

“There’s a Value Proposition Problem in Higher Education”

*A Holistic Approach to Education:
Teaching “Life Skills” to Students*



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“Looking Back to your Undergraduate Educations, How Many of You **Acquired** the Following Skills?”

- ▶ **Retirement Planning** skills - valuable when you start working (e.g., defined contribution (ORP) vs defined benefits (TRS); Traditional IRA vs myIRA vs Roth IRA vs Solo IRA vs SEP IRA)
- ▶ **Budgeting** skills - when evaluating income vs expenditure, credit vs debit financing
- ▶ **Tax Planning** skills - when filing returns on April 15 each year (e.g., standard vs itemized deductions; tax free vs tax deferred options; various schedules and forms)
- ▶ **Insurance Purchase** skills - necessary when deciding on insurances like, medical (HMO vs PPO, deductible vs co-pay), dental, vision, pet, life (term vs whole), home, automobile (liability vs comprehensive), umbrella, etc.
- ▶ **Negotiation** skills - used to purchase “big-ticket” item (e.g., car, house, etc.)
- ▶ **Conflict Resolution** skills - beneficial before getting engaged and/or married
- ▶ **Parenting** skills - useful before starting a family
- ▶ **Decision-making** skills/models - when evaluating alternatives (i.e., making choices)
- ▶ **Political knowledge** - necessary when deciding which candidate to vote for (e.g., conservative (right) vs liberal (left))
- ▶ **Stress Management** skills - necessary to deal with uncertainties of life (e.g., stress at work, home, financial, etc.)
- ▶ **WHAT ADDITIONAL SKILLS DO YOU WISH YOU WOULD HAVE ACQUIRED?**

“Why Don’t Universities Teach These Skills to Undergraduate Students?”

Some Representative Responses by my Department Colleagues

- ▶ “It’s assumed that students will learn these skills at home”
 - ▶ According to the 2016 National Financial Capability Study, 63% of American (and 73% of Texans) can’t pass a basic Financial Literacy Quiz
 - ▶ Majority of students today grow up in divorce and/or single parent households, where parents do not have time to teach these skills and/or don’t know themselves.
- ▶ “These skills are generally viewed as less important than the *hard* skills we actually teach”
 - ▶ Hard (*cognitive*) skills - academic knowledge and expertise needed for one’s career (e.g., Discipline specific knowledge, Computer competency, Analytical thinking, Conceptual thinking, Technical expertise).
- ▶ “These skills are considered *soft* skills and students learn them indirectly”
 - ▶ Soft (*behavioral*) skills - personal attributes needed to succeed at one’s career (e.g., Interpersonal skills, Time-management skills, Written & verbal communication skills).
- ▶ “These skills are not the responsibility of *academic affairs* but rather *student services*”
 - ▶ While SHSU has several initiatives (e.g., Money Management Center to teach *financial skills*, Center for Community Engagement to teach *civic engagement*, Center for Diversity & Intercultural Affairs to teach *diversity and tolerance*), how many actually avail of these opportunities.
- ▶ “I was never taught these things and I figured it out on my own”
 - ▶ All my respondents have Ph.D.
 - ▶ Don’t you wish someone had taught you these skills?

“Why is this **Important:**”

Challenges Faced by Higher Education

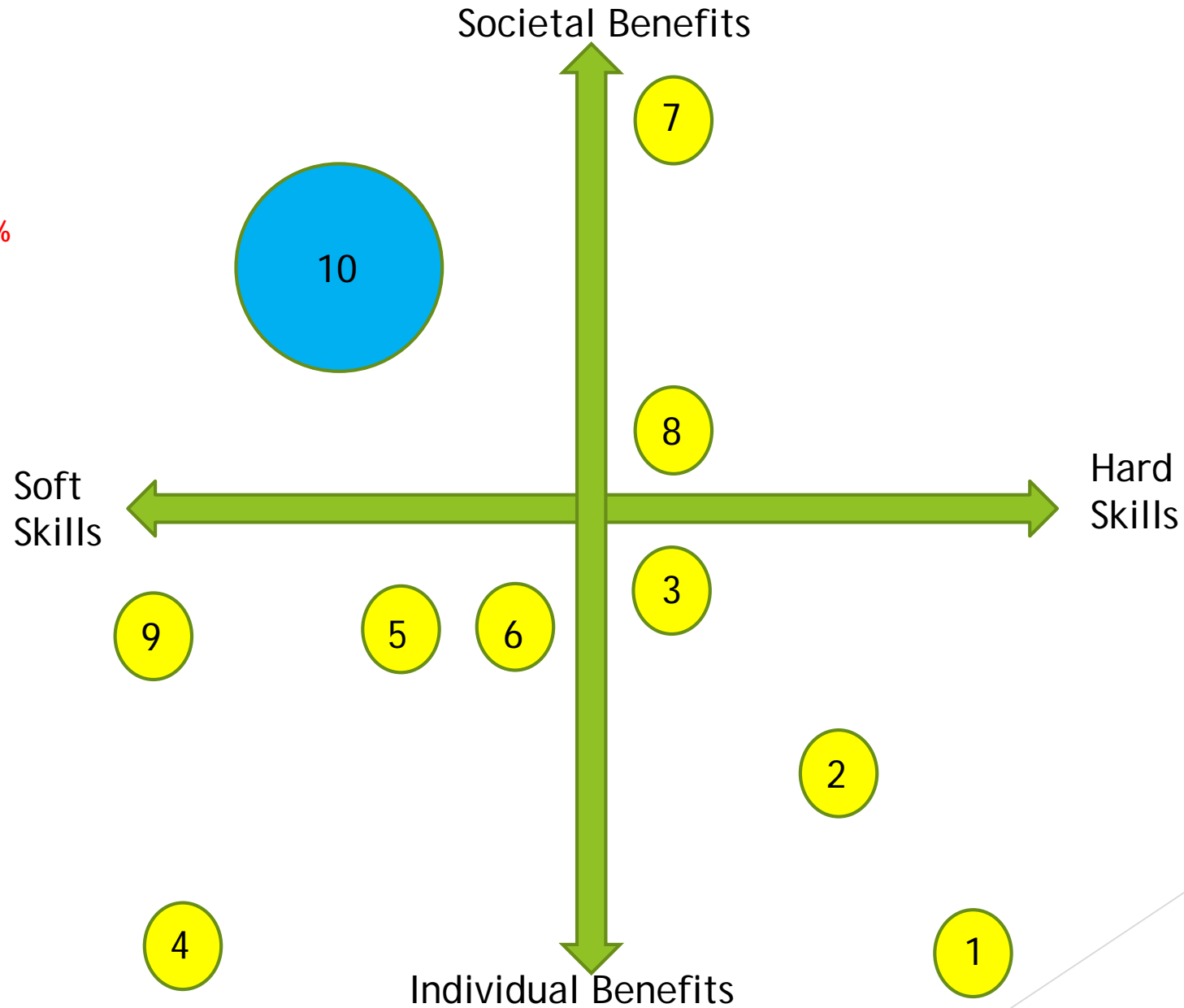
- ▶ **Paradigm shift in delivery of education**
 - ▶ face-to-face, online, hybrid, correspondence
- ▶ **Competition from for-profit Institutions**
 - ▶ Tend to be market driven
- ▶ **Changing expectations from students**
 - ▶ Great benefits, Supplementary services, CRM
- ▶ **Public Perception**
 - ▶ Costs need to be controlled, student debt needs to be reduced, According to a 2016 Pew Research Survey, 58% of republicans think universities have a negative impact on the state of the union
- ▶ **Changing Economy and Workforce**
 - ▶ Shared economy, Technology is displacing labor markets, Greater demand for STEM graduates, income inequality
- ▶ **Greater Accountability**
 - ▶ Education needs to be more relevant, students need to be better prepared
- ▶ **Competition from MOOC's (Mass Open Online Courses) and Geographically dispersed Institutions**
 - ▶ Coursera, Udemy, TED, Udacity, edX, Khan Academy; Houston - OLL, UT, A&M, Tulane, etc.
- ▶ **Changing Accreditation Standards and Assurance of Quality**
 - ▶ Business (AACSB), University (SACSCOC), CJ (FEPAC), Music (NASM), Nursing (ACEN & CCNE), Education (NCATE), and Library (ALA)
- ▶ **Focus on Assessment**
 - ▶ Learning outcomes/outputs

“What is the **Purpose** of Higher Education?”

- ▶ **Chan (2016) did a literature review of 98 articles from 2000-2016**
 - ▶ Using Critical Interpretive Synthesis Methodology of 60 peer-reviewed journal articles, 13 conference presentations, and 25 books all on “Purpose” of Higher Education
 - ▶ Dyadic perspectives - both education providers and receivers perspectives
- ▶ **Nine benefits (factors/*constructs*) of higher education**
 1. Advanced intellectual skills - problem solving, analytical, critical thinking, creativity, etc.
 2. Better vocational and employment preparedness - skills to pursue one’s desired career
 3. Graduate school readiness - skills and knowledge necessary to pursue graduate programs
 4. Improved communication skills - oral and written (so as to transmit information, persuade, argue, etc.)
 5. Enhanced interpersonal skills - ability to maintain relationships with others (diversity, tolerance, etc.)
 6. Personal integrity - ability to make moral decisions based on ones value systems
 7. Greater civic engagement - take a great role in society, service, etc.
 8. Fulfillment of family expectations - motivation and aspiration fulfillment of one’s family
 9. Personal life quality enhancement - improvement and development in one’s life (e.g., financial security, self-confidence)

Analysis of Purpose: Perceptual Map

Inter-rater
Reliability = 89%



Number 10: "Life Skills"

- ▶ Life skills - our definitions of the construct
 - ▶ Conceptual Definition: Soft *skills* that are required and necessary to deal with the demands and challenges of everyday *life*.
 - ▶ Operational Definition: *Soft skills* needed to create greater efficiency in a functioning *society*.
- ▶ For example:
 - ▶ Negotiation skills
 - ▶ Conflict Resolution skills
 - ▶ Parenting skills
 - ▶ Decision-making skills
 - ▶ Retirement Planning skills
 - ▶ Budgeting skills
 - ▶ Tax Planning skills
 - ▶ Political knowledge
 - ▶ Insurance Purchase skills
 - ▶ Stress Management skills
 - ▶ . . .

Examples of “Survival Skills” (not “Life Skills”) that should NOT be taught by Universities

- ▶ Baking
- ▶ Canning or preserving
- ▶ Changing a tire on a car
- ▶ Changing a light bulb
- ▶ Checking the oil in a car
- ▶ Cleaning your residence
- ▶ Clearing a drain
- ▶ Clearing the table
- ▶ Cooking
- ▶ Cardio Pulmonary Resuscitation (CPR)
- ▶ Driving
- ▶ Drying clothes and dishes
- ▶ Dusting furniture
- ▶ First Aid
- ▶ Folding clothes, towels, or sheets
- ▶ Following a recipe
- ▶ . . .

- ▶ Mopping the floor
- ▶ Mowing the lawn
- ▶ Organizing a closet, cupboard, shed, attic or garage
- ▶ Painting a room
- ▶ Plumbing
- ▶ Raking leaves
- ▶ Setting the table
- ▶ Sweeping the floor
- ▶ Taking out the trash
- ▶ Tracking personal finances
- ▶ Vacuuming
- ▶ Vegetable gardening
- ▶ Wallpapering
- ▶ Washing clothes, dishes, windows or the car
- ▶ . . .

Some Ways of Teaching “Life Skills” to Undergraduate Students

▶ Assignments

- ▶ Content Analysis - Jobs ads
- ▶ Secondary Research - Evaluating the price of a potential home, car, etc.
- ▶ Compensatory decision making model to make high-involvement decisions

▶ Examples

- ▶ Secondary Data Analysis - Current market data to teach statistical analysis (e.g., home prices)
- ▶ Consumerism - using apps and bots, price matching, sales, coupons, credit card use
- ▶ Financial Management - rules of thumb (e.g., rule of 72, 80/20 rule, age based rule)
- ▶ Parenting skills (articles) - love and affection, relationship skills, education, behavior, discipline, religion
- ▶ Negotiation skills - MSPR (car), % of asking price (home), phone apps

▶ Discussions

- ▶ In-class Discussion - current events (political, economic, wall-street, corporate decision)
- ▶ Outside Class Discussion - steps used to buy home, car, applying to graduate school, etc.

Assignment: Content Analysis

Instructions

- ▶ This assignment allows for a mix of both qualitative and quantitative data. Since many of you will be graduating this semester, this assignment is designed to help you evaluate the job market and determine what employers are looking for in a marketing graduate. Therefore, I would like *each of you* to **content analyze 15 “entry level” marketing positions/jobs** (these positions may be posted online, newspapers, etc.). Entry level marketing jobs typically require little to no experience, but require a college degree.
- ▶ When conducting the content analysis, you will have to convert the job description (which will be qualitative) into an Excel spreadsheet (quantitative grid). You will have to decide what attributes to include in your analysis. For example, title, name of organization provided, contact info provided, job requirement, qualification sought, experience desired, application submission process, benefits offered, skills desired, location, etc. In addition, you can determine the salient attributes of the job posting (e.g., length of the advertisement, what is the overall message, type of company advertising (industry), number of times certain words are used, was the logo used in the ad, etc.) The main idea is to take some form of content (e.g., job posting) and reduce it to a series of quantitative variables in order to engage in analysis.
- ▶ **Life Lesson** - students learn what potential employers are looking for in a graduate

Examples: Marketing Research Course

- ▶ **Median vs Mean** - which is a better measure? (Answer: Median)
 - ▶ Median price of a single-family homes in Houston in July 2017 was \$239,023
 - ▶ Mean price of a single-family homes in Houston in July 2017 was \$304,155
 - ▶ **Life Lesson** - Try to buy a \$240K home (assuming you qualify and get approved)
- ▶ **Calculate Percentage Change** - What % did the mean price increase by in 1 year (Answer: 1.46%).
 - ▶ July 2016 mean sales price for a single-family home in Houston was \$299,761
 - ▶ July 2017 mean sales price for a single-family home in Houston was \$304,155
 - ▶ **Life Lesson** - home prices are trending upwards, ROI was 1.46% last year (typically averages 4% annually)
- ▶ **Statistical using SPSS** - What is the correct statistical test to determine if significantly different exist between the two means (Answer: Independent sample t-test)
 - ▶ Mean Days on Market (DOM) in July 2016 was 53 days
 - ▶ Mean Days on Market (DOM) in July 2017 was 50 days
 - ▶ **Life Lesson** - DOM is trending down, hence a sellers market; Try to buy a house that has been in the market for more than 50 days (buyer has better **negotiation** power); The further away from 50 days (i.e., greater the standard deviation), the greater the negotiation power.

Conclusion - Mixed results, therefore evaluate other factors (e.g., micro-markets, interest rates, property taxes, HOA fees, insurance)

Discussions: Two Approaches

▶ In-class Discussion: Using Popular **Media** unadulterated

- ▶ Chapter on types of products consumers buy (e.g., Insurance), I may show them the following article:
 - ▶ [5 health care terms every Millennial should know](#)

▶ Outside Class Discussion (once a month): Combine Multiple Sources of Information into a **ppt**

▶ For Example - Home Buying

- ▶ Advantages and disadvantages of renting versus owning a home
- ▶ Steps to buying a home
 1. Determine your readiness to buy a house - income, credit history (FICO), plans to move over 5 years, down payment (20%), *Mortgage* (principle, interest) and *Escrow* (PMI, taxes, insurance) should be < 28% of income, need assessment, neighborhood, schools, etc.
 2. Determine how much mortgage you can afford - total debt should be < 36% of income; never buy a home > 2.5 times your annual salary
 3. Determine which mortgage option is best for you - 10-15 vs 20-30 year, adjusted vs fixed rates, biweekly payment vs interest only payment
 4. Qualify for a loan - pre-qualification vs pre-approval, HOA fees, origination fees (points)
 5. Go through settlement - signing of documents, 3-day review period
- ▶ Post-purchase Issues
 - ▶ Difficulty paying mortgage
 - ▶ Home Equity Loan vs Home Equity Line of Credit, Refinancing (HARP), Reverse mortgage
 - ▶ Foreclosure, bankruptcy

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Selective Qualitative Responses from Students IDEA Form from Spring 2017

Positive (85%-90%)

- ▶ “I really enjoyed your stories that you tell in class and the videos that you show.”
- ▶ “Mehta always finds ways to show us how the course material relates to us in our lives.”
- ▶ “Mehta did a good job relating things to real life.”
- ▶ “Dr. Mehta does a great job of teaching and relating course material to real-life situations.”
- ▶ “Keep relating everything to the real world.”
- ▶ “He manages to compare ever definition in the textbook to a real life situation, allowing my knowledge to expand.”
- ▶ “Prof. Mehta is a dynamic interesting person who always keeps up with the news and tries to get you involved every class.”
- ▶ “Good professor, related everything to real life situations, making it easier to understand.”
- ▶ “Stimulates thought on how course material relates to real-world situations.”

Negative (10%-15%)

- ▶ “Recommend reducing the amount of time spent of real-life stories, and focusing more on the content of the power points.”
- ▶ “Has a tendency to get off topic and lose you at times.”

Short Term Recommendation: New Course (Title: “Financial Literacy for Marketers”)

Business Finance Section Topics:

- ▶ **Banking Services** - banking products and services available to businesses
- ▶ **Credit Reporting** - importance of credit reporting and the impact of credit scores
- ▶ **Financial Management** - financing a startup, growth, working capital, and fixed assets
- ▶ **Insurance** - required and optional insurance coverages
- ▶ **Organizational Types** - legal structures of business (i.e., sole proprietorship, LLC, etc.)
- ▶ **Record Keeping** - bookkeeping, legal documents, etc.
- ▶ **Risk Management** - types of risk, propensity to take risk, monitor and evaluate risk
- ▶ **Selling a Business and Succession Planning** - closing, selling, and transferring a business
- ▶ **Tax Planning** - income tax, sales tax, property tax, etc.
- ▶ **Time Management** - Pareto analysis, ABC method, etc.
- ▶ **Managing Cash Flow** - challenges, managing accounts payable and receivable

Personal Financial Section Topics:

- ▶ **Bank Services** - banking products and services available for personal use
- ▶ **Borrowing** - when and how to use credit
- ▶ **Managing Bank Account** - checking vs savings account, fees, overdraft, etc.
- ▶ **Money Matters** - prepare and follow a personal spending plan (i.e., be a better consumer)
- ▶ **Savings and Retirement** - savings and investment options
- ▶ **Financial Safety** - consumer rights, predatory lending, and identity theft
- ▶ **Credit** - building and maintaining a good credit history and credit report
- ▶ **Credit Card** - choosing the best credit card and using it responsibly
- ▶ **Loans** - characteristics of consumer installment loans and determining the best loan options
- ▶ **Homeownership** - **Owning vs renting, key factors to consider before buying a home**
- ▶ **Car** - leasing vs. buying and new vs. pre-owned car
- ▶ **Financial Recovery** - rebuild financial lives and repair credit

Mid to Long Term Recommendation: Change in University Core Curriculum

- ▶ Communication (6)
- ▶ Mathematics (3)
- ▶ Sciences (8)
- ▶ Language/Philosophy/Culture (3)
- ▶ Arts (3)
- ▶ History (6)
- ▶ Government (6)
- ▶ Social Sciences (3)
- ▶ **Optional (4)**
- ▶ **Skills for Life (3)** (new course to “enhance the value they receive from higher education”)
- ▶ **Total = 45 hours**

Any Questions?