# Lessons From the California Experience

The state with the largest public higher-education system in the nation takes important steps toward establishing a statewide accountability model

California Senate Office of Research

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# Preface

**by California State Senator Jack Scott**

One of the strongest trends in California public schools is the emphasis on accountability, and now California leaders are turning their attention toward our higher-education system to seek greater accountability. Policymakers realize that we have inadequate answers to some of the most basic questions about the performance of our much-acclaimed higher-education system. Finding the answers is an important task we must now confront together.

California is not alone in this call for higher-education accountability. A recent report issued by the bipartisan Commission on the Future of Higher Education emphasizes the need for supporting a higher-education system that gives Americans the workplace skills they need to adapt to a rapidly changing global economy.

As U.S. Education Secretary Margaret Spellings recently stated: "Ninety percent of the fastest-growing jobs require postsecondary education." The commission's report states there is a "remarkable shortage of clear, accessible information about crucial aspects of American colleges and universities." This makes it difficult to properly assess whether colleges and universities are meeting the needs and goals of today's students.

"Lessons From the California Experience" is an excerpt from the recently released book, *New Directions for Higher Education: Practitioners on Making Accountability Work for the Public* (Jossey-Bass, 2006). This chapter describes California's recent attempt to implement its first statewide higher-education accountability system. It also identifies the valuable lessons learned that will help guide us as we move forward and tackle these important issues that will no doubt help shape our future generations.

*California, like the rest of the nation, has heard the cry for accountability. In recent years this cry has intensified in the public and private sectors—and in particular in academia. Yet what does it actually mean to be held accountable?*

*Accountability signifies different things to different people. For some, it is the establishment of a reward-and-punishment system for specific acts, while for others, it means providing consumer information to aid the public in making more informed choices. Accountability also is about developing a way to measure progress toward meeting goals—an angle some California educational policy experts are focusing on as they work at creating a statewide accountability structure that will help improve performance within one of the world's largest public higher-education systems.*

# California's Postsecondary Education System Today

In this fiercely competitive world, getting a postsecondary education has become a crucial ingredient for the individual achievement and personal economic success of most people. It also is an important and effective way to enhance the economic vitality of a state. Yet California's educational system is becoming increasingly strained. State policymakers, higher-education governing boards, and institutions face numerous challenges: enrollment is growing, student-body demographics are changing, costs are rising, and state revenues and student fees are fluctuating dramatically along with the ever-changing economic climate. And more than ever before, California's higher-education system is being tasked with the enormous job of providing a quality education to a growing number of people in an effort to keep pace with the state's expanding economic and workforce needs.

*Today's highly trumpeted problems in K-12 will be tomorrow's higher-education problems.*

California's public higher-education system is the largest in the nation, with more than 2.2 million students (more than double the number of students in Texas, home to the country's second largest system). Public higher education has an annual budget of $15 billion, which comes from the state's General Fund, student fees, and local property taxes. Understandably there is strong public demand to ensure the state is investing the money wisely into this system, yet California's policymakers currently do not have a way to assess whether the goals of providing a quality, affordable, accessible, and, ultimately, successful education are being met.

To meet the demands of the state's changing demographics and economy, California must maximize its investment in public higher education. This requires crafting effective public policy based on a mutually agreed-upon agenda for higher education. A shared agenda provides the essential foundation from which performance can be measured, and with consistent, reliable performance measurements in hand, targeted adjustments can be made that will ultimately improve outcomes.

## *Is the state's postsecondary system meeting the educational needs of Californians?*

California's three public higher-education segments—University of California, with 10 campuses; California State University, with 23 campuses; and California Community Colleges, with 109 colleges organized into 72 local districts—all have some form of institutional accountability. Without any formal direction from state policymakers, the segments have measured what they perceive to be important; however, these accountability processes have fallen short of addressing a coherent set of statewide policy goals: each fails to start with a statewide perspective of what the public's expectations are for California's higher-education system; each fails to adequately address issues pertaining to students who move from one higher-education segment to another; each uses its own measurement system, which may not be consistent with the others; and each neglects to foster a sense of shared ownership among higher-education partners to meet statewide goals.

Instead, the segments measure mostly "inputs," such as the number of students attending college, and "processes," including the length

of time it takes to earn a degree. Most significantly, they measure performance only within the boundaries of their respective institutions. While the information gathered from these efforts provides clues about the success of some activities, it does not offer integrated data that answers the big question: Is the state's postsecondary system meeting the educational needs of Californians?

## An Accountability Plan for the Future

Those who updated California's Master Plan for Higher Education several years ago tried to redefine the concept of accountability. As a result, the California State Legislature commissioned the Institute for Higher Education Leadership and Policy at California State University, Sacramento, to accomplish the following: (1) conduct research assessing current efforts in higher-education accountability in California and the rest of the country, and (2) recommend a better process for assisting policy experts in making state policy and fiscal-investment decisions.

Once the Institute for Higher Education's report was completed, key state legislators invited chief executives of each public segment, a member of each segment's governing board, and representatives from independent colleges to a meeting to discuss the value of a statewide accountability process for higher education. This was a crucial step. It resulted in a commitment to develop a state accountability process for California's higher-education system that was embraced by all involved.

An accountability framework was then developed by representatives of the public and independent segments of higher education, national higher-education policy experts, and legislative staff. Key components of this effort included identifying major public-policy goals for

higher education, establishing shared ownership of these goals, and monitoring progress at the statewide, segmental, and institutional level by using consistent data-collection methods. Four policy goals were formulated and became the foundation of California's proposed accountability system:

**Goal 1:** **Educational opportunity.** All Californians should have reasonable and equal opportunities to attend college.

**Goal 2:** **Participation.** California's higher-education system should serve a large and diverse population.

**Goal 3:** **Student success.** California's higher-education system should prepare students for life and work.

**Goal 4:** **Public benefits.** California's higher-education system should benefit the state and its people.

A statewide reporting system was carefully crafted that identified appropriate indicators for measuring progress toward meeting these goals. Typically, accountability systems suffer from the collection of too much disparate data and not enough meaningful information that could potentially influence an action-oriented agenda. A principal feature of this proposed system was to keep it simple and collect only data that would help policymakers assess progress toward state goals and, more importantly, provide the information needed to make appropriate policy and funding decisions. Examples of the data collected:

- The percentage of income students typically spend on their college education. This will help guide the development of more equitable student fee and financial-aid policies.

- The percentage of high school juniors who are proficient in English and math. This will help gauge the college-readiness of high school graduates and influence outreach and assessment policies.

- The number of units taken to complete a degree or certificate. This will help assess the adequacy of counseling, the efficiency of the articulation process, and the availability of required courses.

- The number of degrees awarded in certain high-demand occupations, such as teaching, nursing, and engineering. This will inform institutions and the state when additional investments are needed to expand enrollment in such disciplines.

- The completion rates of lower-division courses at community colleges. This will highlight the need for improvements in transfer policies and, ultimately, transfer rates.

The proposed accountability framework also defined the role and ongoing responsibility of the system governing boards to monitor —and be held publicly accountable for—the performance of individual colleges and universities as they work toward meeting statewide policy goals and institutional priorities, including the overriding goal of ensuring that students are getting a quality education. The framework included a "tiered accountability" principle that delineated the roles and responsibilities of both state policymakers and the institutional governing boards.

## Obstacles to Implementation

Legislation to implement the new accountability plan was introduced in 2004 by California Senators Dede Alpert and Jack Scott (Senate Bill 1331), with the support of all three of the state's higher-education segments. The bill was approved by the Legislature but vetoed by Governor Schwarzenegger. Perhaps the biggest obstacle to its success

was not securing the administration's support early in the process. As a result, California's executive branch neither understood nor fully realized how it differed from existing, and more traditional, institutional accountability practices.

Another significant problem was the timing. This legislation was introduced when an unprecedented political drama was unfolding in California. Governor Gray Davis, who was in the middle of his second term, was battling for his political career as he faced a recall election he ultimately lost. Hollywood actor and bodybuilder Arnold Schwarzenegger won the widely publicized election to replace him —and the all-consuming event affected nearly every aspect of state government, including the work of the Legislature.

Once Governor Schwarzenegger took office, he announced that his administration would focus on a government reform plan designed to achieve greater efficiencies and cost savings. Part of that plan involved a statewide review of government practices and organizational structures, including those for higher education; as a result, he was not ready to embrace the proposed postsecondary accountability legislation (Senate Bill 1331) and said in his veto message that it was "premature."

*Policymakers do not have a way to assess whether the goals of providing a quality and, ultimately, successful education are being met.*

Since this defeat, there have been attempts by legislative leaders to resurrect the accountability proposal. To date, none has been successful. Yet there is still talk in the State Capitol about the need for a better and more visible higher-education accountability system, improved

academic achievement levels, a greater response to skilled-worker shortages, and increased economic competitiveness. Much was learned from this experience that will help guide California—and other states—in future attempts to implement a more effective accountability system for public higher education. Indeed, California's work is far from done.

## Valuable Lessons Learned

While the initial effort to establish a statewide postsecondary accountability process ultimately did not succeed, considerable interest remains to try again. Much was learned from the 15-month period in which legislative and higher-education leaders banded together on this mission, and key lessons included the following:

**Develop a collaborative process.** California succeeded in getting each of its three higher-education segments on the same page and created unity by establishing a shared goal. This was accomplished by respecting each other's needs and appreciating the different roles each segment had in contributing to the state's overall goals. Traditional approaches of comparing and ranking institutions were viewed as counterproductive to achieving common state-level goals. The California State Legislature worked in partnership with public and private higher-education leaders and consulted with administrators, governing boards, faculty, students, and labor unions.

**Create a plan supported by research.** The design of this accountability framework was based on academic research and practices and models used in other states. This resulted in isolating the core principles that were crucial to guiding the development of the subsequent legislation, California Senate Bill 1331. A few of the primary principles in this case included (1) collecting only institutional, segmental, and statewide

data aligned to California's goals; (2) collecting the data from higher-education entities using a consistent methodology; and (3) focusing on outcome data that could help measure results.

**Make accountability an issue of economic competitiveness.** The development of a robust accountability system is not enough to move policymakers into action. Establishing an accountability system is a tool for setting goals and measuring progress toward those goals, but without the backing of policymakers, especially the governor, it will not gain much traction. To get the attention of policymakers it is important to outline how the issue will increase individual opportunity and prosperity and fuel the state's economy.

**Clarify the interrelationship between K-12 and postsecondary education.** Currently, K-12 and higher education are treated as separate policy arenas. This must change for substantive and political reasons. Since most students today want—and need—to pursue some form of postsecondary education, the ability for them to transition from high school to college must improve. A higher-education accountability structure should measure how students are achieving this transition. Today's highly trumpeted problems in K-12 education will be tomorrow's higher-education problems as the current student population climbs up the academic ladder in pursuit of greater skills, knowledge, and the ability to compete effectively in the workforce. The two educational systems should work together and look at K-12 and higher-education issues as K-16 issues to help make that journey as smooth and successful as possible.

**Secure a broad coalition of support, including the governor's support.** Future efforts must secure the governor's and the business community's support early in the process, starting with the basic accountability agenda. The proponents of California's plan learned the painful lesson that it is much more difficult to get this critical support *after* the

initiative has been structured. Reframing how higher education plays a vital role in determining the economic fabric of a state will help sustain broad-based support from the governor and business sector.

The governor must be the primary player in mobilizing a public agenda that repositions higher education as part of the state's economic foundation. The strength of the governor's office can muster support around an agreed-upon agenda, and a strong state-coordinating agency can oversee the development and implementation of this effort. In addition, this agenda must be sustainable beyond just the current administration or legislative cycle, and has to survive the normal peaks and valleys associated with an ever-fluctuating economy.

Generating active support from the business community is difficult, even though business generally advocates for a greater number of highly trained college-educated workers. The multiple missions and goals of higher education make it more problematic for the business world to readily identify areas in which they can become effectively involved (and this is a community that traditionally focuses on other battles). Yet business interests in California have found a solid niche in advocating for K-12 reform issues that are clearly focused on the more universally accepted and fundamental goals of compulsory education. Establishing concrete objectives that obviously relate to bolstering the economy may help engage the private sector in the effort.

**Establish benchmarks to monitor progress.** Outlining realistic benchmarks in an accountability plan helps highlight progress points and keeps attention focused on the ultimate goals. The development of these interim goals is complicated, however, because priorities must be defined and expectations agreed upon. This is an area that needs improvement in California's own accountability proposal, as this level of clarity could only help strengthen support for the plan and, of course, contribute to its ultimate success.

**Incorporate information on what students have learned.** Growing interest in measuring what one gains from a college education has sparked debate on whether this information should be collected at a state level and, if so, how. Currently there are no widely accepted assessment tools for measuring how much students learn at the postsecondary level. The California proposal relied on proxies, such as licensing-exam passage rates and annual reports from the segments about their learning-assessment processes. There is still much work to be done on this issue, and once there is a consensus on the components of an effective assessment tool, there should be more interest in adding this element to future accountability plans.

# Conclusion

The California story on higher-education accountability is still being written, but much has already been learned. Typical for a large and complex state, major reform occurs either incrementally or in response to a spectacular event or set of circumstances. The effort to create a statewide higher-education accountability system in California was an incremental step toward gaining a greater understanding of how the state—indeed, how any state—can design and benefit from a policy-focused system.

This is the beginning, not the end, of the story, as it is apparent that educational accountability in K-12 and higher education can help states and their academic institutions more effectively educate their students. And having better educated citizens not only contributes to a state's—and a country's—long-term economic needs, it contributes to the development of more rewarding and intellectually fulfilled lives.

## California Senate Office of Research

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