What problem were they trying to solve?
THE CASE FOR INNOVATION IN HIGHER ED

2 / 3
of jobs require post-secondary degree

6%
of Bachelor’s graduates believe College prepared them for success

33%
of adults in U.S. attain Bachelor’s degree

5,000,000+
gap between jobs requiring degree and degree holders

-38ppts
difference in employers’ vs. students’ perception of how college prepared graduates in key learning outcomes

36,000,000
adults in U.S. have some college, no degree

15% Some Bachelor’s Earnings premium vs. H.S. Diploma

62.5%
61% believe post-secondary is available (down from 67% in 2013)

$77,832 average cost of 4-year degree at in-state, public university

1.9x rate of increase in cost of 4-year degree vs. inflation

$37,146 average student loan debt per undergraduate in 2016

21% believe post-secondary is affordable

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1Georgetown CED, Lumina Foundation
2U.S. Census
3Lumina Foundation
4Gallup / Lumina 2014 Survey
5Pew Research Center; Federal Reserve Board of S.F.
6Association of American Colleges and Universities, 2015 Survey
7College Board
WGU and the Student-Centric Model
Reinventing Higher Ed from Ground Up

• Programs; not individual courses
  ➤ Aligned with industry needs
  ➤ Personalized assessment traverse

• Focused on learning – not lectures
  ➤ choice; outcomes; personalized pathways

• Scale objective/performance-based assessments + validation of third-party certifications

• Technology-enabled, 100% online

• Data-driven, continuous improvement
Specialized Faculty

**Curriculum & Assessment Developers – terminal degree in field**
- Design curriculum, assessments to defined learning outcomes (verified by industry)
- Create developmental program maps of diagnostic, formative and summative assessments
- Curate and develop engaging and high impact instructional materials and activities

**Program Mentors – terminal degree in field + deep industry experience**
- Dedicated, program-level faculty providing 1:1 support across program journey toward encouraging students to apply learning to real-time on the job problem solving

**Course Instructors – terminal degree in field + deep industry experience**
- Provide individualized instruction interventions as students work thru courses
- Lead group sessions / study groups to dive deep on critical concepts or big ideas

**Evaluators – terminal degree in field + deep industry experience**
- Evaluate and validate student competency, providing individualized feedback
Technology-enabled Student Experience

End-to-End Student Journey

Discovery
Admissions & Enrollment
Matriculation
Learning
Field Experience
Alumni

Leading Web-Based Resources

Better Data = Better Outcomes, e.g.,
- Pace
- On-time progress
- Mastery rate
- Course-to-course retention
- Student delight / satisfaction
- Post-programmatic impact

1:1 Support
An overview of the progress....

- 135,000+ Graduates and counting...
- 120,000+ students currently enrolled (42,000 Business)
- 60+ Programs in high-demand fields:
  - Business
  - K-12 Teaching
  - Healthcare
  - IT
- Competency-based, all-online
- $6,400 per year, ‘all you can learn’
Delivering a Better Student Experience

<table>
<thead>
<tr>
<th>Job-Related Knowledge</th>
<th>Challenging Work</th>
<th>Quality of Faculty Interactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>WGU 80%</td>
<td>WGU 71%</td>
<td>WGU 72%</td>
</tr>
<tr>
<td>69%</td>
<td>55%</td>
<td>56%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quality of Academic Support</th>
<th>Would Attend Again</th>
<th>Rating of Entire Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>WGU 84%</td>
<td>WGU 92%</td>
<td>WGU 92%</td>
</tr>
<tr>
<td>71%</td>
<td>83%</td>
<td>86%</td>
</tr>
</tbody>
</table>

Source: National Survey on Student Engagement
High Value for Graduates & Employers

WGU graduates advance in or find jobs they seek . . .

Employed Full-time

WGU 87%
US Avg 71%

Employed in Field

WGU 89%
US Avg 84%

. . . and earn more.

WGU Grads: $21,200

US Avg: $12,000

Within 4 years of graduation

Employers are highly satisfied . . .

Employers are highly satisfied . . .

Prepared

100%

91%

90%

98%

Overall

Rated Very Good / Excellent

Employed in Field

Rated Very Good / Excellent

Prepared

Performance

Technical Skills

Overall

91%

90%

98%

91%

Exceed

Source: Harris Poll Online

. . . and 97% would hire again.
Future Transformation

- From mass production to mass personalization and the two sigma problem
  - Persistent, Progressive, Personalized Student Profile
  - Degree Unbundled, Learn to Earn, and Trusted Test
  - Competency Transcript
  - Perfecting the Tutoring Faculty Model
  - Course/Competency Level Analytics and CQI
  - Skills Marketplace