



Campus Commons?

What Faculty, Financial Officers and Others Think about Controlling College Costs

A Report from Public Agenda for the Making Opportunity Affordable Initiative of the Lumina Foundation

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Introduction

The concerns of top higher education leaders were succinctly captured in a December 2008 open letter to then President-Elect Obama. In it, over 50 university presidents emphasized the importance of higher education to the nation's economic vitality and highlighted a number of key points:¹

- America's fall from first to tenth place internationally in the percentage of the population with higher education degrees, just at the time when the country faces increased global economic competition in a knowledge-intensive economy
- The challenge of educating a new generation of students, including many black and Hispanic-Americans who have attended deficient secondary schools and have significantly lower graduation rates
- Declining state subsidies for public higher education
- Rising tuition and fees, which have risen much faster than the median family income. According to these leaders, the additional revenue has been needed to offset declining taxpayer support.

These issues are being raised against the background of what many believe will be a prolonged economic recession. The higher education leaders emphasized the importance of a "federal infusion of capital" in higher education as part of the overall economic stimulus program, followed by a 20-year vision for greater educational attainment.

An emerging leadership consensus

These leaders sounded a number of themes that have surfaced in Public Agenda interviews on higher education issues over the past several years, notably in a 2008 report prepared with The National Center on Public Policy and Higher Education: *The Iron Triangle: College Presidents Talk about Costs, Access, and Quality*.

While there is not universal agreement on the solutions proposed in the open letter to President Obama, there does seem to be an emerging consensus that the U. S. faces a major higher education challenge characterized by the factors identified above. Clearly, the U.S. is facing some pivotal and perhaps difficult decisions about the future of higher education, decisions that demand an extended discussion and dialogue among key stakeholders.

The current study

In partnership with the Making Opportunity Affordable Initiative of the Lumina Foundation, Public Agenda has completed a series of small-scale studies of various stakeholder groups to lay the groundwork for that coming dialogue. The components include:

- One-on-one interviews with thirty college presidents in private and public higher education summarized in *The Iron Triangle*.
- One-on-one interviews with 18 financial officers in public higher education, including those at the state level and within individual public universities. These financial executives came from different parts of the country, from large and smaller public systems, and from urban, suburban, and rural settings.
- Six focus groups with faculty members from both two-year and four-year public higher education institutions (see Methodology, page 7, for details). Again, these focus groups were conducted in different areas of the country and in different kinds of socio-economic settings.

By coincidence, Public Agenda has also been working on two related projects that provide additional perspectives. One is a survey examining public views on higher education called *SqueezePlay 2009: The Public's Views on College Costs Today*. We are also conducting a major study with the Bill & Melinda Gates Foundation focusing on why so

¹ Carnegie Corporation of New York: http://www.carnegie.org/sub/news/obama_open_letter.html

many students fail to complete post-secondary education once they start. The Gates study is looking particularly at the challenges facing young people from low-income backgrounds.

Our analysis also benefitted from related Lumina/Public Agenda work conducted in connection with the Midwestern Higher Education Compact Fourth Annual Policy Summit in Minneapolis in November, 2008.² Since the nearly 200 participants in those sessions, primarily higher education administrators and legislators and staff with higher education responsibility, discussed a similar set of higher education issues, and since Public Agenda observed those sessions, we have threaded relevant insights from that work into this report where relevant.

Leaders need to adopt sensible, practical ways for higher education communities to talk through their priorities and grapple with realistic solutions.

Crosstalk within higher education

Despite the extensive agreement among national leaders that higher education faces a significant and pivotal turning point, the broader debate about its future is still in its infancy. Since World War II, higher education has been seen as an American success story. Our universities are often considered the best in the world. Especially in contrast to the difficulties facing K-12 education, most Americans view higher education's problems as limited and manageable. Although many worry about escalating tuitions, the existence of low-cost alternatives (such as regional state universities and community colleges) and

relatively easy access to college loans have blunted the sting of this issue over the last decade.

Based on the work completed for this report, a more deliberate and planned strategy to encourage broader, more purposeful discussion could be extraordinarily useful

- For most Americans, the idea that the United States faces a fundamental higher education challenge that could threaten the country's prosperity if left un-addressed is still a new proposition. For most, the scope of that challenge—and its specific definition—is still cloudy.
- Within public higher education in particular, there are differences in how that challenge is defined. These differences can be addressed in ways that generate more effective, broadly supported solutions. However, if these differences are not acknowledged and discussed constructively, they could also delay and derail solutions.
- College presidents, financial officers, faculty, students, and the public at large all recognize the importance of higher education and respect its enormous contributions to the nation's economic, social, and political strength. But different groups do have different concerns and priorities, and currently, they veer toward different, sometimes contradictory solutions. There is a certain level of "crosstalk" at the current time.
- To move forward, leaders need to recognize the need for more effective communications and consensus-building, and they need to adopt sensible, practical ways for higher education communities to talk through their priorities and grapple with realistic solutions.

A common stop on the road to problem-solving

Based on Public Agenda's work on different issues ranging from education to health care to energy to foreign policy, this type of crosstalk is not at all unusual in the early stages of grappling with large, complicated problems. In fact, it is entirely normal and expected. However, it is a factor that should be addressed forthrightly through dialogue and

² See John Immerwahr, *Difficult Dialogues, Rewarding Solutions: The Imperative to Expand Post-Secondary Opportunities While Controlling Costs*, Prepared by Public Agenda for the Making Opportunity Affordable Initiative of the Lumina Foundation, February 2009.



open communications. Beginning with a clear grasp of the concerns and priorities of different groups is essential for moving ahead.

Stakeholders' views

In the following pages, we describe the perspectives of the two groups that were the particular subjects of this study—public higher education financial officers and faculty. As a backdrop, we lay out the perspectives of all the major stakeholders Public Agenda has interviewed to date.

Here is how they see higher education's problems and the solutions (see summary chart on page 6):

College presidents. Based on Public Agenda's research in several projects, college presidents are well aware of many of the challenges facing them, and they talk about their efforts to improve accountability in higher education and improve access without reducing quality. For the most part, however, the presidents we have interviewed emphasize the need to redefine the value of higher education in contemporary America. Instead of being viewed as a private good that benefits individuals, many argue that the country must come to understand, and act upon the idea that higher education is a public good that benefits the entire society. As a consequence, they believe it should receive a significant infusion of public reinvestment. Many acknowledge the need for greater productivity—the idea that colleges and universities can and must do more with current funding.

However, many also believe that most of the cost savings that are possible have already been made, that only marginal gains are available for the future.

State financial officers. Based on interviews for this report, state financial officers have a somewhat different perspective. They share the presidents' concern that higher education is caught between declining state subsidies and rising internal costs, but many state financial officers interviewed for this report feel that colleges and universities can be more cost-effective. Many emphasize the need to graduate more students, and their first priority is often to increase the retention rates for those already enrolled. They also often support the idea of changing the incentive structure so that colleges and universities are rewarded more for students who complete courses and programs, as opposed to the number enrolled.

College financial officers. Financial officers at the institutional level, in turn, come at this issue from their own perspective. Many of those interviewed were interested in increasing higher education productivity, and were willing, at least in confidential interviews, to ask hard questions about higher education's assumptions, especially about class size and teaching loads. Many were also interested in greater use of technology to save money.

Faculty. Based on the research conducted here, teachers from four-year and two-year institutions typically approach the challenges facing higher education from a different perspective. For the faculty members we interviewed, the

major problem facing public higher education is declining quality. They often believed strongly that many incoming students are not ready for college, that they have weak academic skills and are not yet mature enough or self-disciplined enough to take advantage of what is offered. Although many faculty members readily acknowledged that cost issues are important (and they often shared worries about the cost to students and state funding levels) their main focus was on maintaining excellence in higher

Faculty members often believed strongly that many incoming students are not ready for college, that they have weak academic skills and are not yet mature enough or self-disciplined enough to take advantage of what is offered.

education. Many believed that it is urgent to ramp up the quality of education students currently receive, and they were often worried that measures aimed at increasing retention and graduation rates could backfire and weaken standards even further. Although there is little indication that faculty are unalterably wedded to the status quo, it is important to emphasize that most begin the conversation from a somewhat different mindset. They may be eager to look at measures aimed at improving student preparation for college and open to those that focus on administrative inefficiencies; at the same time, they may very concerned about proposals that seem, in their mind, to focus on boosting the number of degrees without serious safeguards on academic excellence.

The general public. Results from Public Agenda's most recent public opinion survey³ shows that Americans place a great deal of emphasis on access. Most believe that a college education is becoming more important, an essential ticket to the middle class. At the same time, the public is increasingly worried that many qualified students may not be able to attend college because of the cost. While they may not understand the details, the vast majority do not want to see access threatened further. Most think colleges and universities can do more to protect access. More than half believe that colleges and universities could educate more students for the same amount of money without reducing quality, a view that contrasts with the perspective of college presidents and especially faculty.

Next steps: Bringing the stakeholders to the table

Several major themes emerge from these initial inquiries.

- **A good start.** There appears to be a broadly-shared consensus on the existence of a problem. Most respondents seem to agree that after its long history of pre-eminence, American higher education does face major challenges. This consensus is not an insignificant asset. Often debate and problem-solving are stymied by the fact that the public or other major stakeholders are not ready to concede that there is a problem that needs solution. The debate about climate change is a good example. For decades, serious discussion of solutions was delayed because of disagreement over the existence of the problem.
- **A debate in its early stages.** Despite this apparent consensus, however, dialogue about the future of higher education is clearly in the early stages. There is not yet a shared definition of the problem, nor are stakeholders necessarily focused on similar solutions. The most important symptom is the fact that many faculty members—who clearly must be major players in any consensus or compromise—are broadly concerned about declining quality in higher education and fear that some proposals to increase graduation rates could backfire. Given their widespread concerns about “watering down” programs or degrees, they are likely to be initially resistant to calls for more “efficiency” and goals for producing more graduates with current resources.

³ Public Agenda and the National Center for Public Policy and Higher Education, Squeeze Play, 2009.

- **The importance of giving faculty a place at the table.** As a first step in addressing this gap in perceptions, it may be helpful to launch more systematic efforts to include faculty viewpoints in discussions at the state and institutional levels. This could have several genuine benefits. It can start the process of having faculty share ownership of the problem and prevent discussions from devolving into “us versus them” arguments. It can help policymakers better understand and factor faculty concerns into their thinking—concerns about declining academic quality, along with concerns about the productivity agenda generally and specific strategies associated with it. It can also reassure faculty that their perspective will be heard and seriously considered in the policy debate. Although it is often tempting to look for solutions initially among groups of people who already see eye-to-eye, long-lasting and more authentic progress often emerges from hearing different points of view early on.

College financial officers were interested in increasing higher education productivity, and were willing, at least in confidential interviews, to ask hard questions about higher education’s assumptions, especially about class size and teaching loads.

- **An openness to some solutions, but not others (at least not yet).** It is important to emphasize that, at least in these initial interviews, faculty did not generally dismiss the need for more cost-effectiveness in higher education, and many seemed eager to know what the possibilities were and to add their

own ideas and thoughts. Moreover, although many had serious concerns about changing incentive structures to focus mainly on numbers of graduates, many seemed eager to find ways for more students to complete degrees successfully. It is just that they entered the discussion from a different starting point, and, as a group, faculty, may bring a different set of solutions to the table. Consequently, it may also be useful to consider expanded research with faculty to understand their views in more considerably more detail and/or capture their perspectives more authoritatively through a larger-scale systematic survey.

- **A framework for dialogue.** The next phase of Public Agenda’s work with Making Opportunity Affordable will build on our research to develop a framework for productive dialogue and decision-making. This framework is intended as a tool to help diverse stakeholders, such as policymakers, administrators and faculty understand each other’s perspectives on the financial challenges facing higher education and build common ground on how to move forward in constructive and purposeful ways.

In the following pages, we lay out the observations and concerns that emerged in our interviews with financial officers and faculty members. We have also included a section that collects a number of specific suggestions from financial officers on ways public higher education could make the most of every dollar it has. The ideas are diverse and could be the stimulus for more specific discussions in a number of venues.

The Current State of the Debate

The chart below summarizes the “state of the debate” among different higher education stakeholders, and suggests why more focus on dialogue and consensus-building may be so crucial to progress. This summary draws on interviews conducted for this report and on other research and analysis Public Agenda has completed.

Group	Understanding of the Problem	Possible Solutions
State high education officials	See higher education institutions as not producing enough graduates	<p>Productivity—asking hard questions about things such as class size</p> <p>Focus on retention—easier to keep students than to get them</p> <p>Incentives—Incentivize schools for students completing programs, not for enrolling in programs.</p> <p>Technology—expand online education. Dual enrollment – students take college classes in high school</p>
College and university presidents*	See institutions as caught between declining state revenues and rising expenses. Result: either higher prices, decreased availability, or lower quality	<p>Productivity—colleges have already done most of what can be done; only marginal efficiency gains possible.</p> <p>Redefine education as public good; deserves massive increase in funding, e.g., portion of stimulus package.</p>
Higher education CFOs	See institutions caught between declining state revenues and rising expenses	<p>Productivity can be increased</p> <p>Willingness to explore alternatives such as larger classes, distance education; new ideas should all be on the table</p>
Faculty	<p>Seldom focus initially on declining revenues and increasing costs, or sometimes blame increasing costs on higher administrative costs</p> <p>Major problem: quality</p> <ul style="list-style-type: none"> Declining quality of incoming students Remediation dilutes quality Too many students going to college (not too few), drags down quality for good students Administrative pressure to retain students, leads to lowering standard 	<p>Skeptical of many solutions proposed above fearing they will decrease quality. Concerns include:</p> <ul style="list-style-type: none"> College classes in high school aren't equivalent to collegiate courses Distance education; only good for most motivated; requires more work from faculty Rewarding completion: more graduates does not mean more educated citizens Business models inappropriate Productivity means asking faculty to do more with less <p>Raise standards; produce better educated individuals-- more important to produce fewer better educated graduates, even if it means fewer people will have degrees</p>
Public**	Students and individuals are caught between growing sense that a college education is absolutely necessary for success, and growing fear that increasing college tuitions/fees make college out of the reach	Protect access to higher education. High support for measures that protect access. Growing sense that colleges are inefficient, and can educate more students without necessarily needing more money.

* Observations about presidents' view are based on *The Iron Triangle*.

** Public opinion findings based on surveys conducted for *Squeeze Play 2009*.

A Word About the Study

The observations in this report are based on a small-scale study consisting of open-ended interviews conducted either individually or in focus groups. The responses are intriguing and thought-provoking, but we believe it is important to emphasize the limitations of this work. Focus groups and one-on-one interviews are useful tools for learning how people talk about issues and for gathering a range of ideas and viewpoints. Based on Public Agenda's experience, this type of structured "listening" is essential to generating hypotheses for further research and developing discussion models that can be refined and tested in additional settings. However, the observations here are not reliable predictors of how many college faculty and financial officers share these exact views.

That said, throughout these interviews, we repeatedly saw characteristic patterns of thinking. Similar themes and concerns emerged in different conversations in settings across the country and in different kinds of institutions and communities. Interestingly, faculty concerns about student readiness for higher education are being echoed in student focus groups Public Agenda is currently conducting for another project.

Methodology

Campus Commons? is a small-scale exploratory piece of research that collects insights from three types of sources: interviews with eleven chief financial officers from state departments (or commissions) on higher education, eight chief financial officers of four-year and two-year public post-secondary institutions, and six focus groups in three major metropolitan areas with faculty members from both two-year and four-year public post-secondary institutions. The chief financial officers from two-year and four-year post-secondary schools worked in public institutions that took funding from public sources. These schools spanned a wide range of size from major research universities to smaller community-oriented institutions. Because interviews were given under a pledge of individual confidentiality, we have not identified comments by name or institution. We have provided the occupation of interviewees. The quotations have been lightly edited, and in some cases, two remarks have been combined in order to delete the moderator's questions or an irrelevant side issue. We have also edited quotations to mask the identity of the speaker.

Selected Findings from the Interviews⁴

Part I: Observations from public higher education financial officers

Nearly all financial officers, regardless of whether they worked at the state level or in a specific college or university, were deeply concerned that their institutions are caught between rising expenses and a declining share of state revenue

State appropriations are not keeping up with inflation. That's again partly the pressure by voters and others not to increase taxes and also the competition with rising health care costs in particular, and for state employees in general.

State Financial Officer

We are a state organization so we receive a portion of our revenue from the state, and that's one of our biggest concerns right now. As you probably have heard from other people, state appropriations around the country have been dwindling or being cut back, and our state appropriation base has not significantly increased over the years. In fact, most recently it's been decreased. That's one of our biggest challenges—how we recoup monies that we're being shorted from the state, particularly in financing our construction projects.

Institutional Financial Officer

Every year in higher-ed, we face budget challenges, which are about us getting what the legislature considers our fair share of the general fund dollar. Then parents and students often feel the brunt of the fiscal problems with higher fees and the lack of affordability to go to school.

State Financial Officer

What's happening, here and in most other states, is that in many different ways the state is narrowing their fraction of the pie that they're paying. In our state the state has been incrementally growing its annual investment in higher

⁴ Quotations from the interviews and focus groups have been slightly edited for clarity and grammar. In some cases, information that might point to the identity of a respondent has been omitted in order to protect confidentiality.

education institutions at about one percentage point below inflation, and they have been doing this for the last fifteen or twenty years. The institution has a choice. If I'm going to pay a 3% salary increase, but they're only giving me less than 2%, I can either reduce that salary increase or I can ask students to pay the inflation rate on the fraction that they pay, plus the fraction that the state is not covering. That's why students and parents are seeing their share of costs grow at higher than the inflation rate.

Institutional Financial Officer

In that regard, the share of the state general fund budget going to higher education has dropped from like 23% to like 1.1% in the last 25 years, so we're just getting a smaller and smaller piece of the pie all the time. Before you can even get started, that's sort of issue number one that we're fighting with.

State Financial Officer



Although college presidents often say that higher education has already done most of what it could to make its operations more efficient, financial officers were more likely to ask hard questions. At both the state and institutional level, they often spoke about looking for greater efficiencies in administrative functions and academic operations. Many mentioned increasing teaching loads or class sizes as a first step.

If resources are available, they're spent...not in frivolous ways, but in adding programs, adding faculty, moving more from an undergraduate to a graduate level, adding student advisors, reducing teaching loads, and if there's enough resources, sound investments in the academic enterprise. There's the discipline of returning money to shareholders. The profit motive is absent in this culture, quite understandably. That's not the kind of organization it is. That's not a criticism, it's just a reality.

State Financial Officer

A friend of mine has likened it to the stages of grief. When you tell the English department, for example, that it will be having significant reductions in their programs in personnel, it goes through a series of stages. Anger is by no means the shortest of them. It's important to recognize that this is serious and painful stuff. Careers will be damaged, jobs will be lost, people will suffer, friendships will terminate. It's important to get beyond sort of the policy level and the objective level, and appreciate the genuine human drama and anguish involved in all this. It's not a garden party, to take a quote out of context.

State Financial Officer

I think a lot of times in higher education we need to rethink what we do. I went to another university for my MBA because they had more reasonable requirements. I mean I just wanted an MBA. I didn't need to take all the bridge courses that were kind of ridiculous in that regard. I had to take an Excel course, which I deal with everyday. I'm not saying lower the standards, but I think they need to look at their curriculum and the times it is offered, to give. When you're trying to get your MBA, and you got to take an Excel course, even though you use it every day, it just seems so stupid to me, so I think that needs [to be] reviewed.

Institutional Financial Officer

If teaching loads just went up by five percent, it would give us tremendous additional capacity on the same dollar base to teach more credit hours. I think therein lies the road.

Institutional Financial Officer

I think that the academy needs to look at the way we schedule courses, when we schedule them, professors who want to teach every Tuesday and Thursday from noon to 2:00. That's not reality. There's a lot of things we could do to get more efficient.

Institutional Financial Officer

It's difficult to crawl in there and say to the grumblers, "Okay, why is your teaching load what it is?" A great example would be at our institution, you might have a professor who in the early-to-mid years was most productive in their research. You've given them relief from teaching along the way because they're in their very productive years. The problem with that has been when you get to their later years, they forget why they got that, and so you're going back to people that are very qualified to teach, and saying, "You need to teach more now, so this other new professor that came behind you, that is productive in their research years, can carry less." That's a very difficult transition to make, but we've got to get there.

Institutional Financial Officer

Many financial officers—both state and institutional—were also skeptical of the argument that increasing productivity and efficiency in academic areas will necessarily decrease quality.

How efficient are we? Can we be more productive, and what will it cost to produce baccalaureate degrees without sacrificing quality. What methodologies do we use to determine how much should it cost for the universities and not just the universities as a whole, but some of these other kind of innovative ideas that we may have about how to increase baccalaureate degree production.

State Financial Officer

How are you going to define productivity? You can say, "You have to teach six classes instead of four classes." You'll get back from a faculty member, "Oh crap, are you kidding me?" Or you can say, "You've got to teach four classes and I know you want to teach that graduate class with three kids in it, but I also want you to teach a class with 400 students in it. I want you to do it this way, so they have an amazing experience with a National Academy of Sciences professor at the front of the classroom and they're completely engaged." That's huge productivity gains, so I think engaging the faculty in this conversation is the way to make it work. I just don't know what the forum is for that. I can't call the administrative directors and tell them what to do, but we need to find a way to get the whole faculty to say, "How are we, together, going to engage in a conversation about how to increase productivity without screwing up the pretty good thing we got going right now because if we don't come up with an idea, somebody's going to tell us how to do it and we're probably not going to like it."

Institutional Financial Officer

On this quality issue, faculty members don't want to work any more than they have to, basically. I'm just going to say it like it is. How would you reduce quality if you were teaching a class that had 15 students in it, and we said you've got to teach 18 students? Tell me how that reduces quality.

State Financial Officer

One of the common push-backs will be that these reductions are going to mean that the diminution of academic quality. I think it's important, and I know that's one of your themes. I think it's important to take that on and sort of de-mythologize about it. I know the system, for example, or the average class size is 14. That is probably too small, if you figure a couple of people miss class, some drop out. What ought to be a good yeasty discussion with 20 or 25 people, turns out to have 10. I don't buy the argument that 10 is higher quality than 25. The argument is often made that it will be the decline of the west and the dumbing down of the curriculum. I think the response to that ought to be, "Show me evidence." Let's get beyond histrionics.

Institutional Financial Officer

Many financial officers also believe that technology may be a key to increasing productivity. Distance learning, for example, is frequently mentioned. They recognize that there is a pushback against online education from faculty, but they feel that it can be overcome.

We haven't figured out the technologies, and the mechanisms, and perhaps the right mix of human interaction versus offsite interaction through a computer terminal, or whatever. We haven't figured out a way to replicate the informational exchange that comes with collegial, student-to-student interactions, but I think that there's enough experimentation on our campus, and other campuses that we will figure that out. Fundamentally, I think the cost, the per student cost dynamics that exist today, the structural dynamics, building monument buildings, bringing people has to change given the volume of students that we're going to want to provide, not just an education, but a quality education.

Institutional Financial Officer

We've also seen a lot of interest in online education, to the point now that we have probably around 15% of our courses online. We're accredited yet to have full online degree programs. Although we don't see that as necessarily our focus for the future, our students are really demanding it. It is interesting, because it allows us to open up more broadly to the larger community. Again, we haven't really got to those steps yet, but that's where my mind first went in your question.

Institutional Financial Officer

We dabble in distance education, and I think that's a market that we could really explore. We could have one professor delivering education to many different sites, but we're getting into that market, and I think it's a market we need to look at because it really isn't that costly. That to me is a big thing.

Institutional Financial Officer

I also think that we need to, and we do engage in those experiments to figure out how do we take a Pulitzer prize winner in history that's one of the best instructors

anybody's ever seen, and multiply what he can do in a few sets of classes on campus, and break that to other parts of the nation and the world. The question that I don't know, and because I'm—in part I don't teach, I'm not an instructor, it's not my background, is how do you do that? Can you do it effectively, and if so, how do you do that effectively?

Institutional Financial Officer

You know, on the academic side, there has been a pushback on the online programs—feeling as if there's a lack of quality in those types of programs. But from the administrative side, we're trying to give them insight into it, and we're bringing them along slowly, but with that initial resistance. I think it's starting to pick up some speed, and I think there's some more buy-in from the academic side on that type of thing.

Institutional Financial Officer

Although the financial officers from both state and institutional levels tended to agree on most issues, there was one major difference. The state system officers were often especially concerned with improving the number of graduates, which they felt would benefit both the individuals and the state economy. For many of the state financial officers, the easiest way to increase the number of graduates was to improve retention and completion rates.

Our biggest challenge is to—we need to get more people into the pipeline in getting degree attainment. Our degree attainment is not where it should be. We need to have people be prepared for this kind of economy, and we are falling behind, as you probably know well. The United States is really falling way behind, and even if we got our act together right now, it will take many years just to catch up to where we should be. That is a huge concern to become basically competitive.

State Financial Officer

We're starting to put more focus on helping those students to graduate. The cheapest student to enroll is the one you already have on your campus, so do what you can to keep them.

State Financial Officer

I also think that there is a potential for better use of sort of best practices in serving low-income students well and getting them to persist well. Within the whole group of public and private institutions, there are some that have better luck on persistence and completion even with low-income students. We should be learning more from what they are doing.

State Financial Officer

We've got an issue with, one, getting them out of college with a degree, second, we're trying to keep them here. We are trying to get the people who are here some sort of education so that they're not a drain on the economic systems, so that they are able to contribute, to make money and pay taxes and all that kind of stuff.

State Financial Officer

As a means of increasing graduation rates, many state financial officers were especially interested in changing the financial incentive systems so that universities and colleges are rewarded for having students complete programs or courses, rather than rewarding institutions for the number of students enrolled. They are convinced that this can be done without reducing quality.

We were going to focus on making universities more laden with incentives for graduation, less incentives for just enrolling. Right now those enrollment counts are only after a student has been enrolled for a couple of weeks, so what we've been talking about with the systems is what if we made those counts as end-of-term enrollments, so that the incentive is the keep the students, try to make the students successful enough in the course to where he or she doesn't withdraw after the second week.

State Financial Officer



By changing the formula recommendation, what you are doing is preventing these institutions from going out and heavily recruiting people that are ill-prepared to succeed in getting upfront money for them, as opposed to improving your core student body and having a greater proportion of them actually graduating.

State Financial Officer

All we're talking about is the idea that retention happens one course at a time, and putting the incentive in place that you don't get paid for that student unless they're there at the end of the term, not just in the front. There are a host of other ways besides dumbing down the curriculum.

State Financial Officer

It is possible for you to have the goal of increasing baccalaureate degrees and ignore the quality factor and become a degree mill and that's the concern that those faculty are expressing. But it is also true that the more people who have a baccalaureate degree, the greater is the standard of living in the state, the higher is the tax base, economic development thrives, you have fewer healthcare costs. If it is possible for states to increase their productivity in the number of baccalaureate degrees that they produce at a lower cost without sacrificing quality, everybody wins. That's not to say that it is easy.

State Financial Officer

In [our state], the way we're going about it is to fund based on end-of-semester instead of beginning-of-semester, and we're not saying that you have to pass that student. We're saying that you have to keep them enrolled. We have found out that there was about \$300 million dollars that was paid for, courses attempted that the student withdrew from, or dropped, or whatever, so we paid about \$300 million dollars for classes that were never completed. That's a lot of money. What we're asking the institutions to do is to put in place some of these programs, early alert systems, and we're not specifying which one. Pick one that works for your institution, don't wait until they've totally dropped out to, "Oh my God, what happened?" Go in there where there's still a chance of helping them complete.

State Financial Officer

In their heart of hearts, what all university presidents want is for us to give them money and then leave them alone. They don't want to be held accountable for any of this stuff, but they also think that it's not their job to get students graduated from college. It's their job to offer the opportunity. Then it's up to [the students] to come in and take advantage of it."

State Financial Officer



Part II: Faculty Views of the Challenges to Public Higher Education

Faculty, especially those from two-year institutions, frequently complained about the large number of students who are not ready for college work and/or have so many external distractions that they cannot keep up their academic work. This observation often emerged spontaneously when faculty were asked about the major problems they faced. In many cases, faculty members were troubled and frustrated by the weak preparation of their students.

I got to tell you, it's rough. They don't write. I ask them about it, and there's many, many students who never really wrote a paper in high school. They never read a whole book in high school. We actually instituted in one of our research paper classes the assignment that they would read a whole book. We discovered a lot of those students had not read a whole book by the time they got to college, which just seems outrageous.

Two-year faculty

To some degree it's amazing that some of these students are actually given a high school diploma. You wonder what it was that they studied and learned and what was the whole basis other than seat time

Two-year faculty

I'm finding that a lot of our students are not really ready for the college learning environment. They're not independent learners or thinkers or self-starters. If they leave something at home, so they need to call their parents during class to bring it to them. I don't know if they've been over parented, or if they're the millennial students who have had the helicopter parents who hover and are there to take care of any little problem, but they just don't really seem to be ready for the college atmosphere.

Two-year faculty

I think one of the major problems we're facing is the quality of students that we're getting in here. I think the school districts are teaching to the tests. Consequently, we're getting students that might not have been as well prepared now as they would have been 15, 20 years ago

Two-year faculty

For me, it's the quality of the incoming freshmen. It seems like the math and reading capabilities get worse every single year. We have more to do with just getting them up to speed in talking and writing, and let alone, teaching them economics. I don't feel it's my job, but I kind of have to.

Two-year faculty

I think that speaks back to the students that are ill prepared. You have students coming in taking more remedial classes. Last year we just deemed two more classes that did not count toward graduation. This year there are seven classes that do not count toward graduation. I mean it's amazing. You're talking about a number of freshman coming in, placing into those classes. They're spending money to make sure they have all the resources that they need. For some of them, you want to say, "You know maybe this wasn't the place to be."

Four-year faculty

So many of them have such complicated lives that the fact they're even in school sometimes astonishes me. The ones that are actually successful are sometimes unbelievable what they're juggling in their lives.

Two-year faculty

Take a couple of steps back here, it has become clear, for many of us, especially in the community colleges, but I think also in four-year colleges, a big problem is people coming in unprepared. Fully, half of our students have to take remedial English courses, half math courses. They didn't get it when they were supposed to get it. I look back to my education too. Do you know where I got most of my education that really prepared me? Was in the first eight grades where we had to learn to spell words. We had to diagram sentences.

Two-year faculty

I don't know if they're less—they're less prepared.

I think that there's no doubt that they're less prepared.

I don't know that they're less able. I don't think that they're less able. The students that are coming to us are intelligent. They just don't have sometimes the social tools, the academic tools, from that standpoint. That becomes a challenge.

Two-year faculty

I've only taught at one college. I can't really talk about whether this is a national problem or not. Literacy is a problem, I think, in our entire society. When students come and they're not prepared to read, write, they're not going to do the reading because they can't read. I mean can't read more sophisticated things. They're not going to be able to take essay tests because they can't write and they're not going to be able to do term papers. This also relates to—I'm figuring out right now that since my students don't want to do the reading, they want to take a shortcut and go to the Internet and try to figure out the, you know—when I'm trying to teach a case on the First Amendment and they go read it on the Internet and it's all wrong. That's getting way, way off this subject. Literacy and preparation, that relates to preparation of students. I could go on all night.

Four-year faculty

Many faculty members also believed that many students are not motivated and responsible enough to succeed in college. Some described a culture of entitlement in which students don't think they should be required to work hard.

They don't want to read, they don't want to do any outside work. They figure if they're coming into class that's it, they don't have to do anything else. Even though you tell them that for every hour they're supposed to be doing three on their own, it goes in one ear and out the other.

Two-year faculty



If I get one or two students who are truly interested or maybe didn't come into my courses interested, but developed some interest in it, you're lucky. The students just don't seem to be interested in anything other than what is in their little realm of existence.

Two-year faculty

Something that I've talked with my colleagues about is the issue of entitlement. There is the sense that they believe: "I showed up for class. I deserve at least a B. What do you mean I have to read? I don't have time to read. I've got to work." There is often this shock that I see when I say something like, "Read the book. Use the website. Use the study guide," It's almost like a foreign concept to them. They've been passed along.

Two-year faculty

Students only want to know what's going to be on the test. When I tell them there's going to be an essay, "Well, how long does it have to be?" They're prepared to do the least amount of work for the greatest reward.

Two-year faculty

It's becoming more and more frequent that students are not understanding their responsibility. If I ask for a five-page paper, they'll turn in a four-page paper. They feel comfortable with turning in partial assignments, turning in assignments in late without feeling some accountability or responsibility with that.

Two-year faculty

A lot of the parents are pushing them to go to college because they have to be in school to be on the parent's insurance. The kids don't really want to be at a community college, because they want to be on a four year college setting, and the two-year colleges don't have the dorms and don't have the college setting.

Two-year faculty

Some faculty members also complained that the presence of so many unprepared and unmotivated students results in lower standards and a poorer quality experience for those who are ready to learn.

The problem that it poses for me is that when I'm teaching to 70 students, some of them are going to ace no matter what exam I give them, and some have to have the perfect multiple choice question to even have a chance. There's no choice but to dumb it down a little, otherwise you leave them behind, and that affects my ability for that upper 30% to really get as much as they could get.

Four-year faculty

The problem with No Child Left Behind is we're finding that if we can't get those students who are, for lack of a better term, "challenged" to catch up, we're getting the accelerated students to slow down. We're still corralling them and herding them.

Two-year faculty

What happens at that level is we get very low common denominator critical cognitive skill questions on the tests because they're cheap, both to make and to grade. That becomes the level at which our education goes. We've quit teaching critical thinking. We've quit teaching some of the things that all of us got in our educational career, because they're simply not being tested.

Two-year faculty

You know what they're doing where I teach? They're diminishing the core. They're taking it down from 33-credit core down to a 21-credit core is what we're working on now. We are diminishing the quality of higher education so that we can get everybody through, so that everybody can get that credential that society wants them to have.

Two-year faculty

As a result of these factors, many faculty members believed that the quality of education has significantly deteriorated already.

My feeling is they are learning less. My course is watered down from when I started 20 years ago. I can barely get them to read. My freshman probably read 30 pages a week, and I had my sophomores reading 60 pages a week, and I just had them quit. I had them come and they wouldn't do the reading, so I'm down to 40 pages a week. I still don't get them to do that.

Two-year faculty

I would like to mention the word standards and erosion of standards. There is a substantial erosion of the standards.

Two-year faculty

I think over my 42 years of full-time college and university teaching, I've experienced tremendous pressures on myself, and I've witnessed it among my colleagues too, to reduce the extent of the reading assignments that we give our students. I think part of the reason is the increasing

inability of the students to come up with—to have the ability to do the assignments. Also, grade inflation, the extent to which, I mean if everyone else is giving them Bs and As for what I consider to be C work, they're not going to be too interested in taking my courses when they know they can very easily get an easier experience from a colleague.

Four-year faculty

I am concerned about the diminishing quality of the educational experience. I think I see it all over the place. I agree that online courses are a real problem. I think it's hard to keep students accountable. You know for years, students have been much more interested in credits than in education. We're making it very simple for them now to pick up those credits.

Four-year faculty

I don't think what you're learning today is comparable to what it was 20 years ago, in terms of expectations and stuff. Now, that's moving to the master's degree. Everyone is going to have to have a master's degree, and so the expectations that we're going to have run 30, 40 students now through a masters degree in psychology. It's moving up into the doctorate degree now too.

Four-year faculty

Many faculty members felt that the emphasis on retention, which they believe is coming from the state and college administration is misdirected. Faculty members, especially in community colleges, often said that students drop out either because they have already gotten what they need, or because of external pressures that the institutions have no control over.

This is already part of our issue that they are basing funding partly on our graduation rates. It's problematic. If a student doesn't want the two-year degree, then what are we going to do to force them to do that? It's often their choice, not about the quality of what we're doing. It's about what they need.

Two-year faculty

It bugs me that retention is the big issue. There seems to be this emphasis on retention as the indicator of success. I disagree with that. I mean my sense is that if a student realizes that this is not the place for me and this is where I can do better, maybe that's success. Four-year faculty I don't know that that's a bad thing if a student drops out, maybe he is saying, "I want to take a college classes. I don't need a degree. I've already got a degree. Don't need another one. I just want to learn something."

Two-year faculty

We teach these returning adults who take one class or two classes at a time, so asking us to graduate them in a timely fashion isn't even meaningful from our perspective.

Four-year faculty

I have students who are really doing well. They're great, and then tragedy happens in their life, they disappear. Do I get measured for that?

Two-year faculty



Yeah, think about all these people who are being laid off right now. A lot of them, they don't want to get complete degrees. They just want to get a few courses they think will help them get in the job market. They'll be well-served by what community and technical colleges do.

Two-year faculty

See, people apply this four-year model onto the two-year school. We're just not the same kind of institutions. Our students come for a semester maybe and then they transfer or they complete a program or not complete a program. Again, it's this idea that every student that comes in is supposed to somehow get a degree at the end of it. That is not how our institutions work.

Two-year faculty

In stark contrast to what we heard from state financial officials, faculty member often said that the problem is not that too few students graduate, but that too many students who are not ready for college are being sent to college and pushed through

I think sometimes counselors are gearing everybody up for college, for college, for college, but everybody is not going to college and everybody doesn't need to go to college. They should do a better job at advising kids on their options in terms of making a good living in the workforce.

Two-year faculty

I think a big problem facing higher education is that the idea that everybody should get into college. I don't think everybody is designed to go to college. Not everybody needs to go to college. I know that's shooting ourselves in the foot, because that's where our jobs are. The more people show up at our schools, the more jobs we get. Not everybody needs to go to college. Not everybody should. Not everybody's prepared

Two-year faculty

I hate to get this started off on the wrong note here, but I think the population of college students is already probably larger than it ought to be.

Four-year faculty

Our foreign students think it is wonderful that we let everyone into college because some of them are over here because they didn't make back home. They think it's fascinating, but I tend to think more and more that it's damaging our education system to be so open door, for the expectation that anybody can have a college degree and everybody should.

Two-year faculty

What we're all dancing around and haven't actually talked about is that—we would never say this in the classroom, but sometimes you want to say to a student, "Maybe this isn't the place for you. You don't have to go to college."

Four-year faculty

I think there's too many who go right away when they're 18, and they should wait longer. I went to college for one year back in 1981, and then I quit for four years. When I came back in my twenties, I was so much more prepared. My best students are older students.

Two-year faculty

They think it's automatic; you are 18, you've got to go to college. There are other things you can do for five or six years. Lots of things they can do.

Two-year faculty

If someone should actually got up there and put up a billboard saying, "You don't have to go to college." We push, push, push. I mean you are glorified if you go to college.

Four-year faculty

The idea that everybody should get into college, that it should be paid for by somebody else. One of the biggest problems I see is students who don't have to pay right now. You know what? They'd care a little bit more. I see students who really don't give a rip.

Two-year faculty

The majority of faculty members we spoke to recoiled at the idea that colleges and universities should be evaluated and incentivized by the number of students who complete courses, programs, and get degrees. Many seemed to see this as the equivalent of "social promotion" in high schools—a strategy that would increase the number of people with degrees, but decrease the actual level of education in the society. It would be, in other words, the exact opposite of what the country needs.

Definitely don't reward schools for having more students. I mean, that puts the teachers under pressure just to pass them.

Two-year faculty

I think all higher education institutions need more incentives. As long as productivity translates to maintaining quality and academic standards, that's good. The only thing I would be leery about is incentives to graduate more students if that were not tied very closely with maintaining academic standards.

Four-year faculty

So what if you graduate more people and hand more people a piece of paper. It doesn't necessarily mean that piece of paper means anything.

Two-year faculty

Yep. We'll be forced to lower standards and graduate more numbers. That's why you get paid. You know what? You're going to find ways to get that done

Two-year faculty

I don't like this reward schools for having more students reach degree completion, because that's a whole other ballgame. They'll just be sending them out. Oh, we got to get rewarded, we'll just graduate them. That's just like, you know, in high school where they start pushing them through. I don't like that one.

Two-year faculty

It's what happened in high schools is they got pressured to graduate more students, so they graduated more students. It didn't mean they were well educated, but they graduated them, right?

Two-year faculty

Or easier classes. I could graduate a whole mess of students, I just have to, boom, lower my standards, I can get more money, easy, so no on that one.

Four-year faculty

What sort of pressures would administration put on faculty then if graduating more increases their bottom line? I don't want pressure to pass students that shouldn't be passed.

Two-year faculty

You tell a community college or whatever that you're going to give them whatever to graduate more students, they will graduate more students. They will graduate them by the thousands, and they will be as poorly, or more poorly educated than they are right now, because it is simply a quantifiable goal. It simply more heads, more bodies, out of the chairs.

Four-year faculty

Many faculty members were also suspicious of efforts to collect more data and conduct more assessment.

Looking back over 40 years, I've seen it all happen. I've seen these people running around. They called it behavioral objectives when I first started. Now they're calling it assessment. It's a waste of time. It's a waste of money.

Two-year faculty

That's one of those things where you're going to have people just collecting papers and collecting information. You're going to have three or four people who are really self-important running around like collecting all of this information. You're not going to get anything from it. It has to be—if it's done well, it's an excellent idea.

Four-year faculty

Data collection, when you're doing it wrong, is either meaningless or you can interpret it to back up whatever you want to be true. There's too much of that going on.

Two-year faculty

The other point is, it's almost impossible to measure good teaching. We'd like to say we can, but if we ask everyone in here, we'd all say, "Oh, we're wonderful teachers," and if you ask all your colleagues you'll never find one that says, "I'm a bad teacher." I did have some that have said "Gosh, I'm not really turning out any research or anything. I just am too busy. I really don't publish articles or books or have research projects, but I am a really good teacher." I think that's the problem that the administration has in dealing with this. I think administrations would love to reward good teaching. I don't think they really know how, because it's very difficult to get concrete markers.

Four-year faculty

The tests have begun to wag the dog in this process. What happens is, we're willing to open and close institutions on the basis of test results, but we're not willing to put money into the construction of test questions.

Two-year faculty



A lot of that is generated by our accreditation institutions. Since the “Spellings Report,” they’ve insisted on the whole accountability—what do you teach your students? Can you prove that you’re teaching them this? If you’re talking about your skills and your class, it’s usually not an issue. Now they’re getting into well, you say you’re turning out good citizens who can communicate. Well, prove it. Give us some sort of test where you can give us numbers. We’re not really equipped to do that. We’re shuffling our way through that. It’s creating huge amounts of paperwork for everybody, because we’re fooling our way through these assessment devices.

Two-year faculty

Many faculty members were also skeptical about proposals to increase productivity by having high school students do more college work as part of “dual credit” programs. Many of those interviewed believed that offering college courses in high schools might be a good enrichment program for some, but they did not see these as a genuine substitute for college courses.

Our legislature is really pushing the idea of offering college classes in the high schools, and the community colleges are responding to it because there is so much money there. But that means we’re conforming to their schedules, to their extracurricular activities, and their maturity level, especially teaching history to high school juniors. It won’t be college work. They’ll get college credit, but it won’t be college work.

Two-year faculty

The problems are the interface between the college system and the high school system. When we taught college classes in one of the high schools, what we found was that students are bused or drive their own cars from their high school to the school where we had the classes, which causes all kinds of problems in the process. They have ten minutes to get back and forth. The bus takes 25 minutes to make the circuit of the high school, so we have students coming in at all different times during the

period. We have announcements that appear at random times over the p.a. system as though they are from the voice of god.

Two-year faculty

I had a student who was irate with the government instructor. She came into my office and she said, “This man is abusing me, and I want it to stop. He is trying to force me to read the textbook, and he is testing me over the textbook, and that is not fair. I’ve never had to do that before in my life.” I [asked], “Haven’t you gotten textbooks in every grade?” She said, “Yes, we get the textbooks. They check them out in the fall. We put them in the bottom of our lockers, and we check them back in at the spring. The teachers tell us what is going to be on the test and that’s what we study.” She said, “Furthermore, this rigmarole about history, this is not important. I am a cheerleader, and that’s what’s important. I have to stay a cheerleader, and if I don’t make a passing grade in this course.

Two-year faculty

Right. I think we could improve high school, but I don’t think that means reducing the number of years spent in college.

Four-year faculty

Most faculty members we spoke with were also much more skeptical about technology and online learning as a possible solution. Many believed it translates into more work for the faculty member or less learning for the student.

There is a push on campuses for online courses, because they’re cheaper and you don’t have to furnish a classroom and take up space. I’m not against online. I think many online courses are incredibly good, but many are very bad, but it’s cheaper. Students know that if you can get into an online course, you should get into an online course rather than the classroom, because it’s generally easier.

Two-year faculty

We’re going blindly in this area without considering the

need to have that classroom contact. Maybe I'm a traditionalist in that sense, but I think that you cannot get the same emphasis with a computer and a keyboard and a monitor that you can in the actual classroom.

Four-year faculty

I have some concerns about the quality of online education also. I think it works very well for some students, but you have to be a mature student. You have to be able to manage your own time, and so I worry sort of about cost effectiveness meaning just cramming more students into either online sections or larger and larger lecture halls. That's not going to work for students that are minimally prepared to begin with.

Four-year faculty

I think online learning is a good concept, but I don't think the courses are equivalent in most cases. I think the students are actually being underserved. Its costs them less, but they're really not getting what they're paying for in many cases.

Four-year faculty

We've been pushing for more and more online courses. I think it's been found pretty much nationally that the retention among distant education students tends to be significantly lower than the students taking classes in a traditional setting.

Two-year faculty

I think there's a real push to move to the University of Phoenix model of college instruction, where there is no particular campus. There is no particular faculty. The course is advertised. If the course makes it, then they go out and hire somebody to teach it, and that person is contract labor at that point, to come in and teach the course. They find a place for the course to be and the course is administered. They have very little overhead on this kind of situation.

Two-year faculty

I have a very traditional view of education where I think face-to-face is much more important in how many students learn versus the online. And online you can learn definitions, you can learn basically to read text, but in terms of actually absorbing and developing that critical thinking, I think is important to face-to-face.

Two-year faculty

In general, faculty members were concerned about the whole notion of “productivity” and business models applied to higher education. They often interpreted calls for productivity as an attempt to increase class sizes and decrease quality.

There was an old skit on I Love Lucy where Lucy and Ethel were working on this line with chocolates. As chocolates came down the line, they were putting something in the damned chocolate. I'm not exactly sure. All of a sudden there's a demand on them to produce more chocolates, so here came more chocolates. They're trying to do this, and eventually the chocolates that came out didn't have any cherries in them or whatever they were supposed to have and they fell on the floor. I think that's kind of where I see what we're going. There's only so many chocolates that you can stuff for lack of a better term. It's a horrible analogy, and I apologize.

Four-year faculty

People think that somehow lecturing to 40 students is the same as lecturing to 20 students. Fine, it probably is. But we don't lecture that much anyway. You try grading 40 papers instead of 20 papers, then we're talking about the issue.

Two-year faculty

I'm okay with the idea of increasing productivity as long as it sticks with administrative functions. I always worry about it leaching over into curricular areas.

Two-year faculty

How the heck you going to measure it? How do you measure productivity in higher education?

Two-year faculty

I think the first problem is definition. The two questions I'm hearing on either side of me—what is education? We don't have any consensus of that in this country. What do we think is productive education is another thing that—none of these terms have a universal acceptance in terms



of what they mean. Part of our problem in education is just that. Anything can be it. Our state legislators define education differently than we do. It would be a difference to get consensus probably in this room as to what good education is. I think the problem is definition, in terms of what are we talking about. Before we can intelligently address the question of should we be more efficient or more productive.

Two-year faculty

I think there are maybe some things we could do at the margin to improve our efficiency a little bit, but I think huge moves in the direction of cost effectiveness are going to translate into watered down quality.

Four-year faculty

That's the way education has been since I've been in it. We've always been asked to do more with less, and we're getting students who are less prepared, yet we're still expected to take them as far as we can take that ultimately prepared student in 16 weeks. In theory, yeah, we're asked to do more with more, but we really don't have more.

Two-year faculty

I associate the word productivity with a business model that I don't think necessarily maps well onto the higher education.

Four-year faculty

For me, talking about productivity would raise a red flag, because we have this mindset in the United States that anything that's good in business is automatically going to be good in the public sector. Let's just move it right on over without filtering it through anything. I think the same thing happens with education. All of a sudden we say, yeah. In the business world we have these performance measurements because we want to improve productivity, so that's okay. But if we're going to bring that mindset into the education, all of us are the ones that are going to be in trouble, because we're going to be held to standards: "your students have to do this. You have to do this, and you have to do this". We're going to have these list of performance measures that if we're not meeting, we'll be stuck.

Four-year faculty

It's that business word again. That productivity, what does that mean? It usually means that we are doing more with less.

Two-year faculty



When faculty members were asked what solutions they favor, they most frequently mentioned improving K-12 education.

I'd go back even before high school. I think they're on their track before they go to high school. As what I said, head start. I really think it's that pre public school, it's the elementary schools that feed into the junior high and high schools. I substitute taught in junior high and high school for awhile, and I wouldn't go back there for twice the pay you pay me now. I really think the problem starts a lot earlier than high school.

Two-year faculty

Yeah, bump it back to the high school level. Make sure that they know that they're numerate and literate, that they know some of the basic stuff. I go through and I'm grading papers, and some stuff I see is ridiculous. Some students are very high achievers. Some students are really good. There's so many that just don't have the basics down at all. I don't know how you're going to pick them up when they're 18, 19, 20 years old, when they haven't learned good study skills in the past and all of a sudden make them into good students and make them into the future—people with PhDs in math and science. I don't know how you're going to do that

Two-year faculty

What it calls to mind is things like business models like if you don't have 22 students enrolled in this class, we're going to drop the class, because it's not cost efficient to run it.

Two-year faculty

This drive for business efficiency is not necessarily compatible with good education.

Four-year faculty

Obviously, if we're looking at more successful people in college for less money, you can't start at college. You have to start back high school, junior high school. Get the students prepared before they finish high school.

Two-year faculty

I was going to say if they want to be effective with their money, do a better job of preparing students for college, because we use up lot of time and resources just correcting problems, because it's open enrollment. What it means is that you have a high school diploma, but the high school diploma really doesn't guarantee a minimum level of academic achievement, a preparation for college.

Two-year faculty

Testing faculty priorities

In one of our last focus groups, we began to probe more deeply into how faculty members think about the relationship between increasing graduation rates and increasing quality. The financial officers interviewed for the project often stressed the goal of improving productivity and graduation rates without diminishing quality. Implicitly, they were telling us that they wanted to hold quality constant while making improvements in productivity or completion areas. We put this question directly to our faculty respondents, asking: “Which is better, holding quality constant while increasing the number of graduates, or holding the number of graduates constant, while improving quality?” The faculty members unanimously chose to emphasize quality, and several said they would support quality improvement even if it meant decreasing the number of graduates. In many cases, they argued that quality could best be increased by decreasing the number of graduates. In other words, this view is nearly the polar opposite of that voiced by many of the financial officers and other policymakers.

How to improve higher education with the same amount of money going in? The right way to do it is to focus your resources on a smaller number of students. The best way not to do it is to double my workload. The best way to get a poor education for students is to double my workload for the same kind of pay, the same kind of resources—whatever. Then, I can be spread so thin, I’m not doing a decent job anywhere. If we focus more resources on a smaller number of students, I think the percentage of them that succeed goes up, and I think the actual number of students that are truly successful goes up.

Two-year faculty

This is awful, but what came to me was, forget about retention and go back to where you have the motivated student and the teacher deals with them, and you don’t worry about codling people or trying to make numbers. If we weren’t worrying about retention, then we’d be focused on the students that we knew really wanted to be there.

Two-year faculty

I’d rather improve the education experience for the numbers of students that are coming in already. Some of the people here, I think maybe we reached a limit in terms of what percentage of the population is going to college.

Two-year faculty

It is maybe a self-fulfilling prophecy as the number of students declines over the next five to ten years, but I would rather we focus on a higher quality rather than getting even more people into the system.

Four-year faculty

It doesn’t matter that more people have degrees. We need better high school diplomas.

Two-year faculty

An Inventory of Cost-Effectiveness Ideas⁵

To spur conversation and deliberation across the field, we've prepared an inventory of the many proposals and suggestions that emerged in this research and in related conversations conducted as part of the Midwest Higher Education Compact Fourth Annual Policy Summit in Minneapolis in November, 2008. These two sources offer a rich variety of perspectives, including those of the state level financial officers, institutional financial officers, and faculty at 2-year and 4-year schools interviewed for *Campus Commons?*, along with the higher education administrators and state legislators who participated in the MHEC summit. Together, these individuals generated a profusion of ideas on how to improve cost-effectiveness in higher education, that is, how to balance the issues of cost, quality, and access that lie at the center of today's higher education challenge.

Some of these ideas were mentioned repeatedly in the interviews and the Minneapolis sessions, and some were being actively pursued in higher education settings. Others are more in the nature of brainstorming. Since the various stakeholders in these conversations are not necessarily of one mind about what works best, some of these ideas conflict with others, or at least, they rest somewhat uneasily side-by-side. Nevertheless, this inventory suggests a breadth of thinking that is, in our view, revealing and thought-provoking.

1. Improving college readiness

Interviewees often reported that their systems or institutions expend resources on remediation and that the presence of poorly-prepared students reduces the ability of post-secondary programs to help students obtain degrees as cost-effectively and expeditiously as possible. Since, in the view of many in higher education, a high school diploma does not mean that a student is ready for college. Some of the solutions we heard in interviews and forums were:

- Perform better assessments before college in order to help students adjust their expectations.
- Offer grants to students willing to take remediation based on assessment tests taken senior year in high school. Partnerships between high schools and universities
- Start remediations earlier in the K-12 experience
- Better counseling at both the K-12 and higher education level
- “The money is saved by not paying for all the people that aren't ready, or doing remediation, or all the dropped classes. You can invest in getting people up to the place they need to be to really engage in the work.”
- “We've launched dual enrollment programs, something called Seniors to Sophomores--early college programs so that more students can basically capture a free year of college by finishing that year while they're still high school students. We're also going to advocate for more spending for like AP courses free SAT test, etc. to see if we can get more people qualified.

⁵ This presentation is adapted from John Immerwahr, *Difficult Dialogues, Rewarding Solutions: The Imperative to Expand Post-Secondary Opportunities While Controlling Costs*, Prepared by Public Agenda for the Making Opportunity Affordable Initiative of the Lumina Foundation, February 2009.

2. Improving retention for students already in college

One of the most frequent themes was that it is easier to target students who are already in college than to deal with the broader issues of college readiness in K-12. Many point out that it is more cost-effective for the institution to retain students than to recruit new ones.

- Enrich first year programs
- Better tracking of high risk students once they enter higher ed
- Deal with cultural issues that impede success for college students.
- Help students develop individual mentoring relationships with staff or faculty
- Offer reduced loans or tax credits to families for tuition, when students achieve milestones
- Design remediation to target those specific areas a student is lacking in rather than have the student repeat an entire course.
- Design more relevant curricula
- Reduce the amount of time students need to obtain a degree.
- Offer additional support for students in bottleneck courses e.g. College Algebra, or U.S. History.
- Require students to participate in a last chance interview before being allowed to actually withdraw from classes.
- Provide graduation incentives for students who complete a degree within a certain time frame.
- “I also think that there is a potential for better use of sort of best practices in serving low-income students well and getting them to persist well. Within the whole group of public and private institutions, there are some that have better luck on persistence and completion even with low-income students. We should be learning more from what they are doing.”

3. Creating an integrated P-20 education system

Better integration among various levels and systems of education was another frequently-mentioned area, and one that was often seen as more practical in the short term. Our respondents repeatedly called for efforts that would “break through firewalls” and “overcome barriers,” bringing together higher education and K-12, community colleges and flagship institutions. There were dozens of proposals for ways to do this, including the following:

- Dual credit systems, so more students could be taking college-level courses in high school.
- Administrative structures that would encompass all state or regional education systems from pre-K to college.
- Prevent “mission creep,” for example, when regional colleges seek to upgrade themselves to be research institutions.
- Greater coordination between industry and education, for example, align educational goals with workforce development
- Have four-year institutions offer classes on community college campuses
- Strategic location of higher education programs to meet local needs
- Create centers of excellence in different institutions, so not every institution in every corner of the state has to be excellent at everything.
- Arrange for institutions catering to similar students to have periodic meetings to discuss best practices and benefit from each other’s trials and errors when it comes to cost effectiveness and degree completion.

4. Greater differentiation of programs to match the diversity of college students

Many interviewees pointed out that the current systems of financial aid are mostly designed for “traditional” full-time students, while, in fact, many part-time students have an equal or greater need for financial assistance. Consequently, the various conversations produced a variety of proposals for diversifying educational programs to meet the needs of a diverse student population:

- Stop using the term “non-traditional” students.
- Make curricula more relevant to the needs of non-traditional students (as one group said: “What we are selling is not what they are buying.”)
- Enhance technical education, recognizing that not all students need a four year, academic degree.
- Grant college credits for existing knowledge and experience.
- Develop instructional delivery programs suited to the needs of adult learners (using a variety of locations and times during the day)
- Expand distance education suitable for part-time students who are also working
- Move away from one-size-fits all models of student engagement, to develop new models suitable for older students
- “I think a lot of times in higher education we need to rethink what we do. I went to another university for my MBA because they had more reasonable requirements. I mean I just wanted an MBA. I didn’t need to take all the bridge courses that were kind of ridiculous in that regard. I had to take an Excel course, which I deal with everyday. I’m not saying lower the standards, but I think they need to look at their curriculum and the times it is offered.”

5. Using incentives and models from the business world

Many of those we spoke with pointed out that higher education institutions generally have internal funding models based on student enrollment in courses, as opposed to completion of courses or obtaining a degree. Many believe this doesn’t offer enough incentives for faculty and departments to retain students in courses or push themselves to make sure students work toward completing their degree. A number of MHEC groups called for revised incentive systems that would reward institutions for course and program completion. While this approach makes sense in theory, some individuals were worried that it would erode quality, encouraging colleges to pass students through the system. In general there was a lack of clarity of how to use incentives. Some favored incentivizing students, others saw incentives coming in at the level of the institution.

A variety of other incentive ideas and productivity ideas were discussed by various groups, including:

- Change faculty reward systems to emphasize mentoring and teaching vs. research
- Change institutional incentives to eliminate duplication and reward collaboration
- Provide incentives to school administrations to create programs that improve graduation rates
- Leverage faculty talent by offering professors preferred classes in exchange for their taking on large lectures
- Explaining cost structures to faculty so that they can share in the profits of taking classes that generate more income
- Re-think the business side of all levels of education, especially efficiencies such as textbook purchases
- Outsource non-educational functions such as dorms and meal plans, facility maintenance, such as custodial services
- Close down TV class offerings and post them online.

- Make profitable use of college property by expanding leases to cellular phone companies and transferring ITFS (television broadcast abilities) to broadband providers.
- Improve physical plants for greater energy savings.
- Institute hiring freezes and requiring all departments to submit new hire requests to the CFO in order to slow spending.
- Reduce the amount of business incubation (university support for business startups) provided by universities; not all programs are capable of producing a Crest Toothpaste or Sun Microsystems
- Phase out paper resources, such as journals for digital journals.
- Encourage faculty to create and or use digital textbooks to reduce costs to the student.
- Be more adaptable to the current job climate. Increase class availability in in-demand fields and reduce coursework in passing trends, e.g., going from internet heavy coursework during dot com boom to health care after the bust.
- Increase wireless access throughout campus while reducing the amount of computer labs. Labs can then be utilized for classroom space and or office space.
- Do away with tenure in fields where there are very few majors.
- Some campuses are working with open source software to reduce their technology fees (although the individual who offered this suggestions did not believe that the the quality was worth the savings at this point).
- “We’re doing some system redesign; we’re consolidating our educational IT programs. Right now we have a proliferation of agencies, we’re consolidating all that into one agency over time to enable us reduce some slots, but also improve services.”

6. Innovation

Post-secondary institutions need innovation and creativity in meeting their challenges. Many stressed the use of new technology. For example, several people talked about

- More creative use of edutainment software to build student engagement.
- Emphasize faculty development in new techniques and approaches
- Have students take only one intense course for a few weeks, rather than scheduling several courses at once.
- Since the “academy” is least creative when it comes to solutions to its own problems, encourage innovation from outside
- Tap into creativity of retirees
- More effective use of instructional technology
- Make use of vacated school buildings to serve college students
- Use “hybrid” methodologies, combining distance education, active learning, and innovative scheduling to reach older and part time students
- Take counselors out of high schools and put them in malls and on My Space and other social networking spaces
- Establish personalized scholarships. Private donors can provide need based scholarships for around \$50,000
- “You know, on the academic side, there has been a pushback on the online programs—feeling as if there’s a lack of quality in those types of programs. But from the administrative side, we’re trying to give them insight into it, and we’re bringing them along slowly, but with that initial resistance. I think it’s starting to pick up some speed, and I think there’s some more buy-in from the academic side on that type of thing.”

7. Greater use of information

Many believed that lack of information and communication is a significant barrier to college participation and success. Many feared that there is a tremendous lack of information about higher education, especially among minority groups and/or students from families without high education levels. The participants also identified a number of other areas where better information could significantly improve the higher education landscape, including:

- Better communication about the long-term financial value of obtaining a higher education
- Target information about higher education to younger children and to parents of younger children
- Closer cooperation between colleges and high schools, more “open house programs” where students and families actually visit college campus
- Broad based marketing programs to whole community on advantages and options for college education
- More career awareness programs in K-12 education.
- Create formal contracts to complete college education within a certain period, to be signed by students and families

8. Better assessments and productivity measures

We also heard calls for better tools for assessing educational outcomes, and using those tools to incentivize more productivity in higher education. One theme was to emulate some of the ideas coming out of health care, such as “best practice information” which could then be disseminated state wide. At least among the MHEC discussion groups, we often heard more calls for better metrics than we heard specific suggestions for how to actually implement them.

Making Opportunity Affordable

Making Opportunity Affordable is a multi-year initiative focused on increasing productivity within U.S. higher education, particularly at two- and four-year public colleges and universities. The aim is to use dollars invested by students, parents and taxpayers to graduate more students. The initiative, supported by Lumina Foundation for Education, relies on partner organizations working within various states to develop, promote and implement policies and practices that will help achieve this goal.

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