### TEXAS PUBLIC POLICY FOUNDATION

# Policy Perspective



### Raise High the Towers: A Call to Good Governance

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This paper is the 7th in a series on the state of higher education in Texas.

### **RECOMMENDATIONS**

#### TRUSTEES should:

- Push for reform from within, enlist support from fellow trustees, and publicly advocate reform.
- Review institution's mission and organizational structure.
- Evaluate cost-efficiency and when appropriate:
  - expand teaching loads,
  - reduce faculty size and administrative staff,
  - combine or eliminate programs,
  - reduce non-instructional expenditures,
  - privatize or contract out noninstructional services, and
  - reduce time-frame to earn degree.
- Increase transparency of academic performance and financial matters.
- Review curriculum for mission relevance and quality.
- Evaluate and reform the hiring, promotion, and tenure process.

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# A BREAKDOWN IN HIGHER EDUCATION GOVERNANCE

American higher education, conspicuously on the defensive, has long been erecting barriers around its ivory towers—barriers designed to repel scrutiny or criticism. For decades our colleges and universities have succeeded in obscuring their deficiencies from the very people they are pledged to serve.

But this obscurantism is drawing to an end. A PBS television documentary, *Declining By Degrees: Higher Education at Risk*, featured mainstream campus critics and leaders who highlighted the academic deficiencies and escalating costs of contemporary campuses.<sup>1</sup>

The public is thus increasingly focused on how colleges and universities frequently fall short in failing to develop students' skills and to require rigorous studies in mathematics, languages, and the classic works on which human civilization rests; increasing spending and tuition without seeking cost-effectiveness; and rejecting transparent accounting of the added educational value they provide that would enable the public to evaluate their performance.

Moreover, it has become obvious: there has been a breakdown in university governance and processes. Clearly, the institutions of higher education need restructuring, quality control, and financial discipline.

This epiphany extends beyond the U.S., as exemplified in an editorial in *The Economist*, which opines:

America's universities bear some uncomfortable resemblances to Detroit's big three carmakers in the 1950s [which] also presumed they would always rule the roost. Shorn of international competition, America's universities are run for the convenience of producers rather than customers.<sup>2</sup>

The subtitle of this commentary, "America's universities need to fix themselves while they are still on top," captures the urgency of the problem.

It falls to trustees to fortify the towers, lest they continue to deteriorate "by degrees" and eventually bury the nation beneath them.

A Hudson Institute article co-authored by Virginia M. Fichera and myself states that colleges and universities:

... lay claim to both tax exemption and ever-increasing tax subsidies. Through grants, subsidized student loans, valuable real estate often granted by government and held tax-free, and munificent corporate and philanthropic funding, they have created fortresses from which they resist demands for reform.

Throughout all of this, institutions of higher education remain largely unaccountable even to their boards.<sup>3</sup>

Paradoxically, it is the elusive dual nature of university governance itself that sustains the imperviousness of campuses to necessary reforms. This arrangement is "collegially" referred to as "shared governance," but it is more accurately defined as a duopolistic form of management resting on near complete control of academic planning by faculties

### **RECOMMENDATIONS**

#### ADMINISTRATORS should:

- Advise trustees on institutional strategy.
- Implement policies set by trustees.
- Provide trustees and the public with quality information needed for sound decision-making.
- Investigate cost-saving measures.
- Assess student comprehension.
- Curb grade inflation by publishing student grades and the percentage of students earning the same grade on transcripts.
- Acknowledge the importance of opposing viewpoints in learning.

### POLICYMAKERS (State/Federal) should:

- End the current accreditation process.
- Provide a regulatory environment that encourages competition from for-profit institutions.

#### GOVERNORS/PUBLIC should:

 Appoint or vote for qualified trustees who are committed to institutional reform. and on the tending of finances by boards and presidents. The duopoly arose in conjunction with the birth of the huge research university between the two world wars. An expanding, ever more specialized faculty was deemed most capable of making educational decisions about curriculum, faculty hiring, and academic assessment.

Fatefully for the academy, the final responsibility for campuses' educational mission was thereby handed over from presidents and boards to specialized (guild-like) faculty not equipped to oversee the institutions' overall and long-term well-being. Barring blatant scandal, such as the now infamous Ward Churchill fiasco, presidents and trustees have effectively bowed out of academic matters.

This permissive situation has led to the creation of layers of vested-interest groups on campuses and bred costly inefficiencies, such as redundant, over-specialized, and sometimes even foolish academic programs. These problems could easily be glossed over in an era of free-flowing funds for all "constituencies," but not in the present era of diminishing government funding.

Given these conditions, the management of our campuses has becomes ever more problematic, as former university president George Dennis O'Brien declares in his book, *All the Essential Half-Truths about Higher Education*. The future, he predicts, will not allow of this "uneasy ... division between educational jurisdiction and janitorial services ... the amiable muddle of faculty planning and administrative plunder—or vice versa—that has marked the past one hundred years."<sup>4</sup>

The fiduciaries of our campuses, public and private trustees, alone have the broad administrative, fiscal, and academic powers to resolve this situation, to restore the necessary checks and balances, and to alter university policies. Yet some trustees do not appear to be fully aware of the breadth and comprehensiveness of the powers invested in them by law, and some are in any case unwilling to enforce its mandates.

For instance, the New York State Education Law charges State University of New York (SUNY) Trustees with providing "standards and regulations covering the organization and operation of [campuses'] programs, courses and curricula" and with fostering "responsible and cost-effective use of ... academic ... resources ...."5 Yet the SUNY Board, and its counterparts in other states, have not led the way in eliminating poorly performing or redundant programs and then transferring their resources to more vital, high-performing entities. Such lack of leadership has greatly contributed to the financial and educational entropy pervasive throughout much of higher education.

# FORTIFYING THE TOWERS' GUARDIANSHIP

The first step, then, that the nation's trustees must take toward fundamentally reforming higher education is to fortify their own house. Reform-minded trustees may have to challenge those among their peers who shy away from the discussion of controversial change. Trustees committed to reform should work to enlist their fellow members' support and, when necessary, use the media to draw attention to the problems that they face in securing needed change.

A potent set of prescriptions for more effective trusteeship, in the spirit of the Sarbanes-Oxley federal law aimed at holding corporate boards to account, comes from federal judge José Cabranes, also a former first general counsel and trustee of Yale University. In an address before the National Association of College and University Attorneys, he states:

Establishing and disclosing its own performance objectives and metrics would force a board of trustees to identify the key institutional priorities and map out how it plans to measure progress toward accomplishing them.

#### Secondly, Cabranes proposes

appointing one or more of [a board's] trustees as a kind of "ombudsman," whom students, faculty, and more junior administrators could approach directly and confidentially if they believe that senior administrators and the board are failing to notice or act on an important issue.

Third, and more controversially, Cabranes suggests

potential board member liability will help ensure board member's diligent performance of their duties.<sup>6</sup>

There is also a need for greater focus on the quality of trustee appointments. Governors must exercise more diligence in weighing the qualifications of board appointments and should go out of their way to appoint trustees dedicated to reform, however difficult this may be. Too often trustee appointments are influenced by gubernatorial advisors who are political operatives with little knowledge of-or commitment to-higher education. Voters must exert similar care in those states in which they elect the boards of public institutions. The same holds true for the private university trustees, and in some cases leaders of alumni associations, empowered to appoint new board members. A concerted effort by all these parties must be made to install informed, forward-looking trustees committed to ensuring educational outcomes and accountability.

Alumni and donors who share the same goals can offer great support to such trustees by speaking out in favor of their positions and directing or re-directing their gifts to institutions receptive to needed change. Arthur C. Brooks, author of *Who Really Cares: The Surprising Truth About Compassionate Conservatism*, advocates measures for protecting donor intent which have application to higher education philanthropy. In a *Wall Street Journal* commentary, Brooks notes that donors could retain the option to redirect endowment funds toward other purposes which they deem more worthy, or be provided with a money-back guarantee if the recipient institution fails to use the gifts for the purposes designated by the donors.<sup>7</sup>

In such ways trustee culture can be fortified. Boards might then be inclined to more forcefully assert "their prerogative to stand apart from the many vested interests and factions on campuses and act as independent arbiters of their institutions' welfare."8

#### FORTIFYING THE TOWERS STRATEGICALLY

American colleges and universities are at a critical juncture. Global economic and educational realities compel trustees to muster the will and courage to act. Upon setting their own house in order, trustees must overcome the establishment's inclination to conceal information about institutional shortcomings and to close ranks against those who challenge the status quo.

In the context of designing an institutional strategic plan, boards should therefore pose hard questions and creatively weigh both conventional and unconventional solutions. Basic to such a plan is the review of the institution's mission and organizational structure.

The success of campuses in executing their mission should be assessed with regard to the following targets:

- Teaching, research, and community service;
- Academic freedom and intellectual diversity;

### TalkingPoint:

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- Financial performance;
- Capital assets and facilities; and
- Resource acquisition and enrollment.<sup>9</sup>

The presidents or chancellors selected by trustees should be committed to such a performance-based strategic plan. Boards must thus more directly and diligently exercise their authority to hire their chief executives and be prepared to replace these CEOs if they do not implement the plan.

Importantly, in creating and implementing their vision, trustees need reliable institutional academic and financial data. In fact, there is a need for a generic "blueprint" for pointing trustees toward what categories of data to seek. There is also the need for far greater transparency—clear, accessible, annual public disclosure—regarding the academic performance and financial affairs of colleges and universities.

Sound strategic thinking will enable trustees to lead the charge in restoring the towers' integrity and luster.

# SCALING DOWN THE TOWERS' COSTS: THE "INTERNAL" APPROACH

More than any other factor, rising tuition costs have triggered the current scrutiny of campuses. Tuition at four-year private colleges was \$3,860 in 1974 and by 2005 had risen to \$21,235. The consumer price index rose 396 percent during this 31-year period, while tuition at private campuses rose 550 percent. If college tuition had tracked the general inflation rate since 1974, it would be 28 percent less than it is at four-year private colleges—\$15,291 rather than the actual \$21,235 for 2005. 10

Worse, the effects of bloated costs at college campuses affect students from low-income backgrounds the most. As a percentage of the lowest quartile's family income, college tuition increased by more than one third from 1993 to 2004, from 60 percent to 83 percent. It is likely that cost increases have contributed to income disparities between the bottom and highest quartiles because costs increasingly pose a barrier to attendance.

Trustees can counteract these unsustainable trends by mandating an institutional review and directing administrators to adopt, when appropriate, the following cost-efficiency measures:

### Expand faculty teaching loads.

Because faculty costs account for the lion's share of campus spending, faculty teaching and research productivity should be periodically evaluated. The teaching responsibilities of full-time faculty who are not engaged in serious peer-reviewed research are frequently meager and should be increased. Professors at liberal arts colleges often teach a mere six hours, that is, two three-hour courses per semester, while those at research universities have even less demanding teaching duties.

### Reduce faculty size when necessary.

George Dennis O'Brien specifies circumstances whereby even tenured faculty members may be dismissed. A campus faced with financial collapse can reduce faculty size by early retirement, non-replacement, and by dismissal. Boards may find it necessary to dismiss faculty for the purpose of rational institutional planning. In O'Brien's judgment:

- It would be within the scope of an institution to decide on a mission and a market strategy. Unless, of course, 'the faculty-as-now-constituted is the university,' in which case one should expect no change of mission short of foreclosure.
- It would be an absurd outcome for American higher education if colleges and universities were not allowed to recast themselves—even if some dismissal

### TalkingPoint:

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of current tenured faculty must be endured. In the long run—and there is not much of a run at that [emphasis added]—the general economic distress of higher education may well force significant changes of mission.<sup>11</sup>

## Review and pare down overgrown administrative staffs.

#### Combine academic programs.

After a rigorous academic review, combine academic programs, both within and among campuses, that are under-utilized or are of dubious value, all the while preserving and strengthening those programs fundamental to institutional mission.

### Replace staff with labor-saving technology.

In particular, faculty costs can be contained by making greater use of interactive online learning. Peter Drucker, the management expert, spoke tirelessly of the crucial role of the Internet in making all institutions in the "knowledge society," including universities, globally competitive.<sup>12</sup>

In addition, trustees should:

# Tighten time-to-degree requirements with regard to the current four-year undergraduate model.

Many students receiving public support take much longer than the traditionally allotted time to graduate and continue to earn credits that greatly exceed their degree requirements, causing costly delays that need to be reduced.

### Put the focus back on education by reducing noninstructional expenditures on campuses.

### Make maximum use of existing campus facilities and services.

Campuses may offer year-round classes and share facilities with neighboring public and private institutions. A Rand study urged campuses both "to develop sharing arrangements to improve productivity" and "to pool introductory courses and instructors as a

way to save resources and provide the best instruction."<sup>13</sup>

## Privatize or contract out non-instructional services, such as housing and provision of food.

Although these reforms are entirely feasible and can do much to resolve the excessive costs and waste in universities, boards have tended to avoid them or to adopt them piecemeal. Powerful faculty, administrators, and other interests have generally been apathetic or even belligerent toward cost-saving efforts. Trustees have often granted these interests "veto rights" over these measures and state legislators have been known to permit the status quo to disregard their mandates for change.

It is difficult to say with confidence that this internal, "conventional" approach to institutional restructuring can, or will, be implemented to stem the financial crisis. Thus trustees should have an open mind to supporting more systemic reforms that might transform the institutions they serve, but far better serve the nation as a whole.

# SCALING DOWN THE TOWERS' COSTS: THE VISIONARY APPROACH

What does it mean to radically rethink the academy? Different models for delivering high-quality, cost-efficient higher education should be considered, and they range from the creation of "charter colleges" and making greater use of the cost-effective, part-time system to the hiring of tutors by groups of students in small settings:

- Some reformers, as reported by Karen W. Arenson, envision a charter college that would "receive public money but hire their own managers, determine their own curriculums, and even set their own faculty contracts, possibly abandoning tenure."
- Herb London, Hudson Institute president and former head of a successful

### TalkingPoint:

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Such "free market" solutions as encouraging less reliance on governmental funding should encourage more competition, efficiency, and effectiveness in higher education.

adult education program at New York University, advocates making greater use of part-time higher education, which is cost-efficient and does not keep students out of the labor force. In a *Forbes* article, "Higher Ed At Lower Cost," Peter Brimelow cites London's view that the traditional "four-year, age-18-to-22 model is absurd" and that it inadequately serves the needs both of students and potential employers.<sup>15</sup>

In the highly original article "Higher Learning, a Tutorial," Mark Oppenheimer proposes that students "[band] together ... to hire ... [the] under-employed Ph.D.s in America ... to offer college-level courses in your living room. ... The learning might well be more intense than the usual lazy college classroom, the demands more concentrated ... in schooling, big has become unbearably expensive. We may as well try returning to the small [emphasis added] ... Such an arrangement used to be reserved for the wealthy aristocracy in ancient Greece or Enlightenment France, but now it would result in a much lower tuition bill for the average middle-class American family."16 The problem with this concept, appealing as it may be, is credentialing, which would remain in the hands of the faculty guilds. Given this guild-bound system, living room tutorials would not lead to credentials and could be problematic in the search for a job.

More often considered solutions entail various degrees of privatization, most notably, the provision of subsidies in the form of vouchers, scholarships or taxcredits, that is, the funneling of third-party payments directly to students instead of to institutions.

Reformist "guru" Richard Vedder, author of Going Broke by Degree: Why College Costs Too

Much, is one of the most prominent advocates of this model for higher education. In an American Enterprise article, Vedder describes the advantages of vouchers:

- They would result in greater competition and consumer power and likely alleviate "the egregious problems of the current system, including institutional neglect of ... undergraduate students."
- They could "vary inversely with family income, giving more to the poor than the rich ... and ... [be] tied directly to student academic performance—those who do well would get more than those who do poorly."
- Students failing to graduate in four-years could be required to repay vouchers. Having a cut-off point of four years for aid, he notes, would ameliorate "the problem of the mediocre student who spends more time partying than studying, all at taxpayer expense."

In "Bait and Switch?" published by the Center for College Affordability and Productivity, Vedder also points out how expanding the role of the unsubsidized, private lending market in higher education funding could alleviate the financial crisis. This notion was cited approvingly by Charles Miller, chairman of the federal Commission on the Future of Higher Education, in a draft of the commission's report, but unfortunately was subsequently omitted by the group. In Miller's words:

The Commission notes that wider recognition and wider utilization of these options by many families would result in the private sector providing more funding for higher education and in freeing scarce public funds on aid for economically disadvantaged students and families.<sup>19</sup>

Moreover, Vedder writes in *Going Broke By Degree*, "that massive governmental infusions of funds, along with tax-sheltered private contributions, have contributed to the cost explosion in higher education."<sup>20</sup>

Alison Wolf, in *Does Education Matter?: Myths About Education and Economic Growth*, makes the case that the huge public "investment" is not in fact so essential to economic growth but, rather, that the best solution is for government to focus on teaching young students basic academic skills and knowledge.<sup>21</sup>

Such "free market" solutions as encouraging less reliance on governmental funding should generate more competition, efficiency, and effectiveness in higher education. Not coincidentally, these proposals for rethinking higher education are combining with the dramatic rise of for-profit and online entrepreneurial higher education, as well as declining taxpayer support for public campuses.

#### FORTIFYING THE TOWER ACADEMICALLY

Solutions such as greater portability of student funding will not, in and of themselves, reverse the dangerous deterioration of college students' skills and knowledge. To achieve this, trustees must reassert their right and duty to step *inside* the tower walls.

According to findings by the National Assessment of Adult Literacy, the percentage of college graduates judged proficient in prose literacy has dipped from 40 to 31 percent in the past 10 years.<sup>22</sup> Another study, by the American Institutes for Research, shows that more than half of recent students at four-year colleges, and more than three-quarters of students at two-year colleges, lack the skills necessary to find a location on a map or comprehend credit card advertisements.<sup>23</sup>

As for the teaching of general knowledge, the American Council of Trustees and Alumni conducted a survey of the general-education requirements on a broad swathe of campuses. Among its findings, only 14 percent of those surveyed require a course in American history or government; a paltry 12 percent demand a general course in literature; and not one of these campuses directs students to study economics.<sup>24</sup>

Given the failure of academics and administrators to provide a true liberal-arts education, former American Council of Trustees and Alumni consultant Barry Latzer concludes that students risk "the loss of ... common course work ... what one might call a 'cultural heritage." Moreover, from the present arrangement we can also expect "trendy, esoteric, and even dubious offerings."<sup>25</sup>

So "dubious" in fact are many of these studies that the American people increasingly doubt that campuses expose students to a broad variety of viewpoints or protect them from classroom indoctrination. For example, a recent poll by the American Association of University Professors shows that 37.5 percent of the public believes that political bias is a very serious problem in higher education, whereas another 48.7 percent have only some confidence in colleges and universities.26 And a 2004 survey by American Council of Trustees and Alumni found that almost half of the students surveyed at the nation's leading 50 campuses responded that professors "use the classroom to present their personal political views" and that campus presentations on political matters "seem totally one-sided."27

Higher education is founded on freedom of speech and objective inquiry as well as a climate of openness and tolerance for a broad range of views, as enunciated by John Dewey in 1915 and other founders of the American Association of University Pro-

### QuickFact:

The percentage of college graduates judged proficient in prose literacy has dipped from 40 to 31 percent in the past 10 years.

### TalkingPoint:

The system of higher education regional accreditation, which is primarily responsible for aiding institutions in assessing themselves and ensuring the success of higher education, is increasingly viewed as dysfunctional.

fessors. In recent decades, however, myriad cases involving suppression of free speech on campus have surfaced. Many of these have been vetted and exposed by the Foundation for Individual Rights in Education.<sup>28</sup> There is also much evidence that since the 1960s higher education has been transformed into a left-leaning monoculture, as extensively documented in Roger Kimball's *Tenured Radicals* and many other writings.<sup>29</sup>

At the heart of this problem are faulty faculty hiring, promotion, and tenure practices, which too often are driven by the "progressive" bias now so entrenched in higher education. This has been the subject of much criticism, for example, by Professor Mark Bauerlein, who remarks that "a one-party campus is bad for the intellectual health of everyone." Trustees have contributed to this problem, for they have ceased to provide the checks and balances necessary to ensure sound hiring and tenure decisions by faculties—or to ensure that such checks and balances are incorporated by faculty and administrators into the hiring process.

As if these difficulties were not enough, there is the long-simmering problem of the upward rise nationwide in students' grade point average—an aspect of what David Callahan calls *The Cheating Culture*. This disturbing trend, which decreases students' motivation to learn and renders their college transcripts nearly worthless to potential employers interested in academic performance, has been widely deplored, for instance, by Valen E. Johnson in *Grade Inflation: A Crisis in College Education*.<sup>31</sup>

On a related note, colleges and universities fail to measure and report student learning gains in core academic areas. The establishment's resistance to such assessment is evidenced by the refusal of the American Council on Education (a large association of higher education institutions) to sign a report by the Higher Education Commission calling for public universities to evalu-

ate student learning with standardized tests and other accountability measures.<sup>32</sup>

Additionally, the system of higher education regional accreditation, which is primarily responsible for aiding institutions in assessing themselves and ensuring the success of higher education, is increasingly viewed as dysfunctional. As Robert Dickeson writes in "The Need for Accreditation Reform," a paper for the federal Higher Education Commission, the present system is "secretive," "settles for meeting minimal standards," and is thoroughly "obsolete."<sup>33</sup>

Trustees intent upon confronting these problems, and improving academic quality and accountability, can direct campus presidents to adopt the following systemic reforms:

# Review the general education curriculum, majors and graduate programs.

Because campus-initiated and campus-based reviews can result in distorted assessments of quality due to the campus' ability to influence outcomes by its choice of committee and evaluator, boards should seek expert assistance, such as that which the American Council of Trustees and Alumni or a distinguished ombudsman could provide. Secondly, campuses should not be judged by mere local quality benchmarks. Faculties teach and perform research in the service of nationally and internationally defined disciplines; thus trustees should seek involvement by academics' own professional associations.

# Assess actual student command of basic skills and actual learning in general education and majors.

Testing mechanisms might include the ACT CAAP examinations; the latter are already in use, for example, in South Dakota's public universities. Alternatively, tests might be devised to resemble the Educational Testing Service's achievement exams. These tests would measure the "value added" to student learning, that is, be administered upon students' entry on campuses and upon completion of the four-year program. A template

of uniform reporting measures for academic quality on campuses should also be developed, with full disclosure of results in an annual campus-by-campus "report card." The likely political pressure to "soft pedal" the results should be resisted. Campuses that consistently perform poorly would lose public funding.

Endorse, and direct campuses to report progress in implementing, the statement on academic rights and responsibilities by the American Council for Education.<sup>35</sup>

Among the main points in the statement is the following principle: "Neither students nor faculty should be disadvantaged or evaluated on the basis of their political opinions." This document, created in an effort to stave off consideration of reformer David Horowitz's Academic Bill of Rights, represents, after all, a consensus of the establishment. It is unacceptable for the nation's campuses to continue to fail to ratify and conform to it.<sup>36</sup>

Evaluate and reform hiring, promotion, and tenure procedures to ensure that quality of teaching and research, as opposed to political conformity, is the standard for faculty employment.

Current tenure practices must be attenuated (notably, rigorous post-tenure review periodically conducted) or possibly abolished, and replaced by alternative means for protecting both academic freedom and ensuring accountability. Broadly speaking, as set forth in codified law, it is the duty of trustees to ensure that faculties do not behave arbitrarily or capriciously in their hiring and promotion decisions. Faculties must be required to abide by rules, chief among which is to ensure that candidates with intellectually diverse resumes are considered in hiring within the humanities and social sciences.

To bring procedures under control and improve them, Mitchell Langbert, a business ethics teacher with practical experience in fiduciary matters, recommends a number of what he describes as "rationally-derived

methods." They include:

the objective and systematic evaluation of [academics'] work samples, administered anonymously ... structured interviews that involve job knowledge or problem solving ... integrity tests [i.e., tests of honesty already employed at the executive corporate level] ... [and] a biodata instrument [a profile of successful professors against which applicants would be measured]... <sup>37</sup>

Vocally support an end to the current accreditation system and advocate a "consumer-friendly" approach in its place.

Current accreditation practices do not ensure institutional transparency.

Mitchell Langbert recommends a two-fold consumer- and results-oriented solution, which would harness incentives and give the public information it needs to evaluate the success of campuses, that is, "a privately funded Campus Consumers Union modeled after the Consumers' Union that produces the magazine *Consumer Reports*" combined with the basing of "accreditation for federal government purposes (e.g., granting of financial aid) on student performance [as measured by value-added testing]..." <sup>38</sup>

Stop out-of-control grade inflation by uniting with other trustees and mobilizing the professoriate nationwide to demand that college transcripts include "a student's grades along with the percentage of classmates awarded the same grade in a particular class." <sup>39</sup>

Similarly, Harvard University Professor Harvey Mansfield took the unprecedented step of giving two grades to his students: the inflated "official" grade and the "true" grade earned by the students. <sup>40</sup> And Cato Institute scholar Arnold Kling urges "external" exams (made up externally rather than by the professor teaching a class) and the grading of exams by other than the classroom professor. Kling astutely concludes that these measures "would eliminate most of the incentives for

### TalkingPoint:

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grade inflation" (pressure from students for high marks, etc.).<sup>41</sup>

#### TOWARD TOWERS OF INTELLECT

Given the entrenched nature of the contemporary academy's traditions, organization, and contractual arrangements, internal reforms may be too late in coming and take too long to take root. For this reason boards should consider ways to contribute to the creation of new, alternative institutional structures in which academic excellence can flourish. Trustees should explore the following promising approaches to such restructuring:

### Acknowledging the importance of competing viewpoints "in adversarial fields" and increasing "the institutional sites in which [they] can flourish."

According to Stephen H. Balch, president of the National Association of Scholars, institutions should "allow distinct schools of thought within adversarial fields to organize themselves in a state of partial independence [with respect to hiring and tenure decisions]." Specifically, "departments could be subdivided into semi-autonomous programs" or "special interdisciplinary programs could be set up outside regular departments…."<sup>42</sup>

# Using online learning to enhance learning and student performance.

Campuses' most distinguished teaching professors could, for example, design excellent cost-effective education courses and software to serve students across entire systems and worldwide. The same purposes can be served through the use on campuses of recorded lectures enabling students to listen to lectures at will and leaving time for in-depth classroom discussions.<sup>43</sup>

# Encouraging the rise of for-profit institutions dedicated to offering high-quality, student-focused, outcomes-oriented liberal arts education.

Many independent for-profit entities focus on professional and vocational education, such as business and computer technology. A combined for-profit and online institution could provide a first-class curriculum tailored

to undergraduate needs at relatively low cost. This entrepreneurial model may even take hold at public institutions.

Combined with rigorous and transparent academic assessment, and geared to high, professionally-defined disciplinary standards, such innovations would likely result in higher performing institutions driving out lower performing ones.

Invigorated by such competition, higher education would be well on the way to intellectual renewal and to providing the public with the superlative and cost-effective education it needs and deserves.

### **RE-TAKING THE TOWER**

Some reforms may initially seem quixotic—impossible to realize in the face of institutional resistance. Behind the scenes a number of reform-minded trustees and campus presidents admit to this sense of hopelessness. For example, one president agreed with the need for basic restructuring but added, with respect to the status quo's clout with elected officials, that it "can't be done for political reasons."

Yet the increasing exposure of the towers' cracks and the education bureaucracies' defensiveness are encouraging. As the philosopher Schopenhauer once remarked: "All great ideas go through three stages. In the first stage, they are ridiculed. In the second stage, they are strongly opposed. And in the third stage, they are considered to be self-evident."

Whereas the third stage—the universal acknowledgement of the need for fundamental higher education reform—has not been attained, the issue is certainly well past the beginning stage. Signs point to a radical change in cultural attitudes and thinking about higher education.

Higher education's first line of defenders—trustees to whom much is entrusted—can well be victorious in raising high the towers.

### TalkingPoint:

Higher education's first line of defenders—trustees to whom much is entrusted—can well be victorious in raising high the towers.

#### **ENDNOTES**

- <sup>1</sup> PBS television documentary "Declining By Degrees: Higher Education at Risk" (premiered on 23 June 2005) http://www.decliningbydegrees.org/.
- <sup>2</sup> "Remember Detroit: America's universities need to fix themselves while they are still on top." editorial, *The Economist* (9 Mar. 2006) http://www.economist.com/research/articlesBySubject/displaystory.cfm?subjectid =2133650&story\_id=E1\_VGDPQNN.
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