

# Enrolment

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*Algonquin College Academic White Paper*

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*Enrolment* is one in a series of Academic Area white papers that includes:

- Academic Technologies
- Accommodating Increased Enrolment
- Applied Research
- Apprenticeship
- College Programming Strategy
- Community and Business Integration
- Internationalization
- Interprofessional Education
- Sustainability

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## **PREFACE**

In 2007, Algonquin College began a five-year strategic planning process to re-think its focus and set a direction in line with current trends and future needs. In the context of that strategic exercise, the Academic Area is exploring key questions about the ways the College may sustain its reputation, enhance its educational offering, and deliver that offering consistently across all programs. The following is one of ten papers addressing specific issues that demand forward-looking consideration.

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## THE ISSUE

The 2008-2013 Strategic Plan establishes a full-time enrolment target for Algonquin College of 20,000 students in 2020. This paper defines how this target may be achieved taking into account available markets, demographic changes and expected competitive pressures. The paper also recognizes constraints which may prevent the enrolment targets from being achieved and external pressures which may impact on enrolment but which cannot be quantified. As a result of the number of constraints and external pressures that exist, the impact of a “no-growth” strategy is also discussed.

## BACKGROUND AND CONSIDERATIONS

From 1993/94 to 2006/07, the number of full-time postsecondary students (FTPS) attending Algonquin increased from 8,900 to 11,900, a change of 35%. The total population in Ottawa, Perth and Pembroke increased by only 5% during the same time-frame and the 15 to 24 year-old segment of the population increased by 10%. Since the number of international students was relatively small, the bulk of the growth was achieved through increases in domestic market share. It should be noted that the growth in enrolment was facilitated by the growth in the number of new programs from 106 to 140, an increase of 32%.

Since the 2006/07 academic year, full-time enrolment has continued to grow and there has been a diversification of product lines through the additional enrolments in collaborative programs and in applied degrees.

As well as the growth in the total number of students, there has been a shift in the type of student. There have been increases in the number of students from previously under-represented segments of the local population, an increased number of international students, and a higher percentage of students who are not direct from high-school (68%). Students entering Level 01 in the fall of 2008 were split 82% under 25 years of age and 18% over age 24.

### Projection Assumptions

Starting with the estimated enrolment for 2008/09, Appendix 1 shows the effect of a series of assumptions as follows:

- International students will form 10% of the total full-time student population or 2,000 students by 2020;
- As per the 2008/09 Business Plan, the graduation rate will increase from 63% to 70% by 2013;
- Enrolments by domestic students will change based on the 15 – 24 year-old demographic in the Ottawa Region;
- Enrolments in part-time day programs will remain a constant percentage of the domestic enrolments in full-time postsecondary programs;

- Enrolments in Tuition Short and non-GPOG funded programs will remain constant in total though the mix may vary;
- Enrolments in Apprenticeship programs will increase as defined by the Apprenticeship Committee.

Based on the assumptions as stated, Algonquin does not achieve the 20,000 enrolment target by 2020. Appendix 2 offers a solution as to how the enrolment target may be achieved. Starting with the assumptions for Appendix 1, Appendix 2 shows the effect of a series of assumptions as follows:

- Enrolments in Collaborative Degrees are increased by 400 students;
- An increase in domestic market share through the offering of more high-demand programs results in an additional 432 students;
- An increase in domestic market share through the admission of 400 more students into the BTSD/ACE tuition-short programs.

Based on these assumptions, Algonquin does achieve the 20,000 enrolment target by 2020.

### **Retention**

The projections presented in Appendix 1 and Appendix 2 include an increase of 800 FTSP domestic enrolments related to improved retention by 2013. The figure of 800 is derived from the goal in the 2008/09 Business Plan of increasing the graduation rate for FTSP from its current 63.4% to 70%. The calculation is as follows:

$$12,900 \text{ total domestic enrolments} \times (70\% - 63.4\%) = 800$$

The 70% target compares favorably to the Ontario System Average of 65% and compares favorably to the other large colleges (Seneca 54%, Humber 63%, Sheridan 69% and George Brown at 73%). Note that in 2005 George Brown's graduation rate was 58%.

### **Multi-Year Accountability Agreement (MYAA)**

Note that for purposes of the projections in Appendix 1 and Appendix 2, all domestic under-represented student groups as well as immigrants are included in total demographic movements used to calculate domestic enrolment. Immigrants in particular are an important part of the Ontario projection, accounting for a significant percentage of the population growth.

For MYAA groups with identifiable populations, Algonquin currently has greater than its market share based on the local demographic and no additional increases in market share are projected. It is assumed that the MYAA populations of students will grow in step with the total demographic.

## Part-time Studies

This paper is focused on assessing the market sources for meeting the Strategic Plan target of increasing full-time enrolments from 16,000 to 20,000. Targets for part-time enrolments were not included in the 20,000 figure and therefore have not been included as a line item in the Appendices.

It should be noted that part-time enrolments produce approximately 1800 funded FTEs and changes to that activity could have a material impact on operating grants.

Increases in part-time activity are addressed in the Business Development Strategy Paper.

## Enrolment Initiatives

As can be seen in Appendix 1, the total projected enrolment does not achieve the 20,000 target by 2020. A number of initiatives/outcomes were identified which could support the achievement of the target. These are:

- Increase market share by approximately 1,200 students. As noted above, Algonquin has recently achieved similar increases in market share;
- Increase enrolments from full-time programs targeted to an older demographic (e.g. – Elderhostel), the populations of which will be steadily increasing;
- Increase enrolments at Perth and/or Pembroke by increasing emphasis on destination programs;
- Increase the number of Graduate Certificates to attract more international students, as well as, to attract more domestic students graduating university with requirements for further certification;
- Increase enrolment in current high-demand programs.

## Influencers

A number of external market influences were noted, the impacts of which have not been reflected in the projection.

- The global economy is experiencing a variety of factors including significant declines in stock market capitalization, the potential for a prolonged recession, and the continuing impacts of limited credit availability. These factors may require the College to be selective about targeting international markets. It may positively impact on the percentage of the domestic population that require re-training, though there may be reductions in some lines of business, such as apprenticeship. It may also positively impact on the number of students taking fast-track and compressed programs in response to second career requirements.
- Competitive pressures from local universities are increasing as the program offerings of universities and colleges converge. This convergence may be accelerated if Algonquin gains polytechnic status.
- The change in status of many of the British Columbia Colleges to Universities will provide increased competition for international students who prefer degree or graduate programs.
- Competitive pressures from private colleges and universities (e.g. University of Phoenix) are increasing due to those schools expanding their product offerings and promoting their own internal laddering.

## Constraints

A number of constraints, both internal and external, were noted, the impacts of which have not been reflected in the projection.

- The loss of manufacturing jobs/industries in Ontario coupled with the impacts of a global economic slowdown will limit the Provincial Government's ability to increase/maintain funding for post secondary activities including operating and capital grants.
- Space availability is a serious constraint to any increases in enrolment. This has impacts both on the number of students who can be accommodated, as well as, the quality of the timetables.
- The ability to convert existing courses to a hybrid format may be a constraint in the short-term.
- The implementation of Bill 90 will likely prove to be a significant constraint both in maintaining existing programs and for introducing new programs. Particularly for new programs which as noted above are a major facilitator of enrolment growth, the use of part-time faculty is critical in the early years of the program offering in maintaining required contributions.
- The College continues to make efforts to widen access as part of our MYAA targets. If we are to rely on our historical ability to attract increased market share, we have to expect to see more students coming to us who are underprepared both from non-traditional groups, as well as, the typical grade 12 graduate who has less than stellar math and English skills. These students will only contribute to a larger Level 01 drop-out rate unless increased enrolment goes hand-in-hand with increased commitment to student support services. This need for additional services also extends to the projected larger international student population. The ability to implement cost-effective increases in student support services may be a constraint in both the short- and long-term.

## No-growth Strategy

For purposes of this section, a "no-growth" strategy is defined as the College only growing from improved retention with no increases due to international recruitment, domestic demographic trends or increases in domestic market share.

Based on the constraints, influencers and the cyclical nature of demographic trends, it is possible that Algonquin may be forced to adopt a "no-growth" strategy for the foreseeable future. Such a strategy would obviously have a significant impact on revenues and expenses, as well as, reputation and organizational structure.

Based on domestic enrolment in FTPS programs, Algonquin currently receives approximately 8% of the total MTCU General Purpose Operating Grant for Ontario Colleges representing \$62M. Another \$18M in special purpose grants are received which are at least partially influenced by the domestic FTPS enrolment.

There is good correlation between the 8% and the percentage of the 15 to 24 year-old population who reside in Ottawa, Lanark and Renfrew (7.72%). The difference (.28%) may be attributed to enrolments by older students and to enrolments originating in Leeds, Frontenac, Cornwall, etc.

By 2020, due to the growth in the Greater Toronto Area (GTA), the percentage of 15 to 24 year-olds residing in Algonquin's catchment areas will decline to 7.5% of the provincial total. Declines in the rest of Eastern Ontario are more severe. In current dollars, the impact would be a reduction of at least \$3.5M in grants received per annum assuming Algonquin's growth mirrors the demographic change.

Note, however, that to 2013, enrolment increases attributable to demographics equal 566. From 2013 to 2020, enrolment changes due to demographics cause a decline of 750 for a net loss of 184. As a consequence, a "no-growth" strategy primarily impacts the next five years regarding domestic demographic trends.

While the revenues reductions are potentially significant under a no-growth strategy, growth to 20,000 students will add to our expenses because of the requirements for more space and additional supports. Bottom line, we may not be any further ahead financially.

Both growth and no-growth strategies have their merits, the critical event is for the College to decide which strategy is being pursued and then putting into place the appropriate infrastructure.

## RECOMMENDATIONS

- Based on the negative revenue impacts of a “no-growth” strategy, the College’s historical ability to increase market share, and the commitments to increase retention and to increase the number of international students, it is recommended that the College re-affirm the 20,000 enrolment target for 2020 as laid out in the 2008–13 Strategic Plan.
- That Algonquin pursue more collaborative programs with universities to increase enrolments in those programs.
- That Algonquin confirm its commitment to Polytechnic status to facilitate program development.
- That Algonquin develop significantly more graduate certificate programs to promote both international and domestic enrolment.
- That Algonquin increase enrolment capacity in high-demand programs, particularly those that are currently being serviced by private colleges and universities.
- That Algonquin increase the number of fast-track/compressed programs to respond to the increased expectation for second career training.
- That Algonquin ensure that sufficient student services exist to support an increasingly large and diverse student population.