

EPI Book Club

with Peter Smith

Harnessing America's Wasted Talent

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An Interview with Peter Smith

On November 16, 2010, EPI's Watson Scott Swail spoke with Peter Smith, Senior Vice President of Academic Strategies and Development for Kaplan Higher Education. Smith discussed his most recent book *Harnessing America's Wasted Talent: The New Ecology of Learning*, and reflected on his experience working in multiple education settings in the U.S. and abroad. He commented on the recent push for increasing graduation rates as a way to remain globally competitive and highlighted the need to innovate the traditional higher education system from a model of scarcity to model of personalized learning. In a world where mass communication and global outreach have been facilitated by technological advances, Peter Smith advocates for a new way of thinking about education and a new way of educating people.

Peter Smith is the former Assistant Director General of Education at UNESCO and served as the founding president of California State University at Monterey Bay (CSUMB). Smith led a successful effort to implement Vermont's community college system, which included the design of its operating, administrative, academic, and assessment systems, and served as its first president. He served as Vermont's Lieutenant Governor from 1982-1986 and in 1989 was elected as a representative from Vermont to the U.S. House of Representatives. Smith is the author of the critically acclaimed *The Quiet Crisis: How Higher Education Is Failing America*.

WSS: What made you want to pen this publication?

PS: It was a consequence of two different things. First of all, the second book I wrote called *Quiet Crisis: How Higher Education is Failing America*, which was published in 2004, had the orientation that the [higher education] system we've got, even though it is great in many ways, also has great problems. The core message in that book is that we need to make some major changes [in the system] in order to serve

more people successfully. In 2005, I went to work for UNESCO in Paris, as the Assistant Director General for Education and over the ensuing three years I was able to take a look at what was going on around the world in terms of higher education access, teacher training, all those kinds of issues. That was the first time I was gone from the US and immersed in another set of realities in my professional career. Then, as I re-entered American higher education in 2007, I was stunned by the fact that nothing significant, other than increasing success, had changed in terms of our old world systems' ability to serve more people as a percentage of the population (especially people with multiple risk-factors) and to do so successfully.

Thus, I began to think about the notion of a wasted talent, which is the people with whom who we are failing to connect, and the new ecology of learning that allows us to actually think differently, do things differently, and in fact, have new kinds of institutions, alliances, organizational structures, that were unfathomable perhaps 5 to 10 years ago. So this book really says, "We need to fly to the moon," but the system we have in place today in all of its variety is essentially a fleet-footed jaguar – it's a beautiful thing and it can do what it does well. Now, though, we need it to do it better; we need it to do it with more people, but we can't ask a jaguar to fly to the moon. A big *u-hub* moment for me as I was researching, thinking, and writing the book, was the idea that what got us where we are as a society today won't necessarily get us to where we need to go. We can't ask the traditional sector, the traditional organizational models, to do all of this new heavy-lifting that President Obama, Bill Gates, the Lumina Foundation, and others on the policy side wants to see America do, which is double our success rate in education.

WSS: In Part One, you talk about the Law of the Thirds. Can you describe what that means?

PS: What I wanted to do was describe what the book was about and what it wasn't about. The Law of Thirds is intended to show a general concept. The first third is the people who graduate from high school, go on to college and do pretty well. The middle third are people who graduate from high school but for whatever reason do not ever get engaged or have a very light engagement with postsecondary education. And the last third is essentially the people who don't graduate from high school. I'm the student in the middle third. I didn't want to have the book blame K-12 – which has its own set of problems – because that's not my area of knowledge or expertise. Nor did I want to, again, write a book

about what we can do with the first third. My expertise and my experience generally are with working adults, over the age of 25, life-long learners, who have been marginalized because they have multiple risk factors. That's where a great deal of my intellectual energy and a lot of my professional energy has gone. In this book, I wanted to focus on people who are over 25, people who have a lot of capabilities and capacities, and that we are failing to harness. I wanted to talk about what we can do about them in the years ahead because that's the key – I believe one of the two keys – in a central way to hitting the success indicators that the president and other educational policy people say we need to get.

WSS: So what do we do about this? You talk about wasted talent and I don't think anyone would argue against the viewpoint of global competitiveness. If human capital is about what keeps us competitive, what do we do about this wasted talent?

PS: First of all, human capital is the only way we stay competitive. One of my breakthrough moments as I was writing [the book] was when I understood that if you're looking at the G20, if you're looking at countries like China, India, Pakistan, Malaysia, Brazil, Nigeria, and Egypt; these places don't have to do better than us to beat us. All they have to do is to have an educational system that operates roughly as well as ours, so that the top 30 percent of their people are getting some kind of college recognition that is of quality, and they'd blow us away even if they stay in the third-third-third system, simply because of the pure number of people qualified to work who will work for less. So the only way we can remain competitive is to be the creators of information and knowledge; and the only way to do that is to have higher percentage of our population well educated and having their experience and their natural talents respected and reflected through their qualifications. I just don't see another way out of it. Unless we really want to have what somebody called the "dumbbell society," with a small proportion of people making a lot of money and a large proportion of people sweeping floors. That's an exaggeration, but you get the point.

I think what has changed, and what allows us to personalize education for every person is that the traditional organizing environment for higher education has run under the notion of scarcity and that is no longer the case. This notion of scarcity functions under the premise that there are not enough knowledgeable people, so we'll have faculty and we'll put them in one place so that people can come to them. And because they are in one place, there is a scarcity of chairs; we then have to decide who can

attend. And it continues: there is a scarcity of curriculum, so the smart people make the curriculum and control what the people who come learn. Thus, the scarcity of places, of curriculum, and of faculty leads to the scarcity of students. But we are now in a climate of abundance, and it will become more so, since there are plenty of knowledgeable people and resources available in blended and online environments. This means that in any place and at any time, anybody can learn if they choose to and are well supported. In addition to that, I believe, there is a whole array and variety of different ways of doing business that could never be done on broad scale before: e-portfolios, real-outcomes stage learning at the course level; real, honest portability of transfer credits without penalty.

The acceptance of learning outcomes allows you to evaluate life experience, military experience, and corporate learning; and one can do so in ways that really build a personal learning plan and that allow you to customize your degree to the particular aspirations that they have. Current diagnostics would not have been available in a variety of ways and for people to know how they learn and how to learn better. Those are all characteristics, and there are others, of what I call the College of the 21st Century (C21C). How is this going to look different? I think there's going to be a variety of forms, rather than one new [higher education] model to go against the old model. I think we need the old model to continue doing the best it can, and a lot of new models which will seek alliances and form new partnerships. There will be unbundled models, where there is an assessment or instruction only. But, I think there is going to be a wide array of applications in the years ahead.

WSS: In one of your early chapters you actually reprint a letter that you'd sent to President Obama and in there you quote the Business Roundtable and the Chamber of Commerce Survey, showing that employers wanted three things above all else in the new workforce. This first one was workers who can self-direct and adapt, the second one – and this is what caught my eye – was workers with a global perspective, and the last one was workers who can think critically and write. Given what you were just saying, and what you highlighted in that letter, how do we get this new type of worker, let alone new type of student? What is it that we have to do to make that happen?

PS: That is a great question. Where I go with this in the book, is that we have to change the fundamental assumptions, going forward, with these new learners we are looking for and want to serve so that we are asking them to connect their lives and their own personal history -- work, military, family, cultural,

ethnicity -- all together with where they want to go. In my opinion, after forty plus years of doing this, we still don't do a very good job at asking people who they are, why they are with us, and where they want to go. If you want to get people to write or to learn how to adapt, making them see how they have adapted in their life before will help them understand what it means to adapt. If adapting is an abstraction, they won't [understand it].

The same applies in terms of global awareness. When immersing people, it may be that our culture is in fact a foreign culture to them, they are new or newer to it and they have actually bridges to other cultures. [We have to] make that an asset. Let them think about what it means and how it informs what they want to do. As you are putting this kind of personal learning plan -- starting with a history going into the future -- together, you are thinking critically, you are reflecting, and you are understanding the impact your life has had on you. You may, in fact, do so choosing web-based tools. Having students actually do this for themselves is absolutely a realizable objective but then, we need to work with knowledgeable people to make sense out of it.

What you are beginning to do is personalize [a learning plan]. But I'm not talking about a thousand curricula for a thousand students. I'm talking about the fact that each student has a personal connection from their past to their present, and to their future aspirations in curriculum. They know why they are doing it and what they are doing. That is personalized education. How we do this, and how we let people use their lives as part of their pedagogical approach to understanding what they've already learned will unlock their education in very powerful ways. We know that as people go through that kind of [self-reflecting] process, they become far more aggressive students and more successful. They go through motivational, aspirational, and tremendous escalation positively and they finish school in far higher numbers than those who don't ever get that kind of opportunity.

WSS: If you follow what the Gate's Foundation, the Lumina Foundation, and most certainly the Obama Administration (and Clinton did as well), you notice that they are saying that we need more higher education. Early in the book you mention that 85 percent of jobs will require some postsecondary education. But our current system can't handle that. You talk about the end of scarcity in Chapter 7 in "Education's Emerging Long Tail," which is partially representative of the web and online learning. You are with Kaplan Education and you probably have a different perspective than when you entered. What do we have to do in terms of transforming

from strictly bricks and mortar to providing the type of space and the type of education that our future workforce will need?

PS: I now think of the higher education space as a rectangle with a line from the lower left to the upper right. The way the predominant business of educating people is done is below that line and I see a whole new open space above that line where you can experiment and innovate with new models, new combinations and new alliances to get where we need to go. I am not stuck on the 85 percent number. It could be, in fact, 75 percent and it is still a very big problem. The other side of it is that socially, we know that people with more education generally earn more, are healthier, live longer, and participate in their communities and in politics at higher rates. That is a good enough argument for more education as far as I am concerned, unless we don't want those things for more Americans. If we want to maintain a vibrant multicultural, strong economy, and a healthy society with a lot of democratic participation, then, more education is the way to get there. That is a societal proposition. For me, [education] is not a linear route, and the reason I started [the book talking about] the middle third is that these are people who are already there. We do not have to reform high schools to get to these people. We know these people. We can find them. And, if we are smart enough to educate them well, we can actually begin the change without waiting a generation.

WSS: We have had, over the years, different stratifications of higher education via the community colleges, 4-year institutions, selective institutions, etc. If poor people get pushed online, which is not a negative thing at all, do we potentially further stratify higher education where we have different grades of education in which some are more valued than others? Will we be exacerbating that or does that matter at all?

PS: I think that is a great question and the way that I understand it is that as a percentage of the whole, the top 200 universities are going to be a smaller percentage, progressively, than they have been in the past. You can argue that in your increases, or in your decreases, there is impact. You have more educated people so the rising tide, in fact, lifts all boats. The other question about quality goes to the heart of what we can now do that we couldn't do before. I'll give a Kaplan example, but there are multiple examples such as Western Governors University and University of Maryland University College, which are all public, non-profit institutions. So this isn't about proprietary versus non-profits. It is about being willing to look at the world differently and seize the opportunity. At Kaplan, we write specific learning outcomes

and rubrics for every course we offer. We reverse those courses from outcomes to deliverance. And there is still room for faculty to be creative in what they do, but the way that we measure learning, regardless of where or how you come by it, will in fact be consistent, reliable, and we think, therefore, valid. If you can begin to connect your learning outcomes to externally held standards, and you are willing to submit the evaluations of learning done by faculty on to a third party, conduct external audits on an ongoing basis to make sure that there is in fact a natural harmony amongst the different evaluations being done, this becomes very powerful within the work force and in the work place.

You can give your students real time or beautifully simulated experiences in a professional area before they enter it, it will make them more ready to work and become more aware of what it means to go to work on the first day, which, frankly, it is an experience that most 22 and 23 year olds have when they come out of college. I'll give you another example. What happens to successful law students? They pass the bar [examination] and they get hired by law firms and then, in almost every case, they are put in a back room and carry someone else's bag for two, or three, or four years. All they are is a very successful law student that passed a test. They are legally a lawyer, but they don't know how to practice law in most cases. There is also a post-bar exam apprenticeship period in which people are weeded out and sorted. The entry into medicine has all these different stages for the same reason. I believe that quality in the 21st century is going to be about: do they know what you say they know, can they do what you say they can do, do they have the attitudes and behaviors that you say they have that relate to the job that we want them to do, and are you pegging that to an external standard as opposed to an internally held, usually non-rationalized, faculty standard. To me, that is quality in the 21st century and that is going to outweigh other kinds of input standards in general.

I think today, people are going to begin to pay much more attention to the Cisco certification, for instance, than they are to a degree in that particular part of Information Technology. I think the more you can connect to external intellectual and behavioral skill sets, the more quality one will get. Harvard will always be Harvard. I think the major problem that the top 1000 institutions have, or the top 200, is that they do not have essentially a sustainable cost model. If you compounded 4 percent of current tuition at any small, good, liberal arts school, in 35 or 40 years you are looking at education costing more than \$300,000 or \$400,000. It's not sustainable. Therefore, the new models have to give quality at an affordable price and the existing model is going to have to figure out how to be more effective and more

efficient using the resources they have plus more resources, otherwise no one is going to be able to afford them. To the Ivy Leagues, Stanford, and other highly selective institutions, they may be able to raise enough money to continue to keep a competitive price for the learner, but it is going to be awfully hard and newer models arise.

WSS: It is interesting that you mentioned the issue of cost. I have been fixated on that issue for many years. Today, even, the College Board had just released their Trends in College Pricing Report. I have done exactly what you suggested and looked at 4 percent -- and I have also looked at 5 percent because that is the average over the last 25 to 30 years of manageable increase -- and we see a doubling of tuition and fees in 20 to 24 years, depending on the sector. And you are right, it is not sustainable. With that said, there is a lot of push for bachelor's degrees, especially from the Gate's Foundation and the Lumina Foundation for Education. They are really pushing for more degrees, particularly more bachelor's degrees. That is the level that is the least sustainable, as in your example. But there is still not a whole lot of talk to make the cost model of higher education more sustainable. The government has threatened to do things but, really, they are limited in what they can do. How do we make a sustainable cost model for higher education?

PS: I think we do it, and I think it is beginning to happen, but not by asking the existing academy to be the change or make the change. They will be affected by all the changes that happen but they can only change themselves when needs-change outstrips the forces of stasis or stay the same. America is wonderful at inventing, innovating, and trying new things. Those are some of the core characteristics of American society. I think what we have to do is be alert to the changes that are happening. A very strong characteristic of the current situation, which is different than any other time in history, is that the forces driving this new potential, this new ecology of learning, do not lie within the campus boundaries. They are outside, they are in the society, and they are externally driven. They are giving learners more power and they are giving people who know a lot, but who are not faculty, more power as well. Therefore, what you see is a fundamental reversal of the balance of power and the right to tell people what they are going to learn and when they are going to learn it. It doesn't make any sense, in a practical manner, to invest all of your hope for dramatic change in models that are still struggling with rationalizing the way they do business. What you do want though, is to continually infuse their environment with new ideas and new data to make the case that they need to think differently about what they are doing. But only the faculty senate, the president, the provost can actually do that.

The larger policy task is to create enough information for people so that they understand the consequences of not changing. In the meantime, there is an enormous job to do with a population with whom the traditional system has not been successful today and never has been. Therefore, why would you ask them to try to be successful with people with whom they have never been successful without making change? I think that there is an enormous opportunity for new models such as online, blended, and hybrid models of education. I'm talking about unbundled services such as Straighter Line offering courses, advising, and mentoring only -- not a college, just approved courses, or alliances where you have AARP and major unions and other major companies out looking for educational partners. The success of these new models is based on the fact that their members or their employees will be more loyal and better served. I think that the proposition of membership or paying for work for someone is a better deal because there are better educational opportunities around. I think the great challenge is for the accreditors to make the dramatic change in innovation and the idea of creating a planning template.

Thus, if I want to start a new institution and try something new, I can reserve the right to do that for three to five years but then I have to come back and bring data to show that what I am doing passes. There has got to be a way for existing institutions to try new things without risking their accreditation or their financial aid, and there has to be a way for new forums or new models to be tested in an environment that is not externally hostile from day one. Otherwise we lose the game. I think that is an enormously important area that I know accreditors are grappling with very strongly. Last week, I was in a meeting with several regional folks at WICHE (Western Interstate Commission for Higher Education)'s Cooperative for Educational Technology (WCET) and they are grappling with this issue hard. I think that the Department of Education has to be aware that if they create a climate of fear that drives people away from innovation, we will all be hoisted on our own and that is a bad thing for America.

WSS: We have a question from Kim, who had a comment on the idea of personalizing and making the curriculum relevant to the learner. She said this was especially important for at-risk learners in terms of trying to make it useful and of some utility to that part of your one-third. It seems that recently, especially proprietary schools, have been serving a lot of the at-risk population. If it takes new models to serve this middle third of the population in a different way, what are some of the mechanisms to make this more personal?

PS: First of all, when I talk about new models and innovation I am not talking about admissions representatives giving terrible information to potentially enroll students. That is just wrong, it can't happen and it shouldn't happen. I would also observe that this admission process does not link to what actually happens educationally or academically after someone is enrolled, other than they may have been enrolled under the wrong auspices or with the wrong information. That is bad, wherever it happens. Having worked at two private, non-profit universities, starting a community college, and having been the founder of a state university in California, I am painfully aware that if you sent a "secret-shopper" to almost any institution that deals with students with risk factors, you would see things that don't make you happy.

In a debate that we had last week at the WCET meeting, the head of WICHE said something that I think is a marvelous sort of table-setter. He said if you go to a school and you have a greater chance of not completing than you do of completing, that is not a good thing. What I took from this is that we should just start with 50 percent. If students enroll at an institution for a certification, do 50 percent of those students get a certificate? If they enroll for an associate's or bachelor's degrees, do 50 percent get an associate's or bachelor's degree? If I come to take recreational courses, and I want to take four, do 50 percent of people like me get the four courses and take them or do they go away? That sounds like a very low bar to anybody who is traditionally educated in what they call a "medallion" university, a term someone like [Jane Wellman](#) was referring to.

The fact of the matter is, in the vast majority of colleges of all kinds, dealing with multiple risk-factor students, they don't come close to 50 percent. However, some do, and they are worth studying. To me, what we have to focus on is, what does it take? I think that personalization is the one thing that will in fact humanize the learner to themselves. From Alan Tough's research we know that people learn all the time and they forget about 90 percent of what they learn, whether it is from school or in life experience or work. The actual process of recalling, understanding, and reflecting on the learning they have done -- formal or informal, experiential or more organized -- is a very powerful personalizing experience that connects the human side of students and their historic and cultural experiences to this -- for the middle third -- alien concept of the curriculum that will get them someplace else. It personalizes it and that is, I think, the only thing that I would do something about -- making the personal connection with every learner and helping them make it for themselves.

WSS: You don't tackle this in the book but I think it is of interest: a lot of this growth we are seeing is coming at two-year and less-than-two-year education. But if we look at the four-year system, which has millions and millions of students trying to get a bachelor's degree each year, do we need to revisit what a bachelor's degree is and how we do it? Is it outmoded? Are students coming out of four years, or five years, or sometimes even six years, getting their money's worth and are they getting something that is actually useful in the economy?

PS: In general, I think you have to say they are because somehow -- and there may be exceptions-- people who come out with a bachelor's degree, no matter how long it takes them to get it, are in fact doing better, doing more, and are employed at higher rates. I think there is a cultural importance to the Baccalaureate. I think we will start to talk about levels as opposed to years. I refer now to first level, second level, third level, fourth level, because years just don't get it anymore. You need to connect and make real and obvious what the outcomes are -- what does a fourth level excellent work look like? People say that you can't do that in a consistent way, but it is not true. You can do it in a consistent way if you want to and you can take something like Bloom's Taxonomy and begin to actually escalate rubrics that will say, "If I do a great job at the first level, and if I do the same job at the third level, that is not a great job because I should be that much better at critical thinking or writing or whatever it is I am doing."

Therefore, I think the real key here is to understand that, now, the vast majority of students are not in a traditional four-year model and the vast majority does not graduate in four years from the school in which they were originally enrolled. I think the number of students who stay four years in the same school in which they first enrolled is less than 20 percent. This situation, where people come in and go out of multiple colleges, is penalizing the students every time they enter a new institution. They lose credits because it doesn't transfer or "it wasn't learned here." The estimates could be as high as \$20 billion per year wasted on redundant learning that has already been paid for once, but is not recognized and must be done again. A lot of people quit school because they don't want to put up with it. They feel it is expensive and disrespectful. In the book, I have a quote from a student who saw my blog and wrote to me. The heart of the quote is: "If it's more money they want, why don't they find some other way to scam it out of us? But don't waste my time because I don't have time to waste." Every time you shift from one college to another, the average loss is one term's worth of work just because "you didn't learn it here." That is expensive, disrespectful, and bad education. We have to be more universal about the learning we recognize.

WSS: This gets at a larger issue. The government is looking at graduation rates, loan default rates, and gainful employment rules, and is really beginning to question institutions that arguably aren't graduating students the way that others would like. But these are the same institutions that are also serving the most at-risk population. Do you have any thoughts on the issue of the emergence of government enforcement on graduation and loan default rules, yet, still trying to get institutions to serve at-risk populations?

PS: I think it is a train wreck of massive proportions. If we want to know how successful an institution is with students and our objective is for everyone to be at or above 50 percent, then it is a simple enough thing for accreditors and institutions to say, "We will now state the aspirations for every single student, by name or by number, who comes to us for community learning, informal learning, certificate or degree -- and then measure our ability to serve those people successfully at, at least, a 50 percent level." That is a transparent way. I don't think you can regulate your way to excellence. When you look at the loan cohort default rates and you go across sectors and slice it by risk factors you find that there is, in fact, a very similar problem wherever you are on the spectrum of for-profit, not-for-profit, private, or public. The fact of the matter is that multi-risk people have a harder time in school.

At Kaplan we developed a model called the Kaplan Commitment. As a result of all of this, we now have a real course with real credit for your certificate or degree which you take for the first four or five weeks for free. If you decide to leave up to a certain date, you get to walk away with no financial exposure other than your admissions fee which is \$45. If you aren't doing well by that date, we have the right to ask you to leave. When the deadline is met, the remaining students are formally enrolled and their financial aid is written. Until we can get a better diagnostic to help us predict who will be successful in this middle third -- which is essentially all of whom go to Kaplan and a lot of others schools -- the Kaplan Commitment model gives students an economic claimant period in which they can decide "this is for me" and "this is what I thought it was," and we can say "they are showing the right academic characteristics," which means they have to get a C or better. If they are not doing that, we are going to wish them well and try to counsel them into some other program.

WSS: I think that is interesting because we haven't seen that in any other sectors. You are essentially giving them a chance and saying, "Here. Take a risk here and, if it works out you are in, and if not, you are harmless other than your opportunity cost."

PS: Right. And the irony of it is that at virtually any other public, non-profit institution they don't lose the [financial] subsidies that they get from the government, nor should they. They lose the tuition that the student would have paid them. For us, the tuition, whether it's student money, or loan money, or Pell money, we lose the whole thing. Other types of institutions could do this with a much lower percentage of financial risk.

With regards to the issue gainful employment, my problem is that life simply is not linear. For example, if you graduate from Yale law school and you go to work for a federal court judge, you are immediately making less than what the standard salary would be for a lawyer. Now, imagine that you decide to not practice law and rather do something else where you are using your legal skills. You are not a failure. I would argue that a better approach to gainful employment would be to ask [institutions], when are you accredited? Are you of sufficient quality? Are you transparent in terms of the success rates you are having with people? And are you transparent with the economic consequences of having an associate's or bachelor's degree? What is happening in the last 5 years to the people who are going to your college? [This information] should all be readily available at a web site and that could be enforced.

There should be a high level of consistency through accreditation, in which institutions' public information (and financial statements, since institutions should be financially sound) could be required to be available online so that people who want to go there would know what their odds of success are in terms of getting to graduation and after graduation. To me, that is incentivizing people to do a good job because if they have to make the information public, they want to be proud of it. This, I believe, will drive change. The regulatory factor will ensure that people do what they have to do to try to meet the regulation as opposed to really strive to be way better than the minimum accepted.

WSS: Pat wants to follow up on the guarantee that Kaplan is offering. She said, "What about the book costs which are so high now? If the students have to buy hundreds of dollars' worth of books for the courses they are taking, what happens in the first five weeks to those?"

PS: Great question, Pat. The answer is, number one, at Kaplan the tuition covers everything -- all of your core. Now, this is a real, introductory course. It isn't developmental or anything else. If, say, you are going into medical assisting, you have to buy clothes and books that are above and beyond. That is all forgiven as well. We have never done this before and neither has anybody else so it is going to be a bit of "Mr.

Toad's Wild Ride" for a while and it's going to cost us a ton of money, but we believe it is absolutely the right thing to do. Any expense you generate in the first four weeks, some programs may be five weeks, other than the admission price, is forgiven. Think of what that does. It really means that our admissions team is looking for new students who, regardless of their background, appear to be ready and capable to do the work. It really incentivizes us to get after additional new diagnostics that will help us know or predict with a much higher probability, other than prior educational success, that somebody has a good mix of behavior, motivation, aspiration, and capacity to be successful. All of the incentives now are getting better for students – online, on campuses, and in blended situations. [Institutions] are being better at motivating and supporting learning.

WS: That leads into a question by Charlotte. She asked about the middle third, the students that graduate but don't necessarily go to college. Her question is, "How do we get them into college? Whose responsibility is it? Where do we find them?"

PS: That is a marvelous question. About a year ago I was talking with a reporter from the Chronicle [of Higher Education] and they were asking me about marketing. I said that my attitude when I was at Cal State was that we had new playing fields, new dorms, great eating facilities, I don't know if we had a climbing wall or not– that is all marketing. That is saying, "Come to us because we have really great, new facilities. We are new and exciting." Institutions all have those investments to attract people to come to some places as opposed to another. The reporter asked me if we spent too much on marketing and I said, "Look, if you are looking for multiple-risk students -- whether at a community college or state university -- who are in the middle third, you have to go after them." We have to figure out ingenious ways to go after students and support them. Frankly, I think this Kaplan Commitment is the right thing to do, and I think it could end up being a tremendous outreach opportunity for us because it allows people to try something they are inherently afraid of with virtually no financial risk. To me, I think it is going to be very attractive.

Now, where are [these students]? I think if you went and dug behind the metrics of the global [OpenCourseWare Consortium](#) – 15,000 courses, 36 million downloads last year – you would find more people than you would think that are self-described as self-learners. Many more than you would think do not have a bachelor's degree. They are out there on their own, using these courses and auditing them out

of personal interest. That could be 5 million people right there who have already devoted their energy and time as an informal learner. I think you have to look in different places and I think that is why AARP and unions will go back to these alliances. They have 50 million members at AARP. They know that a whole bunch of people are getting older and going to live another 30 or 40 years. A lot of them are going to work longer and need to be re-skilled and re-tooled. You can look there. You need look in different places and those are just some ideas off the top of my head.

WSS: As we conclude, Peter, I want to leave you with this question. This book has been out since 2010. What has been the reaction to the book?

PS: It has been interesting. Once people figure out that this is a Peter Smith book, and not a Kaplan book, the conversation changes. And, when you get to the substance of the book, I have had virtually nobody disagree with the fundamental premises and fundamental proposes. But I had a conversation with David Longanecker who said, "I hope you are wrong. But you may be right. How do we actually do these things?" And what I said is, "I think I am marginally wrong and marginally right. I think there is going to be a whole bunch of things that are going to happen." The fact of the matter is that people who don't want to be the change shouldn't be holding other people back, because if we don't make the leap to this much broader, more diverse, and better educated population, we are going to be hurt as a society and as a culture. So, overall, the book has been very widely received. It's provocative, but I'm not pointing fingers at anybody because I'm too old for that. What I am trying to do is open up a discussion on this new ecology, this new potential, and the consequences of us failing to seize that potential and do something profound with it. I want to extend the conversation. I don't want to do what we usually do, which is circle and then point the guns inward and everyone shoots each other. That just isn't going to get us where we need to go.

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