

Creating a Higher Education Accountability System: The Texas Experience

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Remarks

I am very grateful to Secretary Spellings and Chairman Miller for this chance to talk about higher education accountability Texas-style.

There are just three questions I'd like to address today. First, what is the pressing need to improve accountability for higher education from an institutional point of view – what do we want? Second, what is the proof that this can be done at all and that it is working? And, third, what have we learned and how might we do it better? Along the way, you'll hear a little about our experience addressing graduation rates and learning outcomes, too.

Accountability is a vitally important topic. It may not be glamorous, but it doesn't have to be complicated or abstract. I'm going to share a little from my experience in higher education management and policy. But, like many of you, I am the parent of a student, too. It was hard to pick the right college: our daughter was one of the 60 percent of undergraduates who attend more than one college before they graduate. And she is one of the 10 percent who earn their degree in a different state from the one in which they begin college. We very glad she graduated more-or-less on time... we've all invested a lot of resources in her schooling and we care about the quality of the education she received. So, it is personal, too.

First, what is the pressing need to improve accountability systems? What do we want from an accountability system? We need information in a useable form for policy makers and for parents and students, who are asking, "Is this the right school for my student?" Are we getting what we paid for?" "Is our collective investment in higher education paying off?" And, we need this information to manage our institutions.

This seems like should not be too difficult. But there are more than facts and policy issues at work; we have to be aware of the psychology, too. Frankly, managers in higher education have a certain reputation among policy makers. Some of us are thought to be confusing, to obfuscate, and to be arrogant. Policy makers perceive us as unwilling to be clear.

Managers and faculty in higher education may or may not be unclear on purpose. But, it is a fact that many academics think accountability is scary or just plain unpleasant. What are they afraid of? It is kind of schizophrenic. On the one hand, that it will be used. This is a fear of exposure and the possible “gotcha” effects of misrepresentation, misinterpretation, and mis-use. They are afraid they will be blamed for variables (poverty, low SAT scores, poor high school performance) over which they have little control. By contrast, some fear that it won’t be used – that it will just be a waste of resources and time, simply adding to the piles of paper that we already produce for audits, compliance, accreditation, legislative reports, and more.

But, for policy makers and the people who govern and manage our institutions, we do need to know how well we are doing. And, to think about the consequences: what happens if our institution does well? If it doesn’t? The public and policy makers perceive that there is no bottom line, while we continue to make the case for additional resources. The accountability ends just don’t seem to be tied together yet. So, there is a lot of frustration.

For example, a SUNY board member was recently quoted as saying that accountability measures in place or proposed “are perversely designed to avoid academic comparability system wide, for fear of embarrassing campuses that are low-performing, and thus parents and students remain in the dark about the actual quality of education on different campuses.”

Paul Lingenfelter and the National Commission on Accountability in Higher Education explained from a national and state perspective what I think of as the accountability gaps and bulges. We share these frustrations at the institution and system level. We all produce thousands of reports and millions of data points on many aspects of higher education. Some would say we are actually overdosing on accountability. But this information is highly fragmented. There are mismatches – the information is not aligned with our institutions or policy makers’ big goals and priorities. It rarely focuses on meaningful outcomes. And, it not effectively communicated so it is not highly useful or effective in building trust inside or outside our systems.

Is there a solution?

This brings me to my second theme. It can be done and with less pain and more acceptance than many might expect. Let me tell you a little about how we’ve done this in Texas and what we did.

Leadership. We had plenty of fear and frustration about accountability for higher education in Texas. But, starting in 1999, Board of Regents Chairman Charles Miller introduced a big idea to The University of Texas System, instigating the creation of a system-wide accountability framework.

With new System leadership under Chancellor Mark Yudof, in mid-2002 this began to move faster. We had our new framework outlined by late 2002,

and filled it in by defining and selecting the specific indicators with presidents, faculty, and management from each campus. We consulted state higher education policy makers to find out what they expected. We tied it to the state-wide master plan for higher education. And, we tried to focus on outcomes and to emphasize transparency.

The framework had to cover each of the nine universities and six health institutions in the System, with a total budget, now, of over \$8 billion. We serve over 180,000 students, about one-third of all higher education enrollments in Texas.

Our first accountability report was presented to the Board and the legislature in March 2004. This was in the same legislative session when the UT System proposed deregulation of tuition setting authority. A commitment to accountability for the impact of tuition increases was a key element of that proposal. As I speak, we are completing the analysis for our third edition, which our Board will receive in February. And, from the first edition, we distributed the report widely to people in higher education, and to public policy, community, and business leaders. Of course, it is easily accessible on the Web, too.

The framework. It is true that our report is Texas-sized, given the scope of the UT System. But, it is really a simple five-part framework and it draws on many existing sources so we don't have to ask our campuses to re-report a lot of information. In fact, much of the information comes from state or national sources, so it is useful for comparison purposes, too.

For each of the five parts, we have selected specific measures to answer key questions. The report lays out five years of performance data and analysis to answer questions like the following:

- 1) **Student access, success, and outcomes:** How diverse are our students? Are they prepared? Are they staying in school? What is the cost of their attendance? Are they graduating in a reasonable period of time? Passing professional certification exams? Getting jobs? Are students satisfied with their experience? What are they learning?
- 2) **Teaching, research, and health care excellence:** What are the results of investments in faculty hiring, research, and clinical activities? Are we competing successfully for research funding? What are the marks of excellence that our faculty have achieved? Are we translating our research into commercial products? How satisfied are our hospital and clinic patients?
- 3) **Community collaborations and service:** What is our economic impact on our communities in terms of workforce and dollars? Are we producing our share of K-12 teachers? Are we gaining private

philanthropic and alumni support? (I'll return to this later.) Are we collaborating with business and industry?

- 4) **Organizational efficiency and productivity:** What are we spending per student? On patient care? Are we conserving energy in operating our facilities? Are administrative expenses going up or down in relation to total expenses?
- 5) **Peer comparisons and rankings:** How does each campus compare to other institutions it is like or that it aspires to be like? How do these comparisons help each institution set or recalibrate its goals?

There is a lot more in the report that we don't have time to discuss, so let me just illustrate with some brief examples from part one, the section on students.

Graduation rates. Graduating on time is a big deal. We look at 4-, 5-, and 6-year graduation rates, as well as graduation rates for community college transfer students. We can show that at most of our campuses, the rates are going up steadily but very gradually. For example, at UT Arlington and UT Permian Basin, six-year graduation rates improved by 20% over the past three years. Still, the fact is, generally our rates are not very good. Displaying them created a little discomfort, but no one said "don't do it." And now, we have a Board initiative to improve rates, and each president is setting specific targets for improvement over the next 10 years.

Student learning outcomes. Graduation is important. But, as Mr. Miller emphasized in testimony for the House Committee on Education and Workforce in 2003, it is also very important to assess what students have learned and how prepared they are to use it. This is one of the newer areas of development for us, and across the country. Actually, our framework includes four types of measures of student experience and outcomes for all nine of our System's universities. (We take a similar approach for our health institutions, too.)

- 1) **Learning outcomes** go beyond the content of specific courses to help answer the questions, "How do the problem solving, and critical thinking and writing skills of students at our institution compare with similarly prepared students at other institutions? And, "To what extent does the institution add value to these skills between the freshman and senior years?" After conducting pilot studies of several approaches, we decided to participate in the Council for Aid to Education's Collegiate Learning Assessment (CLA) in 2004-05, and are continuing this year. In our newest edition, for February 2006, we will for the first time be able to display the CLA results for each institution.
- 2) **Student engagement** and satisfaction from the National Survey of Student Engagement survey helps answer the questions, "how do

students evaluate their overall experience?” and compare it to national benchmarks and trends.

- 3) **Licensure exam pass rates** help to answer the question, “Are graduates prepared to enter the workforce in particular, regulated professions?”
- 4) **Rates of postgraduation employment or further study** helps answer the question, “At what rates are graduates of U. T. System institutions joining the workforce or going on for graduate or professional study in Texas?”

For all of the trends in the report, we look for positive or negative changes. We ask our institutions to help analyze these trends, explain significant changes, and determine what steps may be needed to address any problems.

Is it working? Since the introduction of the first report just about a year and half ago, a lot has happened to get accountability more engrained inside and outside our System. Some things are occurring that suggest the answer is, “yes.”

Internally:

- 1) **Planning and evaluation.** We use a subset of the indicators in institutional planning documents, and as background for evaluation of presidents. Many of our institutions are using the data sets to frame internal planning and evaluation down to the department level.
- 2) **Accountability-related initiatives and action.** Major System-wide initiatives have emerged where data showed us that we have significant problems.

I have already mentioned graduation rates.

Development productivity. We have undertaken an initiative to analyze and benchmark data on private giving to help improve the productivity of development offices on each campus.

Efficiency. And, we are becoming more concerned about efficiency, which is often defined as the production of the same or superior outcomes with fewer resources. How you do this may not be as clear in working with people as in producing goods, but we don’t think this takes us off the hook, and we are looking for better metrics.

- 3) **Board use.** Members of our Board use the report as a reference tool, and ask us to consider adding new measures. We would not want anyone from our Board to feel like the SUNY board member I quoted.

Externally:

- 1) **Recognition.** When first presented to the higher education subcommittee of the Texas Senate, one long-time Senator said that

this was the best thing she had ever seen come out of higher education in her 20 years in the Senate. And, she continues to repeat this comment. When we visit with policy makers, they either pull out the report, or at least remember and refer to it.

- 2) **Expansion.** We are engaged in developing some spin offs. For example, the state of information on distance education is poor for our System. It turned out that it is poor for everyone in Texas. Working with our coordinating board, we have initiated a state-wide brainstorming process to address this issue. It is important because we know that the creative use and expansion of e-learning will be critical to the more efficient use of resources and effectiveness of instruction as we all move forward. And measuring these trends is a good way to get some attention on the topic.

Accountability is catching. Since 2004, higher education accountability has also become a state-wide priority in Texas. In January 2004, Governor Perry issued an executive order calling for the development of a statewide higher education accountability system. Now, we have a framework for the 101 public universities, community and technical colleges, and health-related institutions in Texas. It was developed by the Texas Higher Education Coordinating Board in close consultation with the Governor's office and all institutions. It is similar to and, in some aspects, based on the UT System's framework, but it does some different things. For instance, it emphasizes performance targets and comparisons across clusters of similar institutions. So far, it is still an add-on to existing reports but, ultimately, it is supposed to replace some of the separate accountability reports that all institutions must submit to the legislature. And, some policy members expect it to provide a basis, tied to performance, for distribution of incentive funding.

We are not alone. It is still the case that relatively few higher education institutions gather information regularly to answer these kinds of questions. And fewer still publish that information, let alone use it to analyze how well they done and to try to get better.

But, there are many good examples of work at the institution and system level from Arizona to Wisconsin. At the University of Minnesota, in 2001 we established the first integrated accountability report for all four campuses. Since then, even with big changes in university leadership, significant reorganization of management and academic units, and political change in the state, the accountability framework is intact and improving every year. It has become the official accountability report to the Minnesota legislature. These are some good indicators that accountability is embedded there.

Conclusions. Finally, I'd like to offer just a few observations on what works and what can be done to improve higher education accountability.

- 1) Leadership. These efforts require leadership and a willingness to invest some resources and focus on the function. This cannot be just an add-on to planning, institutional research, or conventional reporting, although it depends on and should be aligned with all of that.
- 2) Involvement. Accountability is contagious, if all key stakeholders are kept involved. For institutions, this means leadership, management, faculty, and state policy makers.
- 3) Focus and flexibility. There is no perfect system. As Secretary Spellings has said, we can't let the perfect get in the way of doing something good. An approach that works can be devised, by building on what we have now, being flexible, focusing on results and outcomes rather than process, and committing to getting better every year.
- 4) Improving data. We should work together at every level to improve sources, comparability, and broad accessibility of data. It may be time to reconsider a national student record system.

As Secretary Spellings said at the University of Texas last year, we are at a pivotal moment in higher education. We can take the responsibility and initiative to explain our costs, our students' outcomes, and our institutions' impact. Accountability, approached in this way, can ultimately help measure, communicate, and improve the benefits of the investment we all make in higher education.