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Recommendations from Commissioned Report:
“An Accountability Framework
for California Higher Education:
Informing Public Policy and Improving Outcomes”

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Opinions do not necessarily reflect those of the Senate Office of Research

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Report Purpose and Approach

- **Purpose:** “...over-arching accountability system...that measures progress made in addressing clear and definable state policy goals.”
- **Approach:**
 - learn from other states
 - review current practices in CA
 - talk to people and LISTEN
 - make some important and careful distinctions



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What This Should Be Fundamentally About

- *Collective* effectiveness of higher education institutions in serving public purposes
- *Collective* accountability
- Informing choices about institutional design and public policies
- Aligning responsibilities
- Using data to exercise judgment



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What This Should **Not** Be About

- Auditing expenditures
- Providing consumer-oriented information
- Evaluating academic program quality
- Measuring student learning
- Replacing discretion with formulas (performance budgeting)
- Comparing and monitoring campus performance



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Some Vital Distinctions

- Accountability v. assessment
- Accountability v. performance budgeting
- State-level v. institutional accountability



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The Challenge of Measuring Learning

An important educational outcome BUT:

- Good state-level measures not yet available
 - Huge diversity of missions in higher education
 - No standard learning outcomes
- What to do at state level with results of campus-level assessment
 - Faculty and institutional role to assess learning and make program improvements



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What To Do About Student Learning?

- For State-level reporting system:
 - Support current efforts to improve measurement of statewide college-level learning – “educational capital”
 - Consider indirect measures in state framework
- For institutional-level reporting
 - Continue to improve campus-based processes
 - Require annual reports from segments to validate processes and demonstrate use
- Focus on other outcomes of policy significance



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The Challenge of Linking Performance and Budgets

Performance Budgeting in Theory:

- Reward performance → improve performance
- Budget is best motivator
- Reserve 2-5% of budget for performance
- Determine performance areas to reward
- Determine levels (targets) that must be met
- Review performance, apply rules/formulas
- Reward!



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Performance Budgeting in Practice

- Replaces discourse and discretion with arbitrary targets and formulas based on false precision
 - arguments about targets, metrics, base resources, uncontrollable factors
- Encourages audit mentality
 - how are “performance” funds spent?
 - why didn’t 2% of funding solve the problem?
- Marginalizes “performance”
 - what about the other 98%?



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Performance Budgeting in Practice (cont.)

- Magnifies potential for perverse incentives
 - graduation rates => “creaming” instead of access
- What to do when targets are not met?
 - the downward spiral problem
 - “there need to be consequences but taking funds away from low performers is not the answer”
- Political will evaporates in the face of non-performance
 - legislators resist loss of discretion
 - entire process loses credibility
- Budget constraints!
 - what happens when the state can’t meet its end?



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What's the Alternative?

- Separate budget and accountability processes
- Make performance data *available to* the budget process and the policy committee process
- Consequences assessed through normal legislative processes (budget and policy)
- Budgetary consequences (not per formula)
- Other consequences:
 - system design: mission and incentives
 - regulation: degree of control/autonomy
 - publicity



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The Level-of-Detail Challenge

Arguments for reporting campus-level data:

- It's public information
- Aggregate data mask performance issues
- Competition spurs results – no one wants to be at the bottom
- Legislators have legitimate interests in campus performance



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Why Not Routinely Review Campus-level Data?

(1) Avoid “data overload”

- Campus level performance data is public information for those with specific interests
- If compelling public purposes at stake, campus data *should be* included in state-level review

(2) Align roles with governance responsibilities

- Produce data relevant for making state policy
- Governing boards are responsible for campus performance



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The “Tiered” Accountability Alternative

- **State-level accountability** focuses on collective outcomes for state goals
 - statewide measures
 - system aggregates
 - campus data in exceptional cases
- **Institutional accountability** focuses on institutional improvement on state & system goals
 - systemwide measures aligned with state goals
 - campus measures aligned with state goals
 - campus and system measures for system goals
 - student learning and other qualitative data
 - annual report to Legislature

“Tiered Accountability”

State Policy Goals

State Reporting System

Statewide Indicators

System Aggregate Indicators (for State Goals)

Annual Reports on System Goals

CCC Reporting System

System goals

State goals

CSU Reporting System

System goals

State goals

UC Reporting System

System goals

State goals

Campus Data

Campus Data

Campus Data





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Suggested Categories for State Reporting System (See Sample Template in Report Appendix)

- Preparation for college
- Access and participation
- Affordability
- Completion
- Student Outcomes
- Economic Benefits
- Areas of Special Needs
- Efficiency



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What Do We Need for this to Work?

- Cooperation
 - in developing a framework that reflects and honors different perspectives and purposes
- Flexibility
 - there are no perfect measures; start somewhere and make gradual improvements
- Trust
 - that people will use judgment in interpreting measures