

State Financial Assistance for High-Quality Non-Degree Credentials Initiative

Arkansas Landscape Analysis Key Findings Summary July 2022

Overview

The National Skills Coalition conducted a landscape analysis over the course of roughly four months to inform the Arkansas state team's participation in the State Financial Aid for High-Quality Non-Degree Credentials Initiative (SFA Initiative). In addition to information provided in the Arkansas application to the SFA Initiative and multiple conversations with state team leads from Arkansas Community Colleges, NSC's landscape analysis included a meeting of the full Arkansas state team and seven interviews with 10 individuals. NSC also conducted a review of literature describing effective financial aid practices and of examples of state financial aid programs with strong marketing strategies and other relevant characteristics. The findings from NSC's analysis and research are summarized below.

High-Level Takeaways

The following takeaways are drawn from NSC's landscape analysis research, with an emphasis on findings from our interviews with Arkansas state and campus staff. NSC utilized a SWOT (strengths, weaknesses, opportunities, and threats) framework to analyze information collected through its research.

- **Strengths of the Arkansas Workforce Challenge Scholarship (AWC).** The AWC is a strong asset for the state of Arkansas and for adults interested in pursuing short-term skills training that could quickly lead to in-demand jobs (more information on the AWC is provided in the appendix). The program is unique in that it provides support for students enrolled in noncredit programs, has almost no eligibility requirements other than enrollment in an approved program, has a year-round rolling application, and has a stable source of funding in lottery revenue. These characteristics make it broadly accessible to learners and workers interested in pursuing short-term training, which is not covered by other state financial aid sources.
- **Program Design Fixes.** There are some relatively straightforward fixes that would make the AWC work better for students, campus staff, and ADHE while also improving the scholarship's reach to more students and eligible programs. ADHE has already launched some of this work, with its new data system and application process. Investing in an expansion of the state's outreach strategy—such as the approaches taken by peer states described below—to market the program to students and colleges on an ongoing basis, in conjunction with the new system rollout, could amplify awareness of the scholarship opportunity beyond existing levels, facilitate greater student reach, and maximize the

impact of existing efforts to streamline and strengthen ADHE systems.

- **Lack of Connections.** There is little infrastructure designed to connect the dots for AWC recipients to career pathways and employment (unless they are participating Arkansas Career Pathways Initiative)—and it is unknown how students fare after completing a program for which they received an AWC scholarship. Data on the educational and labor market outcomes of AWC recipients have not been analyzed strategically and generally contain gaps due to the inconsistent nature of data collection for participants in noncredit programming.

In addition, there are no formal mechanisms for connecting AWC recipients to additional resources and support (though this may happen on a campus-by-campus basis), such as assistance with basic needs and nontuition expenses, or to opportunities to enter credit-bearing educational pathways—both of which could increase the likelihood of equitable student success in the workforce and reap greater benefits for employers and the state of Arkansas. In general, students participating in non-degree credential programs, especially those that are noncredit, have limited access to support for nontuition costs that affect their ability to participate in education and training (again, with the exception of students participating in the Arkansas Career Pathways Initiative, which stands out in the state and the country for its leveraging of human services programs to provide holistic support and its evidence of strong, positive outcomes for participants of color).

- **Expanding Assistance.** Increasing the AWC award amount to ensure it goes farther to cover tuition, fees, and course supplies for approved programs, and enabling students to use their awards for additional costs beyond tuition and fees would go farther to promote inclusion, equity, and positive outcomes. Thinking outside the box about how to create more accessible and intentional infrastructure that students can use to access the AWC, and from there, gain entry to other education and training opportunities, career navigation supports, and supportive services, would also help the state leverage and maximize the potential of the AWC.
- **Leveraging Data to Provide Quality Assurance.** The state must center the educational and economic outcomes of students who receive the AWC when considering expansions to the award amount or eligible sectors. There is already existing work to develop a credential registry and shared credential language, plans to integrate noncredit education and training data into Arkansas's longitudinal data system, and strategic ADHE goals that are informed by a draft quality definition. Arkansas can build on this foundation to develop and apply a quality assurance framework that maximizes the effectiveness of state postsecondary investments. The Arkansas Division of Higher Education (ADHE), community colleges, and the Department of Information Systems should work together to identify how best to improve and institutionalize data collection around the AWC and noncredit programming more broadly, analyze these data linked to wage records, and use findings to identify equity gaps and inform policy and practice

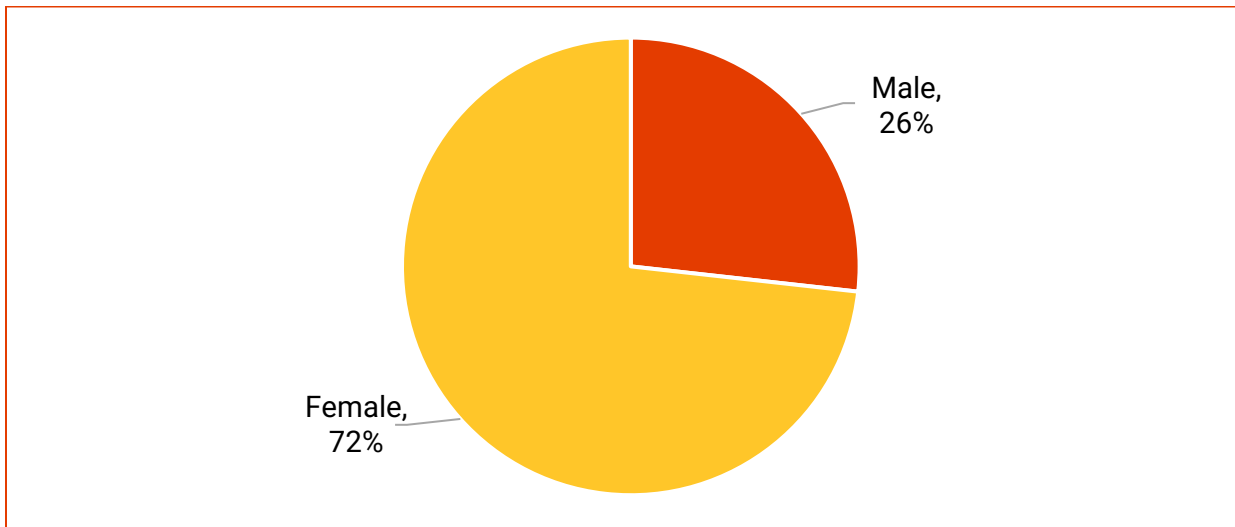
related to the AWC and other relevant programs.

- **Culture Change to Maximize Potential.** Introducing a quality assurance framework for short-term credentials, utilizing data to evaluate program effectiveness and equity, and taking an evidence-based approach to policy and practice reform is going to be essential for Arkansas to build a skills training system that maximizes its investments in financial aid and results in the best outcomes for learners, employers, and the state. Building buy-in for a new postsecondary culture that bridges the postsecondary education and workforce systems, emphasizes quality and equitable outcomes for learners, and provides holistic support will result in a stronger labor force that is better positioned to meet the demands of employers and increase the state's economic competitiveness.
- **Stakeholder Engagement.** Centering the experiences and outcomes of students participating in non-degree credential programming, including those who have received the AWC, would provide greater insight into the extent of their financial and other needs and how the state could empower institutions and leverage systems to promote their success. Community college staff have vital insight that should be leveraged to inform policy and practice changes. And bringing employer voices into the process of reforming the AWC would increase their buy-in and enable the program to be more responsive to employer demands.

Appendix. About the Arkansas Workforce Challenge Scholarship

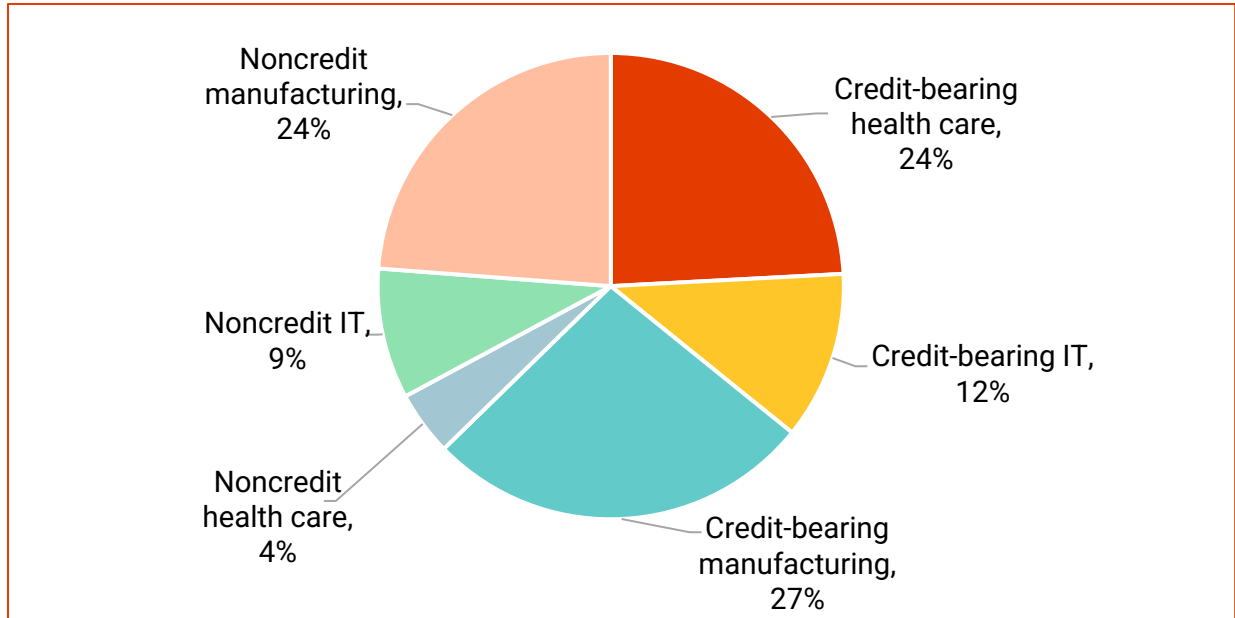
The [Arkansas Workforce Challenge Scholarship](#) (AWC) was passed into law by the Arkansas state legislature in 2017 alongside the Arkansas Academic Challenge Scholarship (Ark. Code Ann. § 6-85-302 et seq.). Both programs are administered by the Arkansas Division of Higher Education and funded by lottery revenue. The AWC is intended to help learners pursue workforce training in the high-demand areas of health care, information technology, and industry. Scholarships support students enrolled in eligible credit- and noncredit [programs](#) offered by Arkansas-based public or private nonprofit community colleges and universities. Awards cover the cost of the certificate program or program of study, textbooks or other materials, and equipment needed for the course, up to an \$800 maximum. In 2021, 711 awards were granted, for a total of \$466,400 (average award amount was \$655). More information about the distribution of AWC awards and characteristics of eligible programs are provided in the figures below.

Figure 1. Share of AWC Recipients by Gender, FY2021



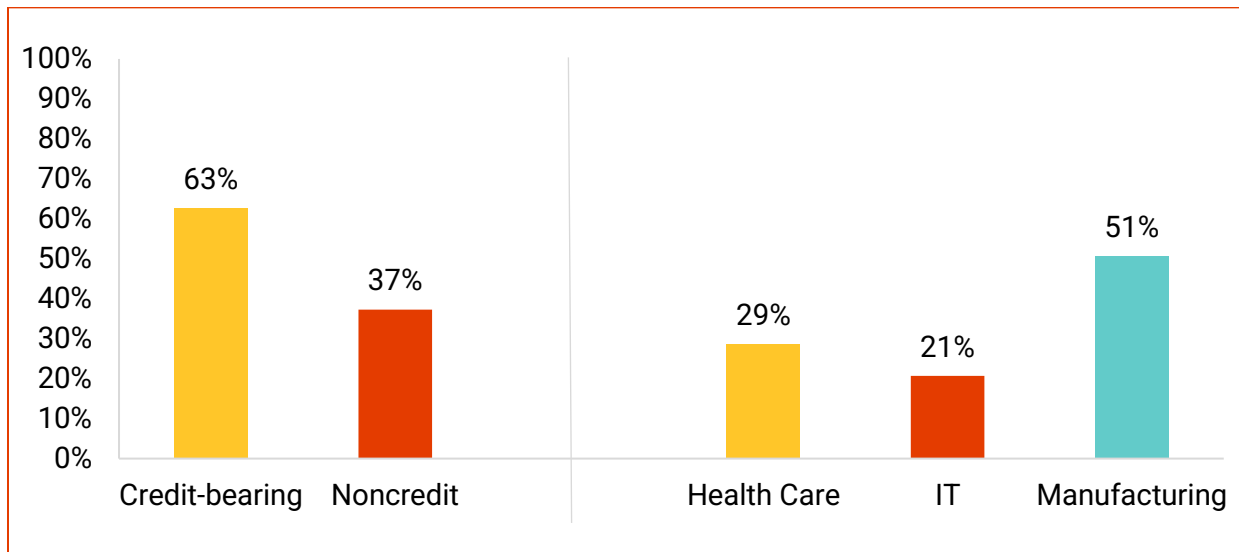
Source: Arkansas Division of Higher Education, Workforce Scholarship Program, Student Status – All Cohorts, FY2021.

Figure 2. Distribution of AWC Eligible Programs by Credit-Bearing Status and Program Sector, FY2021



Source: Arkansas Division of Higher Education List of Eligible Programs for the Arkansas Workforce Challenge Scholarship as of June 3, 2022.

Figure 3. Share of AWC Eligible Programs by Credit-Bearing Status and Program Sector, FY2021.



Source: Arkansas Division of Higher Education List of Eligible Programs for the Arkansas Workforce Challenge Scholarship as of June 3, 2022.

Figure 4. List of AWC Eligible Programs as of June 3, 2022

Institution	Location	Institution Type
Arkansas Northeastern College	Blytheville	Community college
Arkansas State University Beebe	Beebe	Community college
Arkansas State University Jonesboro	Jonesboro	4-year
Arkansas State University Mid-South	West Memphis	Community college
Arkansas State University Mountain Home	Mountain Home	Community college
Arkansas State University Newport	Newport	Community college
Arkansas State University Three Rivers	Malvern	Community college
Arkansas Tech University	Russellville	Community college
Arkansas Tech University - Ozark Campus	Ozark	Community college
Black River Technical College	Pocahontas	Community college
Cossatot Community College of the University of Arkansas	De Queen	Community college
East Arkansas Community College	Forrest City	Community college
National Park College	Hot Springs	Community college
North Arkansas College	Harrison	Community college
NorthWest Arkansas Community College	Bentonville	Community college
Ozarka College	Melbourne	Community college
Phillips Community College of the University of Arkansas	West Helena	Community college
South Arkansas Community College	El Dorado	Community college
Southeast Arkansas College	Pine Bluff	Community college
Southern Arkansas University Tech	East Camden	Community college
University of Arkansas–Pulaski Technical College	Little Rock	Community college
University of Arkansas at Little Rock	Little Rock	4-year
University of Arkansas at Monticello	Monticello	4-year
University of Arkansas Community College at Batesville	Batesville	Community college
University of Arkansas Community College at Morrilton	Morrilton	Community college
University of Arkansas Hope–Texarkana	Hope	Community college
University of Arkansas Rich Mountain Community College	Mena	Community college
University of Arkansas–Fayetteville	Fayetteville	4-year
University of Arkansas–Fort Smith	Fort Smith	4-year
University of Central Arkansas	Conway	4-year
Total		30