Maintaining Excellence and Efficiency at The University of Texas at Austin

A response to the seven “breakthrough solutions” and other proposals

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Introduction

Public higher education in Texas will face radical change if a series of proposals now being discussed are adopted.

The Texas Public Policy Foundation (TPPF) think tank and some state leaders are advocating a business-style, market-driven approach under which colleges and universities would treat students as customers, de-emphasize research that isn’t immediately lucrative, and evaluate individual faculty by the tuition revenue they generate. Advocates of these proposals see them as a necessary response to the rising cost of higher education, a cure for a system they suggest is inefficient and inaccessible.

We disagree. We do not believe this is the right response to the problems now facing higher education or one that recognizes The University of Texas at Austin’s proven levels of efficiency and excellence in educating Texas students.

The challenges for Texas’ colleges and universities are very real: statewide, 17 percent of students graduate in four years and about half finish in six. Just 62 percent of Texas high school seniors took the SAT or ACT in 2009. Of those, only 27 percent scored at least 1100 on the SAT or 24 on the ACT, the gold standard of performance that top colleges expect.¹

Although the state has made some progress in closing achievement gaps in higher education, it continues to miss several important targets on goals established in 2000. These include increasing Hispanic enrollment, awarding more degrees to African American students, and awarding more degrees in fields related to technology.²

For much of the past decade, The University of Texas at Austin has sought to address these and other problems. We have strived to better provide a world-class education, secure successful learning outcomes, maintain high graduation rates, and support innovative research.

Several basic measures — among them, our 81 percent, six-year graduation rate and our in-state tuition of less than $10,000 per year — suggest that the state’s flagship university is already a national leader in improving efficiency and excellence. We have also developed programs to increase retention rates and help students graduate more quickly and have worked with other universities and professional organizations in Texas and across the country to identify the best practices to achieve better learning outcomes.

These efforts were affirmed and extended by the Report of the Commission of 125, a group of
distinguished alumni and citizens convened to develop a long-term vision for how The University of Texas at Austin can serve Texas and the larger society. The commission’s 2004 recommendations led to the development of a new undergraduate core curriculum and more demanding academic standards. The task force charged with implementing the commission’s recommendations wrote:

A great research university has more than one priority. The core educational experience for undergraduate students is central to the University’s mission, but there are other important elements. Graduate education is critical. Strong majors for undergraduates are important so that students gain in-depth learning within a discipline. Research is essential and, in turn, it enriches teaching at all levels. A core curriculum in a great, public research university must be aligned with these other important goals.

The proposals put forward by TPPF and others are not aligned with these goals. Moreover, some have been tried elsewhere and have yet to be proven successful.

Though they may appear attractive at first glance, several of the proposals stand to undermine successful initiatives that already promote quality teaching. Others would fundamentally change the university’s status as a top-tier university in which research and teaching are inextricably linked in ways that are crucial to both missions.

The most visible and detailed of the recent proposals are TPPF’s seven “breakthrough solutions” which would separate universities’ research and teaching functions, measure professors largely on the basis of student evaluations, and establish learning contracts and state-funded vouchers for students.

Jeff Sandefur, a member of TPPF’s board of directors and founder of the Acton MBA program, is the architect of these “breakthrough solutions.” He originally presented them in 2008 to the leaders of six Texas public university systems.

The proposals, however, fail to recognize the different missions of, and populations served by, these systems. They offer the same ideas, for example, to the regional University of North Texas, with 37,000 students in three units, and the statewide University of Texas, with nearly a quarter-million students in nine universities and six health institutions.

The proposals also fail to recognize the unique contributions and strengths of the individual schools. The University of Texas at Austin, for example, is the tenth most efficient public research university in the country in using limited amounts of tuition and taxpayer funds to graduate large numbers of students.

This record of success should be a model for other colleges and universities in Texas. It leads us to question a recent suggestion that the flagship increase enrollment by 46 percent while the University of Texas System cut tuition in half, an approach we fear will diminish our graduation rate. Likewise, we are skeptical that a recent challenge to develop a quality bachelor’s degree that costs less than $10,000 can yield the levels of excellence or efficiency we already reach or serve students effectively.
Here, we address TPPF’s “breakthrough solutions” in detail. We discuss the other recent proposals and the common assumptions on which they all rest. We analyze the dangers of applying a business-style, market-based approach inside the classroom.

As consultants to the University of Houston System noted in a 2008 analysis, the TPPF proposals seek to approach complex issues with “simple tools” or “one-size-fits-all” solutions. If implemented, they will likely lead to structural changes in higher education that will leave Texas lagging behind other states and drive top students and faculty away.

Put simply, this is the wrong approach.
Solution #1: Measure Teaching Efficiency and Effectiveness

This proposal aims to, “Improve the quality of teaching by making use of a public measurement tool to evaluate faculty teaching performance that makes it possible to recognize excellent teachers.”

Specifically, it recommends:

- dividing the costs of professors’ salaries and benefits by the number of students they teach,
- ranking faculty by cost-per-student taught,
- comparing student satisfaction ratings with grade distributions,
- collecting and reading all research articles for “high-cost faculty,” and
- publicly posting information on student ratings and number of students taught.¹¹

Class Size and Student Rankings

Using salaries and class sizes to measure quality betrays an oversimplified understanding of teaching and learning.

Large classes, such as introductory survey courses, may be highly effective in some instances, but, in other cases, they inhibit students’ ability to learn. Writing-intensive courses, for example, demand a level of attention and feedback that professors cannot deliver in auditorium-size classes, and successful language instruction requires direct and frequent student-student and teacher-student interaction.¹² The Commission of 125 recognized this need to provide a learning environment based on individualized interaction and recommended that the university work toward reducing its student-to-faculty ratio to 16/1.¹³

Using grading curves to measure an instructor’s effectiveness may provide evidence of student performance, but not of acquired knowledge and skills. Learning outcomes are more useful measurements of successful teaching. Each major at The University of Texas at Austin has defined learning outcomes that were reviewed and affirmed by the Southern Association of Colleges and Schools (SACS) when it re-accredited the school in 2008.¹⁴ Such measures include, for example, a student’s ability to articulate the significance of major historical events like those that led to the Texas War of Independence.

Indeed, evaluating successful teaching requires using multiple methods, particularly direct methods that are now the standard in documenting learning outcomes. These include, for example: portfolios, capstone projects, oral presentations and tests.

TPPF does not provide a source for its claim that “research shows that student satisfaction ratings remain one of the best measures of teaching effectiveness.”¹⁵ The research we have reviewed explicitly contradicts this claim, as detailed below under Solution #2.
GRADUATION RATES AND PER-STUDENT SPENDING

This proposal ignores the primary indication of excellence in undergraduate education, namely, graduation rates.

The six-year graduation rate at The University of Texas at Austin is 81 percent, five points higher than the average of other Tier One universities (members of the American Association of Universities) and 11 points higher than the average of other research institutions with 30,000 or more students.16

We achieve this extremely efficiently: for every student who graduates, we spend less tuition and state money on each faculty member than all but one other public research university, Arizona State University.17 And we are the tenth most efficient national public research university in using limited tuition and state dollars to graduate a high number of students.18

We are continuing our efforts to improve graduation rates, especially our four-year rate, currently 53 percent, by developing policies and incentives that will encourage students to declare a major and meet their requirements more quickly.

With diminishing state funding and tuition that is already among the lowest in our national comparison group, we are looking for effective and responsible ways to reduce spending in every aspect of our mission while improving quality. But reducing evaluation of faculty to salaries, numbers of students taught, and grading curves will damage teaching and student learning and undermine the quality of the institution.

FIGURE 1: SIX-YEAR GRADUATION RATES AT UT AUSTIN, TEXAS A&M AND PEER GROUPS

<table>
<thead>
<tr>
<th>University</th>
<th>Six-Year Graduation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Research universities</td>
<td>68%</td>
</tr>
<tr>
<td>AAU Schools</td>
<td>70%</td>
</tr>
<tr>
<td>Texas A&amp;M</td>
<td>72%</td>
</tr>
<tr>
<td>UT Austin</td>
<td>80%</td>
</tr>
</tbody>
</table>

FIGURE 2: UNDERGRADUATE TUITION COST AT MAJOR PUBLIC UNIVERSITIES

<table>
<thead>
<tr>
<th>University</th>
<th>Tuition Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNIVERSITY OF ILLINOIS-URBANA/CHAMPAIGN</td>
<td>$13,508</td>
</tr>
<tr>
<td>UNIVERSITY OF MICHIGAN-ANN ARBOR</td>
<td>$12,590</td>
</tr>
<tr>
<td>UNIVERSITY OF CALIFORNIA-BERKELEY</td>
<td>$12,462</td>
</tr>
<tr>
<td>UNIVERSITY OF MINNESOTA-TWIN CITIES</td>
<td>$12,203</td>
</tr>
<tr>
<td>UNIVERSITY OF CALIFORNIA-LOS ANGELES</td>
<td>$11,868</td>
</tr>
<tr>
<td>MICHIGAN STATE UNIVERSITY</td>
<td>$11,670</td>
</tr>
<tr>
<td>OHIO STATE UNIVERSITY-MAIN CAMPUS</td>
<td>$9,420</td>
</tr>
<tr>
<td>THE UNIVERSITY OF TEXAS AT AUSTIN</td>
<td>$9,416*</td>
</tr>
<tr>
<td>INDIANA UNIVERSITY-BLOOMINGTON</td>
<td>$9,028</td>
</tr>
<tr>
<td>UNIVERSITY OF WISCONSIN-MADISON</td>
<td>$8,987</td>
</tr>
<tr>
<td>UNIVERSITY OF WASHINGTON</td>
<td>$8,701</td>
</tr>
<tr>
<td>TEXAS A&amp;M UNIVERSITY</td>
<td>$8,417</td>
</tr>
<tr>
<td>UNIVERSITY OF NORTH CAROLINA-CHAPEL HILL</td>
<td>$6,665</td>
</tr>
</tbody>
</table>

* Note: The University of Texas at Austin rates represent the average academic year cost for a resident, undergraduate student taking 30 credit hours.
Solution #2: Publicly Recognize and Reward Extraordinary Teachers

This proposal aims to, “Create a financial incentive to improve the effectiveness and efficiency of teaching” and attract superior teachers to Texas.

Specifically, it recommends:

- awarding bonuses of up to $10,000 per class to the best teachers based on student evaluations and number of students taught,
- including all faculty ranks: professors, lecturers, adjuncts and teaching assistants, and
- awarding up to $10,000 bonuses to the top 3 percent of teachers, and prizes of up to $5,000 to the rest of the top 10 percent and $2,500 to the rest of the top 25 percent.

TEACHING AWARDS

The University of Texas at Austin already publicly recognizes extraordinary teachers at all faculty ranks. More than 150 teaching awards, many with significant financial bonuses, are offered annually through a system that is more comprehensive than and, we believe, superior to the proposed system.19

Our teaching awards rely on nominations from students, alumni, and colleagues. They reward best practices over time since the effect of successful teaching often becomes more apparent after multiple courses.

Research shows that when student ratings play a major role in evaluations, instructors tend to be more concerned with managing student impressions of them than with quality teaching and resort to easy grading, course work deflation, and grade inflation.20 Recent studies have shown that student evaluations are positively related to grades in the current course, but are unrelated or negatively related to deeper long-term learning.21

PROBLEMS AT OTHER UNIVERSITIES

Similar initiatives have been introduced elsewhere and have yet to demonstrate significant success.

The Student Recognition Award for Teaching Excellence was piloted at Texas A&M University, Prairie View A&M University, and Texas A&M University-Kingsville in 2008 and has been expanded to include all campuses within the A&M System.22

Implementation of the program has apparently caused tension among Mr. Sandefer, outgoing Texas A&M chancellor Mike McKinney, and members of the Board of Regents. The points of dispute included the two key factors that drive the cost of the program — the size of awards and the number of faculty who should receive them.23 The Texas A&M Student Senate, which helps administer the awards, has called for taking the phrase “teaching excellence” out of the name. This follows the lead of Provost Karan Watson who has said the award is more a show of student appreciation than an accurate gauge of teaching excellence, according to media reports.24

At the urging of J.D. “Jakie” Sandefer (Jeff Sandefer’s father), the University of Oklahoma introduced a similar program in its engineering and business schools about five years ago. An engineering school dean said the awards may have encouraged some faculty to put more emphasis on teaching. However,
Nicholas Hathaway, the university’s vice president of executive affairs and administrative affairs, said the awards were marred by concerns that they did not consider the substance of the material taught by individual teachers, did not adjust for the relative popularity of electives compared to required courses, and could lead to grade inflation in the long term.

The program was eliminated after approximately three years without objection as part of campus-wide budget cuts. The awards did not appear to affect classroom instruction in any discernible way, Hathaway said.

Solution #3: Split Research and Teaching Budgets to Encourage Excellence in Both

This proposal aims to, “Increase transparency and accountability by emphasizing teaching and research as separate efforts in higher education, and making it easier to recognize excellence in each area.”

Specifically, it recommends:

- creating separate budgets and faculty reward systems for research and teaching,
- paying teaching faculty based on number of students taught with bonuses based on student satisfaction,
- paying research faculty based on sponsored grants they receive from government and the private sector, and
- allowing current faculty to remain in the existing compensation system if they choose.

WORLD-CHANGING RESEARCH

Separating research and teaching would fundamentally change the mission of The University of Texas at Austin. In light of the other proposals, which emphasize large classes and monetary awards for popular teachers, serious research would likely be devalued under this measure.

Research at The University of Texas at Austin has an impact well beyond campus. It is often an engine for economic development in the state. It regularly informs policy makers, entrepreneurs, industry leaders, civil servants, scientists, artists and educators. Recent faculty and student research, for example, has helped improve the effectiveness of drugs; led to the creation of a powerful laser that allows scientists to simulate the workings of stars and investigate nuclear fusion; inspired Bill Gates to try to eradicate polio; and helped nations around the world draft new constitutions.

We are also concerned by Mr. Sandefer’s suggestion that specialized academic articles with limited readerships lack real value. This outlook could affect scholarship in such fields as mathematics, natural sciences and social sciences in which seemingly narrow findings have the potential to change human understanding.

We are especially concerned it will inhibit research in the humanities and we take issue with the idea that the value of research can be judged by its immediate impact or reduced to a monetary figure. Humanities research helps citizens better understand the world in which they live and the overall human condition. It provides the history, cultural contexts, and ethical framework needed to make sense of changes in society.
As in other disciplines, the impact of most humanities research is not immediately observable, nor guaranteed. It tends to work cumulatively over time and, for the most part, requires no start-up funds, research labs, or expensive equipment. Historians, philosophers and economists from the Greco-Roman periods through Voltaire, Hume, and Adam Smith, for example, all influenced the American founding fathers. These scholars’ impact was not fully known for decades or centuries, just as the value of much of today’s scholarship can’t be measured immediately.

Two University of Texas at Austin humanities professors recently addressed the significance of humanities in an op-ed column. When discussing a pressing global crisis, they explained:

How can you hope to understand the modern Middle East without knowing the history of the region? Without knowing that some of the same arguments that plague the region today have been going on for thousands of years? Arguments over water rights, over tribal boundaries and entitlements, over the universal justice that was promised with each new ruler — and was denied again and again.

The professors aptly concluded, “such knowledge simply can’t be lost.”

**RESEARCH IN THE CLASSROOM**

More than 80 percent of University of Texas at Austin undergraduates have conducted academic research, according to a 2010 survey. Their experiences suggest that participating in research improves learning outcomes.

Students with research experience generally have higher grade point averages (GPA) and make more progress in developing their academic skills and knowledge base than students who have not engaged in research. Students who enter college with lower SAT scores or class rankings show significantly marked improvement if they engage in research. Separating research from classroom teaching would limit students’ access to these opportunities and to the latest theories and bodies of knowledge that are being developed.

**FIGURE 3: UNDERGRADUATE RESEARCH AND GPA**
IMPLICATIONS FOR TEXAS

The Association of American Universities (AAU), which includes 62 Tier One research universities, has already warned Texas A&M to resist “ill conceived proposals” including the recommended separation of research and teaching.\textsuperscript{32} If both of Texas’ flagship colleges pursued this strategy, their status as Tier One research institutions could be jeopardized. Top faculty would leave, promising graduate students would enroll elsewhere, and Texas would be left with only one strong AAU school, Rice University, a private institution with 3,485 undergraduates, 650 full-time faculty and annual tuition of $33,120. A top-tier college education would become inaccessible to most Texans and the state’s economic growth and competitiveness would be devastated by the loss of important research and key faculty.

![Figure 4: Enrollment and Costs at Texas’ Tier One Institutions](image)

Finally, the proposal claims “similar budgeting and reward systems are used by most businesses and not-for-profits.”\textsuperscript{33} We are unaware of any institutions beyond colleges and universities that are dually committed to teaching and research and can serve as a model for separating the budgets surrounding each mission.
Solution #4: Require Evidence of Teaching Skill for Tenure

This proposal aims to, “Highlight the importance of great teachers by evaluating teaching skill in nominating and awarding faculty tenure.”

Specifically, it recommends:

- reserving about 75 percent of tenured appointments for faculty with high teaching loads, and
- requiring an average score of 4.5 on a 5-point scale on student satisfaction ratings as evidence of good teaching during the tenure process.

TEACHING AND TENURE

Teaching is already one of the main areas of faculty effort evaluated for promotion decisions at The University of Texas at Austin.

All assistant professors are formally reviewed for research productivity and teaching effectiveness after three years and again during the tenure process in their sixth year. At both of these points, teaching is evaluated using multiple methods including students’ Course Instructor Survey (CIS) ratings. All written comments submitted by students about a faculty member's teaching over the prior three years are reviewed. Professors are further evaluated by peer reviewers and supervisors who look at their record of undergraduate and graduate student mentoring, course syllabi, teaching awards, grade distribution, and teaching methods.

TPPF’s suggestion that “teachers and students are the only people in the classroom who can judge teaching and course effectiveness” is simply untrue. Other faculty members with distinguished teaching records can — and do — observe professors in the classroom as part of the promotion and tenure process. They provide detailed evaluations of candidates’ presentation, organization, clarity, rigor, fairness, and methodology as well as student outcomes.

THE DYNAMIC NATURE OF TEACHING

The tenure review process is rigorous and holistic. It recognizes a reality that this and the other “breakthrough solutions” do not: that a dynamic relationship exists between course content, class size, and disciplinary-specific teaching styles which cannot be evaluated through a single form that students fill out on the day a class has ended. Measuring effective instruction differs among a language class with 15 students, a large lecture course in history, and a laboratory course in chemistry. Each provides different challenges for managing and presenting course content to ensure student achievement.

While various teaching models are practiced at The University of Texas at Austin, a vast majority of these derive from the belief that learning takes place in the give-and-take between faculty and students as well as among students. The classroom becomes a dynamic and interactive learning environment.

Over the past decade, The University of Texas at Austin has developed sophisticated online teaching strategies and interactive pedagogies that foster student-teacher interaction while promoting learning. These include multimedia teaching tools that help students better understand the works of John Milton and Walt Whitman and interactive foreign language modules that are being developed.
These strategies are consistent with a growing body of evidence that suggests instructor feedback and interaction are vital for students to truly gain knowledge through online or distance education courses.\textsuperscript{37}

Decreeing that student ratings should drive so much of the tenure process fails to capture the dynamic nature of teaching, the long-term effectiveness of classroom interactions, or the essence of the educational mission that has made The University of Texas at Austin a world-class learning environment for the students of Texas.

**Solution #5: Use “Results-Based” Contracts with Students to Measure Quality**

This proposal aims to, “Increase transparency and accountability to students with learning contracts between Deans, department heads, and teachers that clearly state the promises of each degree program to each student.”

Specifically, it recommends:

- requiring students and instructors to sign the learning contracts, which would provide a variety of information about the school.

**THE ROLE OF THE STUDENT**

The proposed learning contract would fundamentally change the teacher-student relationship and over-emphasize the student’s role as a “customer” at the expense of the more vital role of “learner.” Students are undoubtedly consumers on campus and should be valued and treated with respect. But they are not customers in the traditional sense. The higher education experience is not akin to shopping on iTunes or visiting Banana Republic. Curricula are based on the wisdom of traditional educational experience, accrediting agencies and state requirements — not simply the momentary wants of the consumer.

The university has long embraced a student-centered approach to learning. But that does not mean students should have control of the entirety of their academic learning as these proposals suggest.
Solution #6: Put State Funding Directly in the Hands of Students

This proposal aims to, “Increase college access and make students the actual customers for higher education with student-directed scholarships for undergraduate and graduate education with funding from the state’s current appropriation that goes directly to colleges and universities.”

Specifically, it recommends:

- using state funds previously allocated to colleges and universities for scholarships that in-state students can use at public and some private universities,
- providing the same level of funding to each student instead of making the scholarships need-based, and
- marketing them to students starting in middle school.

FAILINGS IN COLORADO

The proposal to give state higher education funding directly to students is essentially a voucher system.

This model was used to develop the Colorado Opportunity Fund (COF), implemented in 2005 by Rick O’Donnell when he served as head of the Department of Higher Education in Colorado. Mr. O’Donnell has also worked for TPPF and, earlier this year, served briefly as an advisor to The University of Texas System. In May 2009, the Western Interstate Commission on Higher Education evaluated the COF at the request of the state and found the program “did not succeed in ensuring better access to postsecondary education.”

The COF’s three principal objectives were:

- to provide a legal mechanism for exempting tuition from the revenue and expenditure limitations associated with Colorado’s Taxpayer’s Bill of Rights,
- to incentivize more disciplined and efficient operations and recruit more state residents into colleges and universities, and
- to provide more access to underrepresented populations, in particular minorities, males, and lower income students.

The program successfully exempted higher education from the state’s revenue and spending limitations. Otherwise, the COF “failed to live up to its original intentions to improve access and impose a more conscious market orientation on institutions, while making public policies relating to higher education less transparent overall,” according to the 2009 review. While the number of college students around the country continued to rise, enrollment in Colorado fell after the COF was established. Minority and low-income students were less likely to attend college than before the program was established, the review found.

As Brian T. Prescott, director of policy research at the Western Interstate Commission for Higher Education, wrote, “Even the stipend’s most committed champions acknowledged that it has fallen well short of their hopes (though their affection for market-based educational reforms typically remained undiminished).”
Solution #7: Create Results-Based Accrediting Alternatives

State leaders, including Gov. Rick Perry, have already stated publicly that they will not be pursuing this strategy, so we will not discuss this proposal.42

Final Thoughts: Applying Market Forces to Higher Education

The proposals put forward by TPPF are built on the belief that colleges and universities should be operated like businesses. They presume that the free market and customer control would guide higher education and the classroom experience more efficiently and effectively than the current system.

FOR-PROFIT UNIVERSITIES

Advocates of this approach often point to for-profit universities as models to be emulated.

“Although the rapid increases in cost per student and tuition appear across public institutions of higher education across the state — and even across the country — these trends are not present everywhere,” TPPF concludes on its texashighered.com Web site. “…the per-student cost at for-profits is one-third of the cost at public institutions.”43 Mr. Sandefer has also predicted that without his proposed changes, public higher education “would collapse as for-profit institutions and online courses gain ground.”44

Pointing to for-profit educational institutions as bastions of efficiency and fiscal responsibility, however, is misguided.

Time Magazine recently reported that for-profit institutions enroll “11 (percent) of all higher education students yet receive nearly a quarter of all federal financial aid,” totaling $24.6 billion in loans and $7.5 billion in Pell Grants over the past year.45 In addition, for-profit institutions represent more than 40 percent of all student-loan defaults.

More disturbingly, their six-year graduation rate is only 27 percent for first-time, full-time students.46

Several for-profit colleges are facing lawsuits over allegations that they falsify attendance records, grades and job placement numbers to continue receiving federal aid. The yearly cost per student at one such school, including room and board, is nearly $50,000, much of which comes through federal aid.47

Even beyond these apparent economic and academic failings, we have a more fundamental concern with the for-profit model: Texas’ public colleges and universities were established on the principle that education is a public good that can improve lives and provide opportunities for students and their families to the benefit of the state. Higher education should be driven by that commitment to public good rather than by a profit/loss statement.
THE ASU MODEL

Some proponents of change in Texas also point to Arizona State University (ASU) as a model for embracing market forces and reform. The multi-campus university has expanded enrollment, now admits 90.5 percent of applicants and has 68,000 students with 3,000 more enrolled in ASU online.\textsuperscript{48} It has a student-to-faculty ratio of 23/1, compared to 19/1 at The University of Texas at Austin.\textsuperscript{49}

By one key measure, ASU is truly a model of efficiency. Per student, it brings in less tuition and state money for each professor it employs, $8.12, than any other university in the nation.\textsuperscript{50}

But the school’s six-year graduation rate is only 56 percent. And a projected 4,000 students in an entering class leave without a degree — more than the number of new students many universities enroll in a single year.\textsuperscript{51} Indeed, some of the other largest universities in the country also have poor graduation rates, a model that hurts students, families and the state.

In contrast, the 50,000-student University of Texas at Austin collects $8.21 per student for every professor, the second lowest rate in the country. But we graduate 81 percent of our students in six years or fewer and have far more nationally ranked programs than ASU.\textsuperscript{52}

Dramatically increasing enrollment while slashing tuition, as has been proposed, would move us away from our current practices, which are founded in the responsible management of public resources. Instead, such a solution would mirror the ASU approach in which growing enrollment and higher student-to-faculty ratios yield diminishing returns in excellence. This, we fear, would have disastrous consequences for our learning environment and graduation rates.
Discussion about developing a $10,000 bachelor's degree appears to stem from a similar belief that a market-driven model of low costs and high volume will promote excellence in higher education. We have yet to see evidence that this approach works.

We whole-heartedly agree with state leaders that a college education should be affordable, accessible, and within reach of all Texans.

But instead of cutting spending on universities, the state should increase funding for programs like TEXAS Grants that give students access to a quality education. Simply slashing expenses to an arbitrary level will create inefficiently large classes, promote distance education strategies that are devoid of meaningful student-teacher interaction and, ultimately, reduce graduation rates and diminish the value of a diploma from a public college or university in Texas.

THE LIMITS OF THE MARKETPLACE

Clearly, competitive market forces can play a productive role in promoting excellence in higher education, especially in terms of developing sound business practices and securing top talent.

By offering a first-class education at a relatively low tuition, for example, The University of Texas at Austin's Plan II Honors Program is successful in the marketplace, regularly attracting students who have been accepted at Ivy League universities. And our robust learning environment and commitment to cutting-edge research helps bring top scholars to Texas, such as neuropsychologist Russell Poldrack who came from UCLA in 2009 to lead our Imaging Research Center (IRC).

But the classroom is not a marketplace.

The proposals reviewed here will not promote effective learning or the responsible use of resources inside a laboratory, library or seminar room. The University of Texas at Austin's bottom line is to provide a first-class education while spending our resources responsibly and efficiently. Separating those two goals is like separating research from teaching: it serves the wrong bottom line. Similarly, treating students as customers, offering them a “product” designed to win positive reviews and then rewarding the most popular instructors will neither challenge students in meaningful ways nor foster the deep learning and skills they will need throughout life.
The University of Texas at Austin is a renowned Tier One institution, a national leader in myriad disciplines and educational strategies. This remains true even in an era of diminishing state funds when tuition is lower than at most of our peer schools.

By adopting the recommendations of the Commission of 125, developing new interactive learning models and pursuing other efforts, we continually strive to improve our model for providing a world-class education, securing successful learning outcomes, and increasing graduation rates. Any solutions to the challenges we face should be guided by a commitment to dynamic and effective teaching, world-changing research, and the responsible use of public resources.

We should steer clear of oversimplified, market-driven ideas, like the seven “breakthrough solutions,” which would undercut our record of excellence and obstruct our efforts to produce new knowledge and transfer that knowledge to the next generation of Texans.

REFERENCES


7. For every $200.65 the university receives through tuition and state appropriations, it graduates 1 percent of its student body within six years. The total yearly, per-pupil revenue of $15,253 yields a graduation rate of 81 percent, according to a College of Liberal Arts analysis of data from the Integrated Postsecondary Education Data System, 2009.


11. All information here and in subsequent summaries of the proposed solutions is taken from http://texashighered.com/7-solutions, accessed May 23, 2011. The link contains downloadable PDF’s for each solution; PDF’s hereafter cited as “Breakthrough Solution #1,” etc.


15. Breakthrough Solution #1, 2.


17. Ibid.

18. See reference number 7.


25. Discussion between author's staff and Nicholas Hathaway, May 5, 2011.


28. See, for example, Ronald Trowbridge, a senior fellow at TPPF, who cited a study by the American Enterprise Institute that found there were 21,674 scholarly articles published on Shakespeare from 1980 to 2006, questioning the need for more of the same. Vimal Patel, "Group’s ‘solutions’ challenged," accessed May 22, 2011, http://www.theeagle.com/local/-Solutions—challenged—.


31. "The Effects of Research on Undergraduate Academic Success at The University of Texas at Austin" (paper presented by Harrison Keller at 5th Annual SERU Research Symposium, University of North Carolina at Chapel Hill, April 30, 2011).


39. Ibid., i.

40. Ibid., i.


46. Ibid., p. 46.


48. For 2009 ASU enrollment statistics, see http://colleges.usnews.rankingsandreviews.com/best-colleges/asu-1081; for 2010 enrollment at ASU online, see http://usnews.asu.edu/20100909_enrollment.


52. Ibid.
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