



## Difficult Dialogues, Rewarding Solutions

### Strategies to Expand Postsecondary Opportunities While Controlling Costs

A report from Public Agenda on the  
4th Annual Policy Summit of the  
Midwestern Higher Education Compact

November 17-18, 2008 || Minneapolis, MN



## **Acknowledgments**

This report was written by John Immerwahr, senior research fellow at Public Agenda and associate vice president at Villanova University. Please direct any comments about the report or requests for additional information to Chris Rasmussen, MHEC vice president for research and policy analysis, at [chrisc@mhec.org](mailto:chrisc@mhec.org).

The “Difficult Dialogues” initiative is supported by generous funding from [Lumina Foundation for Education](#), an Indianapolis-based, private foundation dedicated to expanding access and success in education beyond high school.

## **About the Midwestern Higher Education Compact**

The Midwestern Higher Education Compact (MHEC) is a nonprofit regional organization established by compact statute to assist Midwestern states in advancing higher education through interstate cooperation and resource sharing. MHEC member states are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

MHEC seeks to fulfill its interstate mission through programs that:

- Enhance productivity through reductions in administrative costs;
- Encourage student access, completion, and affordability;
- Facilitate public policy analysis and information exchange;
- Facilitate regional cooperation;
- Encourage quality higher education programs and services; and
- Encourage innovation in the delivery of educational services.

## **MHEC Leadership**

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**Midwestern Higher Education Compact**

Dear Colleague,

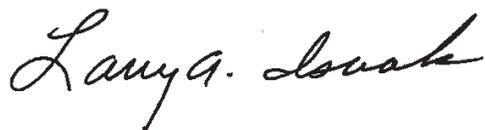
This report from Public Agenda is a summary of the process and outcomes of the “Difficult Dialogues” that took place in November 2008 at the 4<sup>th</sup> annual policy summit of the Midwestern Higher Education Compact (MHEC). With the support of Lumina Foundation for Education, through its “Making Opportunity Affordable” initiative, we brought together nearly 200 state legislators, institutional and system-level leaders and governing board members, faculty, executive branch representatives, business leaders, and students to hold the difficult conversations that are required if we are to meet one of the most critical challenges facing our nation—the need to produce millions of additional college graduates in order to meet workforce needs and remain economically competitive in the midst of one of the most challenging fiscal environments our nation has ever seen.

We called our process “Difficult Dialogues” because we recognize that conversations about change in higher education are rarely easy. We also know that it can be difficult for policymakers and other stakeholders to suggest actions and strategies for change that may be unpopular to their constituents. However, it is clear that we must have these difficult and sometimes uncomfortable conversations if we are to achieve the goal of producing millions of additional college graduates while keeping higher education affordable to students, families, and state governments.

We knew that to be successful, the dialogues must be strategically designed and expertly facilitated. The dialogue framework and process was developed by Public Agenda, a non-profit, non-partisan research and civic engagement organization that works directly with communities, government agencies, and other organizations to improve their ability to engage in honest dialogue and develop strategies for addressing difficult problems. The individual dialogue groups were ably led by knowledgeable and dedicated facilitators and supported by equally able notetakers. These outstanding volunteers are recognized by name at the conclusion of the report.

I encourage you to use this report as a resource as you identify strategies to address the challenge of expanding higher education access and success in a resource limited environment. MHEC staff members are available to present and discuss this information and to facilitate a similar dialogue process with groups of stakeholders in individual states upon request. We also welcome your reactions, suggestions, and reports of actions taken within your state that could be shared with others. As with so many other things, we are likely to be more successful in meeting our current challenges cooperatively than independently.

Sincerely,

A handwritten signature in black ink that reads "Larry A. Isaak". The signature is written in a cursive, flowing style.

Larry A. Isaak  
President  
Midwestern Higher Education Compact

# “Difficult Dialogues, Rewarding Solutions: The Imperative to Expand Postsecondary Opportunities While Controlling Costs”

**A Report from Public Agenda on the Midwestern Higher Education Compact’s Fourth Annual Policy Summit, Minneapolis, November 17-18, 2008**

**By John Immerwahr**

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## The Context

For many years, American higher education has been a success story. While American K-12 education has received criticism for falling behind in world rankings, American higher education has maintained its position as the best in the world, attracting students from all over the globe.

Today, however, higher education is facing a new set of challenges that may strain the ability of American colleges and universities to continue their dual role of acting as the gateway to the middle class for generations of students and providing the necessary human educational capital for a growing economy. Here are a few of the issues that the country will be wrestling with in the decades to come:

- In the past, America’s colleges and universities were phenomenally successful in providing education for both the returning GIs and the baby-boom generation, all of whom saw education as a path to good jobs and a solid position in the middle class. Today a new wave of students is turning to higher education with precisely the same goals as those who went before them, once again straining the capacity of American higher education to provide the same service that it did for previous generations.
- Although studies show that the families of the next wave of students are as eager for higher education as previous generations, the proportion of students who are underprepared for college is expected to increase. As a result, many more students will require significant remediation in order to manage college-level work.
- America is facing a new global challenge. While America still has the best educated workforce in the world, the most educated American workers are older baby boomers who are beginning to retire. In many other countries, the younger workers are the best educated segment of the population; America lags behind at least seven of its competitors in the educational attainment of younger workers. In addition, new international competitors are making huge investments in higher education.

- At the same time, the cost of providing a higher education is increasing, driven by high labor costs, demand for new technologies, greater needs for student services, and a variety of other sources. Thus, both operating costs and tuition rates are soaring.
- All of this would be challenging enough, but it comes at a time when the funding model for public universities is increasingly strained. Even before the most recent financial meltdown, many state systems were experiencing cutbacks in state aid. Considering the ongoing financial crisis, no one expects an improvement in public support anytime in the future; and students and their families will be more constrained than ever before.

Most observers believe that all of this means that higher education must somehow find ways to do more with less (or at least to do significantly more educating without a lot more funding). Experts warn that, in order to remain competitive in the global economy, the United States must dramatically increase the number of individuals with meaningful credentials and that to do so will require a fundamental change in the way higher education operates. Although higher education has historically resisted business concepts such as “productivity,” the reality is that colleges and universities will be unable to meet the challenges mentioned above without finding new approaches to containing costs and accelerating the cost-effective completion of meaningful credentials for more students than ever before.

## The Need for Dialogue

In a system as complex as American higher education, fundamental changes in institutional culture, delivery systems, and governance cannot necessarily be mandated from above. Even if legislators and college presidents knew exactly what changes needed to be made, they could not simply implement those measures by fiat. Clearly hard choices need to be made and new paths need to be explored, and these measures will necessarily be a result of discussion, consensus, and compromise among a variety of stakeholders, including students and their families, faculty members and staff, business and community leaders, and state and federal government. The fact that the mere mention of the term “productivity” raises hackles among higher education stakeholders only underscores the need for dialogue and deliberation about the nature of the problem and the hard choices involved in any serious solution. Without such dialogue, efforts to improve productivity are likely to stall, higher education will continue to be out of reach for many, and the nation’s competitive advantage in the global economy will continue to erode.

## **The MHEC “Difficult Dialogues, Rewarding Solutions” Summit**

As one way to further this dialogue, Public Agenda supported the Midwestern Higher Education Compact (MHEC) by preparing materials for MHEC’s stakeholder summit held in Minneapolis-St. Paul on November 17-18, 2008. The summit, titled *Difficult Dialogues, Rewarding Solutions: The Imperative to Expand Postsecondary Opportunities While Controlling Costs*, was part of the Making Opportunity Affordable Initiative, funded by the Lumina Foundation for Education.

The goal of the summit was to provide an intellectually safe environment where various participants could explore and discuss issues of productivity in higher education, outside of their daily responsibilities. The summit included presentations by a number of leaders and experts from a variety of backgrounds. Some had direct higher education knowledge and experience while others brought perspectives from other sectors such as business. All focused in one way or another on the challenges facing higher education and task of increasing productivity.

### ***The Participants***

Nearly 200 individuals attended the summit. The majority of the participants were either higher education administrators or legislators (and staff) with higher education responsibility. Also in attendance were a number of representatives from various business, community, and higher education associations, as well as business leaders and representatives from the K-12 sector. There were representatives from all twelve of the Midwestern states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin), although for reasons of time and distance, there were many more individuals from Minnesota than from the other eleven states.

### ***The Difficult Dialogues Group Discussion Process***

The heart of the summit was a series of group discussions, using Public Agenda’s “Choicework” methodology for stimulating productive dialogue. Participants were divided into twelve groups, with every effort made to mix the groups by professional background and by region. Public Agenda trained local moderators to facilitate the groups using Public Agenda techniques. The Difficult Dialogue groups met for a two-hour session on each of the two days of the conference. Each group was also assigned a note taker to summarize the main points of discussion.

The conversations in the groups were both lively and thoughtful and were generally characterized by an absence of set speeches and a willingness to listen to the positions of others and to speak candidly. Several of the participants remarked that one of the most exciting elements of the summit was the ability to explore and play with ideas, without having those ideas being taken as next steps for their own organizations. Often we heard the conversations continuing after the formal sessions were over.

### ***The Choicework Discussion Starter***

Productive dialogue begins with how issues are framed. Public Agenda has over three decades of experience with framing issues in ways that help move people past polarizing, zero-sum arguments and create the conditions for productive, realistic, and solution-oriented dialogue about complex problems. Over the years, Public Agenda has developed a number of methodologies for stimulating productive discussions on controversial issues. For this particular event, Public Agenda created a Choicework framework.

The Choicework methodology is an approach to framing issues for deliberation that presents dialogue participants with a small number of broad approaches to the problem (in this case there were three), spelled out with some concrete examples of specific policies and also some potential problems or trade-offs involved in each approach. The approaches are presented not as either/or choices, but as a starting point with a wide range of interests represented and choices weighed for their pros, cons, and trade-offs. In the past, this approach has been extremely helpful for stimulating fresh thinking, as well as for revealing new areas of common ground and opportunities for policy innovation on difficult problems. Even though the participants quickly transcend the initial framework, their discussions are typically much more fluid and creative than those that take place in traditional dialogue formats.

The Choicework Discussion Starter (included as an appendix) consisted of three main approaches to expanding affordable, cost-effective, high-quality postsecondary opportunities in the Midwestern region:

- *Make institutions more cost effective.* This approach focused on ways that higher education institutions could increase their efficiency and productivity by streamlining administration, rethinking curricula, and reexamining the methods used to deliver educational content (for example, with greater use of technology).
- *Prepare and incentivize students to make efficient progress.* One of the biggest strains on higher education is the presences of students who are not adequately prepared for college work. This approach focused on finding ways to provide better support for students so they could move toward degree completion more efficiently, thus simultaneously holding down costs and increasing the pool of educated workers.
- *Revamp higher education systems at the state and regional levels.* State and regional higher education systems are sometimes not adequately organized and coordinated to meet the new challenges, and they often work within incentive systems that make it more difficult for them to hold down costs. This choice focused on ways to provide better coordination and collaboration, while avoiding unnecessary duplication of services as a means of increasing productivity.

## Highlights from the Choicework Discussion Groups

Because of the fine work of the note takers, we have a very detailed record of the actual discussions that took place in the two Difficult Dialogue sessions. Below we summarize some of the main themes that emerged from these sessions. Complete notes from the sessions are available from MHEC upon request.

### *The Overall Understanding of the Problem*

The fluidity and candor of the Difficult Dialogues sessions were noteworthy. In most cases the participants did not know each other at all or they were acquainted with one another but were not professional colleagues. The Choicework framework encouraged the participants to be specific and concrete in what they said, but the fact that they were removed from their normal professional settings gave the participants the luxury to explore ideas in a way that is often not possible in the setting of daily decision making.

Although the participants came from a variety of states and backgrounds, it was obvious that they brought some common assumptions to the table, including:

- **A Shared Sense of Urgency**

Public Agenda has followed the process of public decision making on a variety of problems. Often, one of the first (and most difficult) steps is getting the stakeholders to agree that the problem is real and urgent. For example, the country has been talking about global warming and the greenhouse effect for a number of years now, but the debate has been slowed because of controversies about whether there really is a problem and whether it is urgent.

By contrast, we found very little skepticism among the summit participants that higher education is facing major challenges. Some of the flip chart notes put the situation starkly. One said, “The status quo won’t work.” Another posted the following note: “Need an approach to break out of the limiting structures of the current SYSTEM.” In short, in every group there was broad agreement that the problems facing higher education are indeed urgent.

- **No Easy Answers**

A second theme that came through loudly is that there are no easy solutions. In discussions of other public issues, debate can sometimes be blocked or polarized by the existence of simplistic solutions, or there may be good solutions that cannot be discussed because of political opposition. These pseudo-solutions or politically impossible solutions stalemate the debate and cause frustration rather than forward motion. Whatever one thinks about immigration, for example, the problem will not be

solved just by attempting to seal the borders, but the existence of this option sometimes chokes out other productive approaches. Again, we heard nothing of this sort during the summit discussions. Virtually everyone seemed to agree that it is a complex problem that will require a multifaceted approach; no one suggested that there are easy answers that are being blocked by recalcitrant participants.

- **Moving Past the “Blame Game” to Systemic Solutions**

There was also virtual unanimity on the idea that systemic change is required. Debates about education have sometimes been characterized by the various sectors blaming each other. Colleges blame the high schools for poor preparation of students while K-12 systems blame the colleges for inadequate preparation of teachers. Legislators accuse higher education institutions of resisting accountability while colleges complain about overregulation. But the summit participants were much less attracted to one-sided solutions and typically called for strategies that involved cooperation among the various stakeholders, and we heard almost no one trying to lay all of the blame on one side or the other.

### ***Unresolved issues***

Although the participants brought these common assumptions to the table, they clearly did not bring a common set of solutions. While the dialogue among these participants had moved past the initial stages of denial and blame shifting, the various stakeholders represented at the summit had by no means coalesced around preferred solutions. Indeed, major tensions remain to be worked out.

- **The Need for Common Definitions**

Several of the participants remarked that some of the most basic premises of the debate are not agreed upon. There appears to be no common definition of quality in higher education, or, in some cases, even about the goals of higher education. Even among those who can agree on the meaning of these basic terms, there are no clear metrics for measuring success.

- **Concerns about the Applicability of Business Models**

There is also an ongoing debate about the applicability of business models in higher education. Some participants clearly believe, for example, that the task is to improve higher education productivity and that the solution will involve creating an incentive structure that rewards productivity and the use of technology to obtain it. Others object to the imposition of this framework on higher education.

## ***Towards a Solution***

Although the dialogue about higher education is clearly at an early stage, there was a remarkable degree of similarity on an outline at least of the specific areas that need to be addressed. Eight major themes emerged from the discussions:

### **1. Improving College Readiness**

With what appeared to be unanimous agreement, participants believed that improving the level of preparedness of incoming college students would have an enormous impact on the ability of colleges and universities to reduce the cost of delivering education and training while accelerating the rate of degree completion. Currently, enormous resources must be expended on remediation; too few students entering colleges and universities are completing degrees in a timely fashion; and, as the groups pointed out, the presence of poorly prepared students impedes the progress of those who are ready for college work.

The main issue, as several of the groups put it, is that a high school diploma frequently does not mean that a student is ready for college, and the task is to somehow close that gap. The groups explored a wide variety of approaches to improving readiness. Some of the solutions we heard included:

- Partnerships between high schools and universities
- Starting remediation earlier in the K-12 experience
- Modifying “No Child Left Behind”
- Better tracking of high risk students
- Better counseling

An observer who wandered among the dialogue sessions would probably come away thinking that if a high school diploma did in fact mean readiness for college, the scope of the problem would be significantly reduced. Until progress is made in this area the overall issues facing higher education will remain daunting. But it was also clear that everyone thought that this was a very difficult problem to address. Improving college readiness is seemingly the most important *and* the most difficult issue facing higher education nationally.

### **2. Improving Retention for Students Already in College**

Rather than fixating on the importance and difficulty of the college-readiness problem, the groups quickly moved on to look at other solutions that they thought would be easier to implement. One of the most attractive solutions mentioned in many of the groups was to improve retention and degree completion rates for existing college students. One group said it this way: “We don’t graduate 45% of those who come to us. How do we graduate more?”

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. Several of the groups echoed this sentiment: “There is a lower cost to improve the students you already have than to recruit new ones.”

Here again we saw a number of avenues for further exploration:

- More relevant curricula
- Enrich first year programs
- 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

### **3. Creating an Integrated P-20 Education System**

Another strategy that was frequently mentioned and perceived as more practical in the short term is to produce greater integration of state and regional education systems. One group wrote it up this way: “There are too many silos—K-12, undergrad, grad school. Rigor is not the only thing. Only 60 percent are going to postsecondary education.” In the eyes of many of our respondents, the current education system is badly fragmented, with no clear overall sense of direction or purpose. Institutions are competing with one another when they need to be cooperating.

Our respondents repeatedly called for efforts that would “break through firewalls” and “overcome barriers,” bringing together higher education and K-12 systems, community colleges and flagship institutions. There were dozens of proposals for ways to do this, including the following:

- Introduce and expand dual credit systems, so more students can take college-level courses in high school.
- Improve the strategic location of higher education programs to meet local needs.
- Develop administrative structures that would encompass all state or regional education systems from Pre-K to college.
- Create centers of excellence at different institutions so not every institution in every corner of the state has to excel at everything.
- Confront “mission creep,” for example, when regional colleges seek to upgrade themselves to be research institutions.
- Enhance coordination between industry and education; for example, align educational goals with workforce development.
- Encourage four-year institutions to offer classes on community college campuses.

#### **4. Differentiating Programs to Match the Diversity of College Students**

Many of the nation's leaders and elites were themselves "traditional students," who left home at age 18 and lived on campus or in a university town for four years and graduated four years later with a bachelor's degree. In many cases, they seek this same experience for their children. Not surprisingly, then, much of our thinking and discussion of higher education seems to presuppose this vision.

But as many of the groups mentioned, this model describes only a fraction of students today. Today it is the "nontraditional" student who is the norm, but many of our institutions do not reflect the new reality. One obvious example is that our current systems of financial aid are mostly designed for full-time students while most part-time students have an equal or greater need for financial assistance.

If the goal is to produce a greater number of better educated individuals, one approach would be to diversify educational programs to meet the needs of a diverse student population. A variety of proposals came out of the discussion groups:

- Stop using the term "nontraditional" students.
- Make curricula more relevant to the needs of nontraditional 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 knowledge and experience gained outside the classroom.
- Develop instructional delivery programs suited to the needs of adult learners (using a variety of locations and technologies for maximum flexibility).
- 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.

#### **5. Using Incentives and Business Models**

Many of the discussion groups talked about the need to revise incentive systems and improve productivity by incorporating business models. There seemed to be an agreement that the current incentive systems are not always producing the desired result. One example, which was frequently discussed in the session and also highlighted in some of the case studies, was the idea that many higher education institutions currently have funding models that reward enrollment of students rather than degree completion. This, in turn, may result in students using valuable resources by taking courses that they will never complete. A number of 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 on how to use incentives. Some favored incentivizing students; others felt incentives would be most effective at the institutional or regional level.

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

- Adjust faculty reward systems to emphasize mentoring and teaching instead of research.
- Change institutional incentives to eliminate duplication and reward collaboration.
- Rethink the business side of all levels of education, especially efficiencies such as textbook purchases, hosted environment or outsourced, dorms and meal plans.
- Use proven measures of productivity. (For example, physicians use best practice.) This should be done at the institution level and then driven by states.

## **6. Innovation**

Some of the participants also stressed the need for innovation and creativity in meeting challenges. Many of the participants stressed the use of new technology. For example, several people talked about using “hybrid” methodologies, combining distance education, active learning, and innovative scheduling, especially as a way to reach older and part-time students. Some of the other items that were mentioned include:

- Incorporate “edutainment” software to build student engagement.
- Emphasize faculty development in new techniques and approaches.
- Take counselors out of high schools and put them in malls and on MySpace and other social networking spaces.
- Require students to take only one intense course for a few weeks, rather than scheduling several courses at once.
- Encourage innovation from outside because the “academy” is least creative when it comes to solving its own problems.
- Tap into the creativity of retirees.
- Make use of vacated school buildings to serve college students.

## **7. Greater Use of Information**

The participants also focused on problems of information and communication as a significant barrier to college participation and success. There was a general sense that there is a tremendous lack of information about higher education, especially among minority groups and families with no college graduates. For example, many families are daunted by what they perceive as the barriers to higher education. This could be partly

remedied by better sources of information about resources such as financial aid. Many of the participants stressed the need for better communication with parents and older family members. The participants also identified a number of other areas where better information could significantly improve the higher education landscape, including:

- Improve communication about the long-term financial value of obtaining a higher education.
- Disseminate information about higher education to younger children and to parents of younger children.
- Facilitate cooperation between colleges and high schools and sponsor more “open house” programs where students and families actually visit the college campus.
- Initiate broad-based marketing programs to the whole community on the advantages and options for a college education.
- Include 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 that was mentioned by several participants was to emulate some of the ideas coming out of health care reform efforts. One group suggested that universities should use “best practice” information which could then be disseminated statewide. But, at least in the format of the discussion groups, we heard more calls for better metrics than we heard specific suggestions for how to actually implement them.

## Next Steps

What implications can we draw from the experience of the MHEC summit? This was obviously not a formal research project, but the results are suggestive of productive avenues for the future.

- **Build on the Good Will and Energy**

While the summit was a self-selected group, the participants came from a wide variety of institutions and organizations. Many people commented on the overall feeling of good faith, interest in a sincere exchange of ideas, and willingness to consider new options. We sense, in other words, a real willingness to explore new ideas. That kind of good will is a precious resource and should be capitalized upon; it cannot be guaranteed to last forever.

- **Continue the Dialogue**

While the positive energy is definitely in place, it is also clear that the higher education community needs more time and information before being prepared to move to consensus and compromise. As we can see from the brief summary above, the participants brought a wide variety of ideas and solutions to the table. They have not yet begun, however, to tease out their priorities and the implications of various choices. The discussion is still in its infancy and will require more time to mature.

- **Widen the Conversation**

In the closing session of the summit, several of the observers pointed out that not all of the stakeholders had yet been included. This initial summit consisted primarily of representatives from higher education administration and government. There were, for example, very few faculty members. The faculty members attending the summit were higher education experts for the most part and did not represent faculty from other fields of study. Eventually the discussion will also need to include more representatives from K-12 systems, as well as voices of students and their families.

The MHEC summit, then, was a very positive first step, but in both the content of what was discussed and in the voices at the table, it was only the beginning of what will eventually be a very important discussion for the Midwestern region and the nation as a whole.

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*For more information about this report or Public Agenda's Choicework Discussion Starter tools, contact:*

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**Appendix: Choicework Discussion Starter**

**“How Can We Expand Affordable, Cost-Effective, High-Quality  
Post-Secondary Opportunities in the Midwestern Region?”**

Created by Public Agenda  
for the Midwestern Higher Education Compact’s Fourth Annual Policy Summit  
*Difficult Dialogues, Rewarding Solutions: The Imperative to Expand Postsecondary  
Opportunities While Controlling Costs*  
Minneapolis, November 17-18, 2008

# How Can We Expand Affordable, Cost-Effective, High-Quality Post-Secondary Opportunities in the Midwestern Region?

**A Choicework Discussion Starter by Public Agenda for the Midwestern Higher Education Compact's "Difficult Dialogues, Rewarding Solutions" Fourth Annual Policy Summit  
Minneapolis, November 17-18, 2008**

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## INTRODUCTION

Many experts agree that the number of college educated and trained Americans must expand significantly in the coming years in order for the country to remain competitive in the global economy. Moreover, it is now patently clear that a direct correlation exists between learning and earning: it is increasingly difficult for an individual to earn a livable wage without some form of postsecondary degree or credential. The following are just a few of the facts that speak to these twin imperatives of economic competitiveness and individual opportunity:

- By 2014 the number of jobs requiring some form of postsecondary credential will grow 60 percent faster than the job market as a whole.
- The United States ranks near the bottom of industrialized nations in the percentage of entering postsecondary students who complete a degree program, and ours is the only industrialized country where young people are less likely than their parents to earn a high school diploma.
- Significant disparities in educational attainment persist across racial and ethnic groups, even as the nation's population becomes more diverse.

The upshot is that in order for our citizens and region to prosper we must find ways to ramp up college access and completion without sacrificing educational quality. Moreover, with public financing strained to the breaking point we must do so in ways that are affordable to taxpayers, students and families alike.

This, of course, is no small order. Both operating costs and tuition have soared at colleges and universities, while far too many students are not completing degrees. It is therefore time for fresh thinking and tough decisions.

To help us think through the issues, this “Choicework Discussion Starter” presents three possible approaches. As we review them, consider their pros and cons, and think about how effective each might be to help reach the goal of expanding affordable, cost-effective, high-quality higher education opportunities in the Midwestern region. Also, if there are important ideas, policies or strategies that are missing, please make a note of them as well.

As a simple device to get our conversation rolling, we’ll ask you to choose the one approach that you think has the most pros and the fewest cons and to explain your choice. After this initial exercise, you are encouraged to develop your position as you wish, revising the ideas we present, bringing together elements of various approaches or bringing completely new ideas into the conversation.

## IMPORTANT NOTE

Because the problem we are discussing is complex and multi-faceted, we do not presume that any single approach can serve as a free-standing solution. Rather, this framework seeks to disentangle key elements of the challenge in a way that creates space for focused and productive dialogue. It is intended as a point of departure for our collaborative dialogue, not as a fixed set of boxes into which all possible ideas must be fit. It is best to view this three-approach framework merely as a device to get a solution-oriented conversation rolling.

## Approach 1: Make Institutions More Cost-Effective

The culture of higher education institutions is not, by nature, a culture of efficiency. It has never had to be—until now. Today, tighter budgets for our public colleges and universities and their rising operating costs are a fact of life. Meanwhile, rising tuition is becoming an obstacle to many students in their quest for a better education and a better life. Unfortunately, in a human- and capital-intensive operation like higher education, cost-saving measures that do not undermine quality can be difficult to find. But find them we must if we are to reach our goal of expanding affordable, cost-effective, high-quality higher education opportunities.

Therefore, we should pursue strategies such as the following:

### **Rethink the Business Side of Higher Education**

- Adopt business models and best practices that bring down costs by streamlining and standardizing administrative functions and processes within institutions.
- Adopt business metrics to identify promising practices and drive ongoing improvements to make the administrative and operational functions of institutions more cost effective.

### **Rethink Curriculum and Graduation Requirements**

- Create a core curriculum of carefully-aligned required courses with fewer electives, giving students less leeway to take courses that may not apply toward their eventual major or degree program.
- Review completion rates in all majors and credential programs and provide incentives for institutions to eliminate particularly expensive and low-enrollment majors and those that do not lead to strong career opportunities in today's economy.

### **Rethink Curriculum Delivery**

- Increase the use of technology in large, lower-division courses, including expanded distance-learning opportunities.
- Shift full-time faculty towards course content and assessment and development, and have part-time, graduate students or adjunct faculty do the majority of the classroom teaching, as is being done in Great Britain.

### ***Tough Questions for this Approach***

- *Shouldn't students be allowed and even encouraged to explore different subjects in college to get a well-rounded education rather than rushed through in the name of "efficiency"?*
- *Don't many of these ideas endanger educational quality while failing to get at the real problem, which is that too many students are simply not prepared to succeed in college?*

## **Approach 2: Prepare and Incentivize Students to Make Efficient Progress**

Higher education is overwhelmed with too many students who are not prepared to succeed. As a result, the costs of remedial/developmental education are a growing drain on institutions, while vast numbers of students fail to complete degrees or earn certificates. However, if students graduate from high school ready to succeed in college, and if there is a well-designed system of supports and incentives in place, most will move through the process efficiently and effectively. This, in turn, will hold down costs for students and institutions alike, while increasing the number of individuals who earn the degrees and credentials required for success in today's economy.

Therefore, we should pursue strategies such as the following:

### **Improve the School-to-College Transition**

- Increase K-12 rigor, better align high school and college curricula, and improve assessments that gauge college readiness.
- Offer more accelerated learning opportunities such as dual-enrollment and Advanced Placement, and invest more in summer and weekend programs to help lagging middle- and high school students get prepared to complete their college education efficiently.

### **Improve Supports and Incentives that Help Students Work Towards Degree Completion**

- Improve counseling services at middle and high schools, community colleges and four-year colleges to advise students on 21st century career opportunities, requirements for degree completion, and efficient transitions to other institutions.
- Tie student aid to progress toward degrees so students are encouraged to stay focused and earn meaningful credentials in a timely fashion.

### **Improve the Preparation of Non-Traditional Students**

- Coordinate systems to integrate literacy, ESL and job training programs that can be offered at community colleges in more cost effective ways.
- Provide incentives to employers that make it easier for their employees to pursue and complete postsecondary degrees and certificates.

### ***Tough Questions for this Approach***

- *Isn't it this just the old blame game, in which educators point the finger at under-prepared students rather than taking responsibility themselves for improving results?*
- *Aren't there larger forces at work driving up the cost of higher education that we have to address, besides the preparation and behavior of individual students?*

## Approach 3: Revamp Higher Ed Systems at the State and Regional Levels

Higher education is organized and governed in statewide and regional systems, and it is at this level where we can find the “levers” that have the greatest systemic impact on college costs and affordability. Unfortunately, the incentives that college systems create often make it more difficult, not less, for institutions to collaborate effectively in ways that hold down costs. No matter what gains are made on other fronts, it is unlikely that soaring tuition and operating costs will be brought under control without states and regions coordinating their higher education systems in ways that increase efficiency.

Therefore, we should pursue strategies such as the following:

### **Create Incentives that Encourage Colleges and Universities to Contain Costs**

- Encourage institutions to “broker in” existing programs from other institutions that can be offered locally in a cost-effective way, and create incentives for institutions to share facilities and expand year-round operations.
- Tie state aid to 4-year institutions more to completion rates and less to enrollment so that institutions become more focused on helping students finish their degrees.

### **Avoid “Mission Creep” in Order to Create a More Efficient System**

- Limit the number of research institutions in each state, and have regional universities focus on teaching.
- Put a cap on the number of students admitted to research institutions and direct more students toward lower-cost options like community colleges.

### **Create New Educational Models to Meet State and Regional Goals**

- Instead of requiring students to earn credits based on the number of courses they take, create systems that allow students to progress by successfully completing required assessments that measure proficiency or competency.
- Work more closely with the business community and economic development agencies to provide alternative certification programs to meet specific workforce development and regional economic goals.

### ***Tough Questions for this Approach***

- *Even if this approach leads to some costs savings, how is it going to help students who aren’t prepared to succeed in college earn meaningful degrees and credentials?*
- *Do we really want to give this much power over higher education to decision-makers far away from the day-to-day reality of the college classroom?*

# The Choices in Brief

Approach 1: Focus on Institutions	Approach 2: Focus on Students	Approach 3: Focus on Systems
<p><b>We should focus our efforts on making institutions run more efficiently.</b></p>	<p><b>We should focus our efforts on student preparation and on efficient transitions.</b></p>	<p><b>We should focus our efforts on coordinating statewide and regional systems.</b></p>
<p><b>Therefore, we should:</b></p>	<p><b>Therefore, we should:</b></p>	<p><b>Therefore, we should:</b></p>
<ul style="list-style-type: none"> <li>• <b>Rethink the business side of higher education</b> by adopting business models to streamline administrative functions, and by adopting business metrics to drive ongoing improvements to make the administrative/operational functions of institutions more cost effective.</li> <li>• <b>Rethink curriculum/graduation requirements</b> by creating a core curriculum of carefully-aligned required courses with fewer electives, and by providing incentives for institutions to eliminate low-enrollment majors and those that do not lead to strong career opportunities in today’s economy.</li> <li>• <b>Rethink curriculum delivery</b> by increasing the use of technology in large, lower-division courses, expand distance-learning opportunities, and by shifting full-time faculty towards course content and assessment instead of classroom teaching.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Improve the school-to-college transition</b> by increase K-12 rigor, bettering aligning high school and college curricula, improving assessments that gauge college readiness, and by offering more accelerated learning opportunities (such as AP and dual enrollment).</li> <li>• <b>Improve supports and incentives to encourage students to complete degrees</b> by improving counseling services at all levels of schooling, and by tying student aid to progress toward degrees.</li> <li>• <b>Improve the preparation of non-traditional students</b> by coordinating systems to integrate literacy, ESL and job training programs, and by providing incentives to employers that make it easier for their employees to pursue and complete postsecondary degrees and certificates.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Create incentives that encourage colleges and universities to contain costs</b>, such as sharing facilities/programs, and tying state aid to completion rates rather than enrollment numbers.</li> <li>• <b>Avoid “mission creep”</b> by limiting the number of research institutions/focusing regional institutions on teaching, and by directing more students to lower-cost options like community colleges</li> <li>• <b>Create new educational models</b> that meet state and regional goals by allowing students to progress by successfully completing assessments (rather than taking courses), and by working with businesses and economic development agencies to provide alternative certification programs.</li> </ul>
<p><b><i>Tough Questions for this approach:</i></b></p>	<p><b><i>Tough Questions for this approach:</i></b></p>	<p><b><i>Tough Questions for this approach:</i></b></p>
<ul style="list-style-type: none"> <li>• Shouldn’t students be allowed and even encouraged to explore different subjects in college to get a well-rounded education rather than rushed through in the name of “efficiency”?</li> <li>• Don’t many of these ideas endanger educational quality while failing to get at the real problem, which is that too many students are simply not prepared to succeed in college?</li> </ul>	<ul style="list-style-type: none"> <li>• Isn’t it this just the old blame game, in which educators point the finger at under-prepared students rather than taking responsibility themselves for improving results?</li> <li>• Aren’t there larger forces at work driving up the cost of higher education that we have to address, besides the preparation and behavior of individual students?</li> </ul>	<ul style="list-style-type: none"> <li>• Even if this approach leads to some costs savings, how is it going to help students who aren’t prepared to succeed in college earn meaningful degrees and credentials?</li> <li>• Do we really want to give this much power over higher education to policymakers far away from the day-to-day reality of the college classroom?</li> </ul>

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