



May 3 Reality Check

Accountability, Improvement and Money

By [John V. Lombardi](#)

Unfortunately, some of us are old enough to have passed through various incarnations of the accountability movement in higher education. Periodically university people or their critics rediscover the notion of accountability, as if the notion of being accountable to students, parents, legislators, donors, federal agencies, and other institutional constituencies were something new and unrecognized by our colleagues. We appear to have entered another cycle, signaled by the publication last month of a call to action by the State Higher Education Executive Officers (SHEEO) association, with support from the Ford Foundation, called ["Accountability for Better Results."](#)

The SHEEO report has the virtue of recognizing many of the reasons why state-level accountability systems fail, and focuses its attention primarily on the issue of access and graduation rates. While this is a currently popular and important topic, the SHEEO report illustrates why the notion of "accountability" by itself has little meaning. Universities and colleges have many constituencies, consumers, funding groups, interested parties, and friends. Every group expects the university to do things in ways that satisfy their goals and objectives, and seek "accountability" from the institution to ensure that their priorities drive the university's performance. While each of these widely differentiated accountability goals may be appropriate for each group, the sum of these goals do not approach anything like "institutional accountability."

Accountability has special meaning in public universities where it usually signifies a response to the concerns of state legislators and other public constituencies that a campus is actually producing what the state wants with the money the state provides. This is the most common form of accountability, and often leads to accountability systems or projects that attempt to put all institutions of higher education into a common framework to ensure the wise expenditure of state money on the delivery of higher education products to the people.

In this form, accountability is usually a great time sink with no particular value, although it has the virtue of keeping everyone occupied generating volumes of data of dubious value in complex ways that will exhaust the participants before having any useful impact. The SHEEO report is particularly clear on this point.

This form of accountability has almost no practical utility because state agencies cannot accurately distinguish one institution of higher education from the other for the purposes of providing differential funding. If the state accountability system does not provide differential funding for differential performance, then the exercise is more in the nature of an intense conversation about what good things the higher education system should be doing rather than a process for creating a system that could actually hold institutions accountable for their performance.

Public agencies rarely hold institutions accountable because to do so requires that they punish the poor performers or at least reward the good performers. No institution wants a designation as a poor performer. An institution with problematic performance characteristics as measured by some system will mobilize every political agent at its disposal (local legislators, powerful alumni and friends, student advocates, parents) to modify the accountability criteria to include sufficient indicators on which they can perform well.

In response to this political pressure, and to accommodate the many different kinds, types and characteristics of institutions, the accountability system usually ends up with 20, 30 or more accountability measures. No institution will do well on all of them, and every institution will do well on many of them, so in the end, all institutions will qualify as reasonably effective to very effective, and all will remain funded more or less as before.

The lifecycle of this process is quite long and provides considerable opportunity for impassioned rhetoric about how well individual institutions serve their students and communities, how effective the research programs are in enhancing economic development, how valuable the public service activities enhance the state, and so on. At the end, when most participants have exhausted their energy and rhetoric, and when the accountability system has achieved stasis, everyone will declare a victory and the accountability impulse will go dormant for several years until rediscovered again.

Often, state accountability systems offer systematic data reporting schemes with goals and targets defined in terms of improvement, but without incentives or sanctions. These systems assume that the value of measuring alone will motivate institutions to improve to avoid being marked as ineffective. This kind of system has value in identifying the goals and objectives of the state for its institutions, but often relegates the notion of accountability to the reporting of data rather than the allocation of money, where it could make a significant difference.

If an institution, state, or other entity wants to insist on improved performance from universities, they must specify the performance they seek and then adjust state appropriations to reward those who meet or exceed the established standard. Reductions in state budgets for institutions that fail to perform are rare for obvious political reasons, but the least effective system is one that allocates funds to poorly performing institutions with the expectation that the reward for poor performance will motivate improvement. One key to effective performance improvement, reinforced in the SHEEO report, is strictly limiting the number of key indicators for measuring improvement. If the number of indicators exceeds 10, the exercise is likely to find all institutions performing well on some indicator and therefore all deserving of continued support.

Differing Directions

Often the skepticism that surrounds state accountability systems stems from a mismatch between the goals of the state (with an investment of perhaps 30 percent or less of the institutional budget) and those of the institutions. Campuses may seek nationally competitive performance in research, teaching, outreach, and other activities. States may seek improvement in access and student graduation rates as the primary determinants of accountability. Institutions may see the state's efforts as detracting from the institution's drive toward national reputation and success. Such mismatches in goals and objectives often weaken the effectiveness of state accountability programs.

Universities are very complex and serve many constituencies with many different expectations about the institutions' activities. Improvement comes from focusing carefully on particular aspects of an institution's performance, identifying reliable and preferably nationally referenced indicators, and then investing in success. While the selection of improvement goals and the development of good measures are essential, the most important element in all improvement programs is the ability to move money to reward success.

If an accountability system only measures improvement and celebrates success, it will produce a warm glow of short duration. Performance improvement is hard work and takes time, while campus budgets change every year. Effective measurement is often time consuming and sometimes difficult, and campus units will not participate effectively unless there is a reward. The reward that all higher education institutions and their constituent units understand is money. This is not necessarily money reflected in salary increases, although that is surely effective in some contexts.

Primarily what motivates university improvement, however, is the opportunity to enhance the capacity of a campus. If a campus teaches more students, and as a result earns the opportunity to recruit additional faculty members, this financial reward is of major significance and will motivate continued improvement. At the same time, the campus that seeks improvement cannot reward failure. If enrollment declines, the campus should not receive compensatory funding in hopes of future improvement. Instead, a poorly performing campus should work harder to get better so it too can earn additional support.

In public institutions, the small proportion of state funding within the total budget limits the ability of state systems to influence campus behavior by reallocating funding. In particular, in many states, most of the public money pays for salaries, and reallocating funds proves difficult. Nonetheless, most public systems and legislatures can identify some funds to allocate as a reward for improved performance. Even relatively small budget increases represent a significant reward for campus achievements.

Accountability, as the SHEEO report highlights, is a word with no meaning until we define the measures and the purpose. If we mean accountability to satisfy public expectations for multiple institutions on many variables, we can expect that the exercise will be time consuming and of little practical impact. If we mean accountability to

improve the institution's performance in specific ways, then we know we need to develop a few key measures and move at least some money to reward improvement.

John V. Lombardi, chancellor and professor of history at the University of Massachusetts Amherst, writes *Reality Check* every two weeks. Scott McLemee's column, *Intellectual Affairs*, will return Thursday.

Comments

John Lombardi's commentary on "accountability" reflects the growing complexity of higher education institutions that are increasingly being 'privatized' by the changing mix of revenue sources. Public institutions are now accountable to multiple constituencies, each of whom expects and deserves attention to its specific goals. As state investment for instruction is reduced, universities struggle to sustain an array of public purposes with other investment. Who is really being accountable here: universities that strain to maintain access and quality with new resources or states that reduce their public funding of higher education as they increase public support of prisons, health care, highways, and other priorities? Lombardi is right: "accountability" is a two-way street and becomes an empty exercise unless resources are aligned with performance and sustained for the long term.

katharine lyall, visiting scholar at carnegie foundation for advancement of teaching, at 1:28 pm EDT on May 3, 2005

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