

## *POLICIES AND SYSTEM PERFORMANCE*

### **Alliance for International Higher Education Policy Studies Final Project Meeting New York University, January 11-12, 2006**

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#### **Introduction<sup>1</sup>**

The Alliance for International Higher Education Policy Studies (AIHEPS) was a collaborative research effort between New York University, the Autonomous University of Puebla, and the University of British Columbia. Funded since 1999 by the Ford Foundation, AIHEPS has developed a theoretically-driven, comparative understanding of how higher education policies contribute to the capacity of governments to influence higher education institutions to consider the public interest in addition to their institutional values and norms in the priorities they pursue.

The final project meeting for AIHEPS described in this report was hosted by the Steinhardt Institute for Higher Education Policy at New York University. During the meeting, a series of mediated conversations engaged the issues of undergraduate college preparation, participation, and completion. Each conversation focused on the same set of questions: 1) What does experience and research suggest as the most promising combination of state/provincial policies to foster high levels of performance? 2) How do federal policies contribute to or detract from state/provincial goals/objectives? 3) How can policy leaders use knowledge generated by the framework to improve outcomes? The sections that follow summarize the results of these conversations.

While Ford funding for the AIHEPS project will end on March 1, 2007, a number of products will become available over the next year or so. The U.S. studies will be published in a forthcoming book from John Hopkins University Press by Richard C. Richardson Jr. and Mario Martinez. There are plans to publish the results of both the Canadian and Mexican studies as well as the comparative international analysis that served as a basis for this conference. The Project web site <http://www.nyu.edu/iesp/aiheps/> will remain active and can be used to access products of the research not under revision for publication elsewhere.

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## College Student Preparation<sup>2</sup>

| Canada   | Mexico   | United States  |
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| <ul style="list-style-type: none"> <li>▪ In Ontario, the interface between institutions has been weak.</li> <li>▪ The provinces oversee education and the federal government is involved through vocational training and economic concerns.</li> <li>▪ The provincial structures do not include a strong history of intermediary bodies.</li> <li>▪ Preparation policy targets postsecondary students at risk for non-completion with remediation and financial support.</li> <li>▪ Other programs are designed to increase the enrollment of targeted groups, like Francophone students, students w/disabilities and aboriginals</li> <li>▪ BC has two sectors with a presidents council which helps with credit transfer between systems.</li> <li>▪ Ontario has no formal interface between the two sectors.</li> <li>▪ Two indicators were used in the case studies to capture preparation: the Pisa scores and OECD scores in math, reading and science.</li> </ul> <p><i>Information</i></p> <ul style="list-style-type: none"> <li>▪ Each province has its own information system. Comparison between provinces is avoided. The national information is dismal with no unit record system, although some provinces have such a system.</li> <li>▪ Quebec has a system of tuition-free colleges—Collège d'enseignement général et professionnel (<i>cegep</i>) with a generous financial aid system to prepare students for University.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Mexico has political and social goals but it lacks clear educational goals. There is also no accountability</li> <li>▪ Mexico is a centralized republic, but the state and municipalities have the authority to undertake action in education matters.</li> <li>▪ The preparation problem can be traced to inadequate financial support.</li> <li>▪ The system has grown enormously in the last 50 years increasing 80-fold. In the past, the simple goal was to increase access by creating more places in the system. Now there are also concerns about:               <ul style="list-style-type: none"> <li>○ Increasing education standards;</li> <li>○ Maintaining social peace;</li> <li>○ Controlling all public appointments from top down; and</li> <li>○ Exerting financial control over public finance</li> </ul> </li> <li>▪ The Mexican “system” emphasizes national identity with a heterogeneous people; and a national curriculum controlled by the federal government which also has a monopoly of teacher training for primary schools.</li> </ul> <p><i>Information</i></p> <ul style="list-style-type: none"> <li>▪ There is a single federal system that provides information which is aggregated by states.</li> </ul> <p><i>Preparation challenges:</i></p> <ul style="list-style-type: none"> <li>▪ Programs are saturated with content and with pedagogy centered on the teachers who demand memorization.</li> <li>▪ Reading, writing, and math skills are low.</li> </ul> | <p><i>New York</i></p> <ul style="list-style-type: none"> <li>▪ Education is P-16. The Regents manage all education, under a body called the University of the State of New York.</li> <li>▪ The goal in New York is to make sure those who graduate high school are prepared for college.</li> <li>▪ The focus right now is on transition points (middle to high school; high school to college).</li> <li>▪ Learning standards have been raised and will be raised again to align with colleges’ expectations.</li> <li>▪ Teachers have not taught a sufficiently rigorous curriculum</li> </ul> <p><i>Information.</i></p> <ul style="list-style-type: none"> <li>▪ New York has embarked on building a state unit record system. SUNY and CUNY, both of whom have unit record systems, have agreed to contribute to the creation of a statewide P-16 unit record system, despite fears of information misuse.</li> </ul> <p><i>Preparation challenges:</i></p> <ul style="list-style-type: none"> <li>▪ Preparation of the general population to better prepare for college; preparation of those most at risk.</li> </ul> |

<sup>2</sup> Session Chair: Patrick Callan; Lead Discussants: Theresa Shanahan, Juan Zorrilla, Johanna Duncan Poitier

Structure was the overarching theme for preparation. Related topics included curriculum coherence, educational sector organizational structure, and student transitions. An advisory board can facilitate collaboration and strengthen the interface between K-12 and higher education.

Teacher preparation, teaching strategies, and an identified pathway to guide students easily to the postsecondary system are outcomes of curriculum coherence.

States and provinces need information to make national/federal comparisons or international comparisons of performance at all educational levels. Good data, particularly data which tracks students from secondary to post secondary education is limited. The lack of information hampers policymakers' abilities to identify student preparation factors, such as coursework history, dropout, transfer, or graduation data. Student privacy concerns have hampered efforts to build a national student database in the United States.

Transitions are important as are incentives and rewards for preparing the disabled, those with language barriers, and with deficient educational preparation.

Access and affordability is especially critical for Francophone students, disabled students, rural students; first generation students, and 14-15 year-old boys who drop out of high school. Many questions were raised by this discussion including the lack of a uniform understanding of preparation and of a universal sense of what the preparation is for. Students can be prepared for community college, technical college, other higher education institutions, or simply to enter the job market. Rules in use focused on test scores as measures of preparation increase the vulnerability of at risk students. Preparation funding is most effective if it is geared only to special populations instead of to all potential higher education students.

### College Participation<sup>3</sup>

| Canada   | Mexico  | United States   |
|--|---|---|
| <ul style="list-style-type: none"> <li>▪ BC has a goal that anyone who graduates from high school with a 75 or better should be able to go to a BC public university.</li> <li>▪ Key Political Incentives (KPIs) exist for improved student loan default rates, participation; graduation; and institutions produce accountability plans. The accompanying policy mechanisms are matching funds and targeting funds where enrollment increase is desired or matching funds with the private sector for specific results. This represents a downloading of participation responsibility to the institutional level.</li> <li>▪ Ontario has weak participation policy if it is judged in terms of provincial expenditures. Participation does focus on aboriginals, race/ethnicity, and the working poor.</li> </ul> <p><i>Rules in Use</i></p> <ul style="list-style-type: none"> <li>▪ The institutions pursue strategies that maximize revenues. Most frequently, this does not help undergraduates.</li> </ul> | <ul style="list-style-type: none"> <li>▪ In Mexico, participation is less of a concern. Policy is institutional with little state impact.</li> <li>▪ Higher education is free but only the upper 30% of the population goes to university.</li> <li>▪ Participation rates need to include those who look beyond traditional institutions, such as to corporate universities.</li> </ul> | <ul style="list-style-type: none"> <li>▪ The U.S. distinguishes between professional programs, where openings are limited (as a cost factor) and a baccalaureate where we provide opportunities for everyone who has the motivation and the preparation. In the latter instance the labor market does the sorting.</li> </ul> <p><i>New Mexico</i></p> <ul style="list-style-type: none"> <li>▪ To increase Native American and Hispanic participation, New Mexico has just implemented incentive performance funding to increase those targeted populations' participation rates. The state collects the accountability data and disaggregates the information to capture each institution's performance with the targeted groups.</li> </ul> <p><i>Rules in Use</i></p> <ul style="list-style-type: none"> <li>▪ For some students dropping out of high school may be a rational choice. The difference in earning potential is not much enhanced by a high school diploma. The rules in use may encourage working instead of enduring a curriculum with little relevance to finish high school.</li> </ul> |

Most participation policies use affordability strategies as the policy tool. The group considered issues of equity, such as the amount of “space” available within a system if all students were eligible to attend and could afford to pay.

The discussion uncovered behavioral explanations rules in use could help explain. For instance, most institutions “pay” (through a higher per/student cost) to educate at-risk students, so there is no financial incentive for institutions of higher education to encourage at-risk student participation. As an alternative, institutions serving at-risk students could receive special funding.

Equal opportunity programs and incentive funding initiatives promoting accountability exist in some Canadian provinces, as they do in some U.S. states and at the U.S. federal level. Labor force development is less a concern, but rules in use to encourage high school completion are not always compelling because a high school dropout and high school graduate’s earning potential are fairly equal. Were the high school curriculum more meaningful, dropout might occur less frequently. A meaningful curriculum is necessary for quality improvement.

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<sup>3</sup> Session Chair: David Longanecker; Lead Discussants: Victor González, Murray Haberman, Kjell Rubenson

## College Completion<sup>4</sup>

| Canada  | Mexico  | United States   |
|---|---|---|
| <ul style="list-style-type: none"> <li>▪ In Ontario, there are multi-year accountability arrangements with institutions based on five indicators: the graduation rate, the graduation employment rate (at 6 and 12 months post graduation), student satisfaction, employer satisfaction, and loan default rates.</li> <li>▪ Also in Ontario, a new higher education quality council has been formed to monitor information and report out on access and quality. The role of the government is to insist on evaluation.</li> <li>▪ British Columbia faculty in different disciplines come together across institutional and sector boundaries to articulate courses and standards. This helps with completion. There is also a movement to include corporate training in the process so students can use these courses towards a degree.</li> <li>▪ Success and completion is intimately tied to the quality of the academic experience.</li> <li>▪ Earmarked funding for underrepresented groups is aimed at recruitment and services for those groups.</li> <li>▪ There are problems with curriculum and little innovation in teaching. Examples of innovation are relatively rare and not implemented on any broad scale. Quality becomes the main concern for completion rate increases.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Mexico’s main emphasis is on attendance. Interest in completion is recent at the policy level.</li> <li>▪ University autonomy, once praised, now seems increasingly a barrier to the changes essential for improving performance on outcomes that are not valued by higher education professionals.</li> <li>▪ Student transfer is tough; there is no opportunity to transfer or to change a major within the institutions. It is almost as if quality is controlled by limiting the choice of students. If a student has to move, he/she has to start all over. Most students go to the university near their hometown.</li> <li>▪ Students’ completion behavior makes sense to them in terms of the rules they experience, such as limits on time-to-degree; financial aid; ability to receive an alternate certification instead of a diploma; a soft job market so that return on investment is low. Alternatively students may be looking for a different experience—simply to participate, not to complete.</li> </ul> | <ul style="list-style-type: none"> <li>▪ The Federal government tries to support access and completion, especially because studies show financial aid helps low-income students. Merit aid has increased (from institutions) and institutions have moved into their own student financial aid programs to help attract and keep students.</li> <li>▪ The federal student aid policy needs an overhaul: it tries to fit all needs with one size.</li> <li>▪ Coherence of the curriculum has a lot to do with how quickly students finish. In NJ, a few IHEs have reduced the number of hours required for graduation. As students make choices for their majors and change their minds, the curriculum needs to allow for flexibility.</li> <li>▪ The government can provide better information to help students make good decisions</li> <li>▪ 17% of students in NJ are enrolled in more than one institution at a time. Is the baccalaureate the right measure of success for participation?.</li> <li>▪ There’s no incentive for institutions to graduate students. The defacto policies are anti-completion. States pay for enrollments rather than graduation or completed courses. Faculty members end up with a more manageable class size when students drop out. CCs get the fewest resources to serve the most expensive students and they get funding for enrollment, not completion.</li> </ul> |

<sup>4</sup> Discussion chaired by: Teboho Moja; lead discussants: Darryl Greer, Philip Steenkamp, Juan Zorilla

Data is required to teach us more about student participation, particularly as students move within systems, even maintaining dual enrollment. But more importantly and not part of the rules in use explicitly, was the consideration of quality of higher education as an important contributor to completion. Quality, however, remains undefined which would mean that identifying common rules in use around quality, would be difficult.

Current rules in use affect completion. In the U.S., funding is based on enrollment, not on completion. Completion funding should include premiums for disadvantaged students. But, while incentives are important, the higher education model has not adjusted to modern student lifestyles. Federal policies represent the notion of a national higher education system, but states are the dominant policy actors. Students do not move at national levels. They move within state/provincial systems. Encouraging curriculum coherence supports academic completion. Rules make it difficult to complete when study is pursued in multiple locations and financial barriers to completion exist. In Mexico, course completion rates are fine, but graduation rates are low, because graduation requires completion of a thesis that students have few incentives to complete. Rules in use should define graduation and completion as essentially interlocked activities.

Completion thus involves issues of accountability and quality improvement. In British Columbia, rules for strengthening articulation and coherence highlighted the difficulty and expense of implementing policies to increase completion. Without incentives and targeted funding, there is little reason why rules in use would produce higher completion rates.

### **A Framework for Comparing State Higher Education Systems<sup>5</sup>**

The public purposes of higher education change over time. Institutions must also change to remain responsive. Many believe that the current convergence of demographics, technological change and globalization is of such magnitude as to overwhelm the responsiveness of an enterprise known for its resistance more than its responsiveness. They argue that more than incremental responses are required. The role of policy leaders is to overcome the inertia of existing rules by building consensus about the need for change (more radical voices argue that consensus is overrated when major changes are needed). Before one can build consensus or proceed without it, someone has to give leaders ideas. Comparing higher education systems at federal, state, national, and international levels can be one important source of ideas. Other systems furnish lessons about what to do but not necessarily about how to do it. Each system must decide that for itself.

Deciding about the need for change requires assessing the gaps between current and desired performance. Effective accountability systems require high quality data. One of the ways to talk about accountability is to call it “positive accountability” such as setting goals with all groups to make people positively accountable to each other. With relevant and credible information in hand, policy leaders at national, state, or provincial levels can determine broad goals and require that all institutions contribute to their attainment. The means, by which goals are accomplished, however, are best left to institutions.

Performance outcomes, whether good or bad, are the result of the rules in use. So in addition to determining performance gaps, policy officials should also audit the rules in use that are likely suspects as

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<sup>5</sup> Session chair: Ann Marcus; lead discussants: Don Fisher, Rollin Kent, Richard Richardson

contributors to outcomes that are unsatisfactory. A fundamental issue about rules has to do with who has the responsibility for defining desirable performance. Changing performance inevitably involves changing the relevant rules. So the issue of who has the capacity to change rules is critical. While there may be no one best combination of rules in terms of a desired outcome, there are certainly some rule combinations that can be eliminated. It is also necessary to decide the required changes and to fix accountability for making them.

The AIHEPS study focused on explaining differences in state/provincial higher education system performance on preparation, participation and completion indicators in terms of the incentives and constraints system actors experience as they try to achieve preferred outcomes. One product of the study was a framework for understanding performance as the outcomes of state/provincial and federal “rules in use” in higher education. Rules in use include formal or written rules, such as constitutions, statutes, court decisions, agency regulations, or governing board decrees. They also refer to informal or understood practices actors establish over time as they pursue preferred goals within the constraints and incentives of formal rules. The project has sought to identify where there might be some consensus about rules in use and to identify differences in performance levels that might reasonably be attributed to such differences. While the AIHEPS framework does not minimize the importance of such hard-to-change variables as industrial development, economies, national demographics or geography, it focuses on variables that can be altered in the short term to influence performance outcomes in strategic, predictable ways.