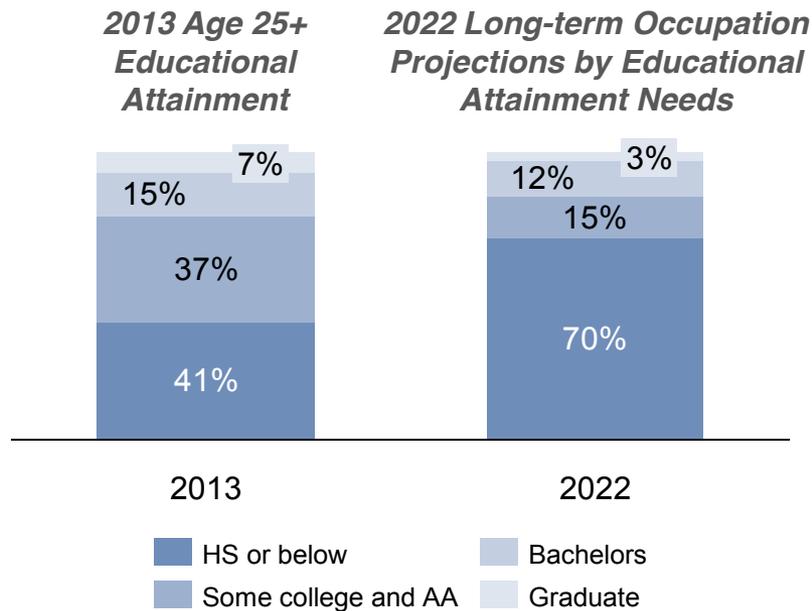
# In Scottsbluff, labor force participation is much lower and unemployment higher than the state average

Category	Nebraska	City of Scottsbluff (2014)
<b>Labor force participation</b>	Nebraska: 84%	Scottsbluff: 66.2%
<b>Unemployment rate</b>	Nebraska: 3.1%	Scottsbluff: 3.4%
<b>Major industries</b> (% of population employed in industry)	<ol style="list-style-type: none"> <li>1. Education and health care: 24%</li> <li>2. Retail trade: 12%</li> <li>3. Manufacturing: 11%</li> <li>4. Professional services: 8%</li> </ol>	<ol style="list-style-type: none"> <li>1. Education and health care: 26%</li> <li>2. Retail trade: 15%</li> <li>3. Manufacturing: 8%</li> <li>4. Other services: 7%</li> <li>5. Accommodation and food service: 7%</li> <li>6. Construction: 7%</li> </ol>
<b>Median earnings by educational attainment</b> (aged 25 and over)	<ul style="list-style-type: none"> <li>• Median earnings: \$34,236</li> <li>• HS diploma: \$27,605</li> <li>• Some college or AA: \$32,210</li> <li>• Bachelor's: \$43,503</li> </ul>	<ul style="list-style-type: none"> <li>• Median earnings: \$27,887</li> <li>• HS diploma: \$22,235</li> <li>• Some college or AA: \$29,587</li> <li>• Bachelor's: \$39,242</li> </ul>

# Western continues to have a large number of jobs that require a HS degree or below



Western's educational attainment needs for Associates degree and below are not projected to change from 2013 to 2022, however the region has an **opportunity to attract new businesses** that can employ four year and above degree holders at their appropriate skill level



*“We do not have enough high-skill jobs. **It’s not surprising that we see a big brain drain of folks with bachelor’s degrees leaving.** What jobs are we going to get them? There’s not much for them.” – PSE educator*

*“**I don’t see the educational needs in our region changing much in the next decade or so.** We continue to have a need to fill low-skill, though not necessarily low-pay, jobs.” – Business leader*



Interviewees highlighted that a significant number of individuals with **bachelor’s degrees who stay in the region are underemployed**

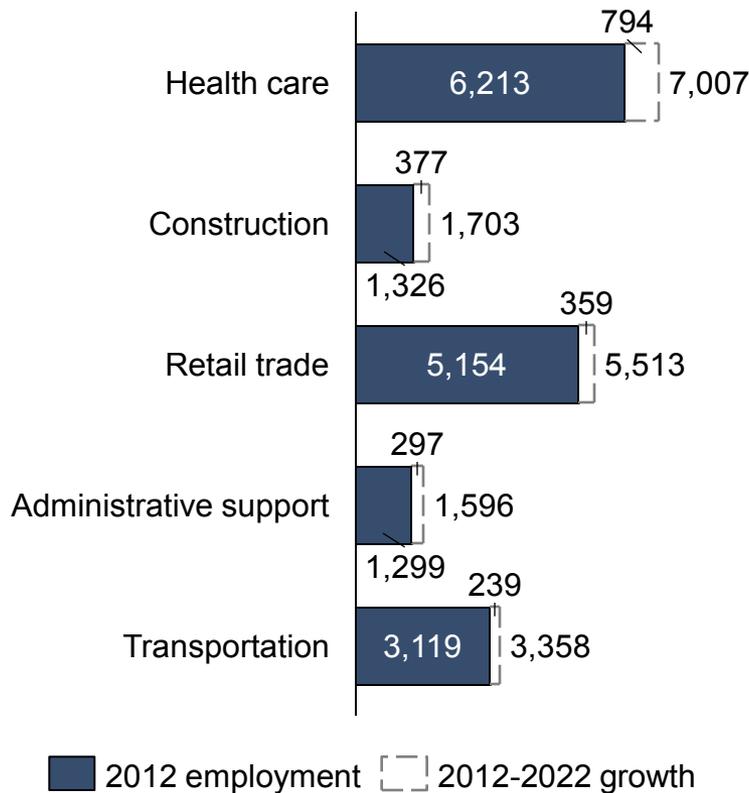
*“When you look at those who stay within the region, **those with a Bachelor’s degree are for the most part underemployed** or employed in industries that do not relate to their degree.” – Business Leader*

# Future jobs in Western will predominately be in health care, retail trade, and transportation industries

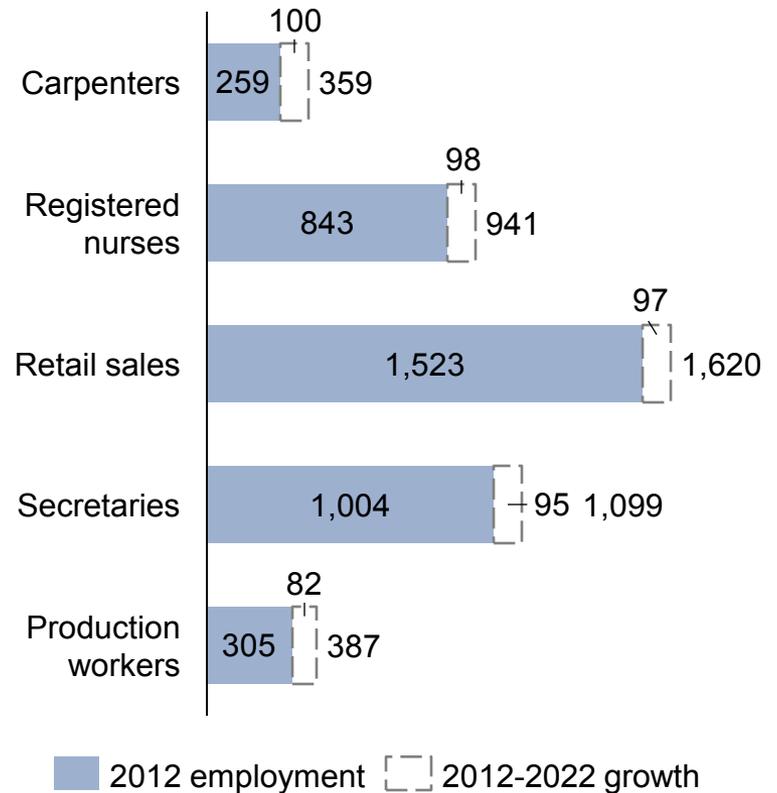


**Health care** is projected to be the fastest growing industry and **truck drivers** the fastest growing occupation

*Projected Fastest Growing Industry by Employment (2022)*



*Projected Fastest Growing Occupations by Employment\* (2022)*



Source: Regional Economic Development Strategy 2014

Note: Employment includes only growth openings

# Appendix

# Methodology

## Research

To compile this report, FSG collected **data from a variety of sources**:

- Interviews with over **50 key stakeholders** (see slide 33 for detailed list):
  - Representatives of each of the six highlighted regions
  - Experts in K-12 education, postsecondary, labor market, and state policy, as well as community leaders
- **Secondary research and data collection**
  - Statewide education and labor data
  - National education and labor data

## Regional Breakdown

- The **six community college districts are used as the geographic units of analysis** since each covers a self-contained community, or educational ecosystem, within the state
  - Metro
  - Southeast
  - Northeast
  - Central
  - Mid-plains
  - Western
- The six community college districts correspond to recognized, discrete regions within Nebraska with distinct demographic, geographic, and economic features

## Labor Market Data

- Labor projections are based on **NE Works (i.e., Nebraska Department of Labor) data** rather than the Georgetown's Center on Education and the Workforce (CEW) reports. Given the methodology employed, NE Works data likely provides a more accurate estimate
  - **NE Works** makes a determination about the **skill level a given occupation requires** and then builds projections based on the skill required
  - **Georgetown's CEW** starts with the **current representation of workers at each education level in each occupation** and builds its projections from that base
- Both projections are estimates, and actual results will probably be somewhere in the middle. NE Works likely underestimates the PSE credentials and degrees, while CEW likely overstates the projections

# Interviewee list

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1. Eli Aguilar, AIM
2. John Albin, Nebraska Department of Labor
3. Vinc Aulick, Aulick Industries
4. Richard Baier, Nebraska Bankers Association
5. Barb Bartle, Lincoln Community Foundation
6. Jeff Carstens, Wayne State
7. President Michael Chipps, Northeast Community College
8. Senator Al Davis, Nebraska Legislature
9. David Drozd, Nebraska State Data Center, UNO
10. Paul Eurek, Xpanxion
11. Dr. Vern Fisher, South Sioux City Community Schools
12. Dean Folkers, Nebraska Department of Education
13. Susan Fritz, University of Nebraska Administration
14. Ivan Gilreath, Boys & Girls Club of Omaha
15. Travis Haggard, City of Ogallala
16. Kevin Halle, Wayne State
17. Jon Hansen, Chadron State
18. Senator Burke Harr, Nebraska Legislature
19. Matt Hastings, Nebraska Department of Education
20. Tom Henning, Cash-Wa Distributing
21. Dr. Anne Herman, United Way of the Midlands
22. Brenda Hicks-Sorenson, Former Nebraska Department of Economic Development
23. President Todd Holcomb, Western Nebraska Community College
24. President Paul Illich, Southeast Community College
25. Cindy Johnson, Grand Island Chamber of Commerce
26. Rich Katt, Nebraska Department of Education
27. Chancellor Doug Kristensen, University of Nebraska Kearney
28. Hod Kosman, Platte Valley Companies
29. Phil Kozera, BioNebraska
30. Joel Lemus, Crete Public Schools
31. Dr. Mike Lucas, York Public Schools
32. Steve Martin, Blue Cross Blue Shield of Nebraska
33. Dirk Peterson, Nucor
34. Rawnda Pierce, Twin Cities Development
35. Pat Pope, NPPD
36. Carolina Quezada, Latino Center of the Midlands
37. TR Raimondo, Behlen Mfg. Co.
38. President Ryan Purdy, Mid-Plains Community College
39. Laura Redoutey, Nebraska Hospital Association
40. Dave Rippe, Hasting Economic Development Corp.
41. Darren Robinson, Buffalo County Economic Development Corp.
42. Dr. Ron Rosati, Nebraska College of Technical Agriculture
43. President Randy Schmailzl, Metropolitan Community College
44. Chuck Schroeder, Rural Futures
45. Eric Seacrest, Mid-Nebraska Community Foundation
46. Mark Shepard, Fremont Public Schools
47. Senator Jim Smith, Nebraska Legislature
48. President Greg Smith, Central Community College
49. Charles Snare, Chadron State
50. Senator Kate Sullivan, Nebraska Legislature
51. Juli Thelen, Behlen Mfg. Co.
52. Randy Thelen, Greater Omaha Chamber
53. Dr. Rob Winter, Grand Island Public Schools
54. Eric Zeece, Nebraska Department of Economic Development



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