Download the full report in PDF format (340KB)

Front Page

Foreword

A Guide for Setting a Public Agenda

Setting a Public Agenda for Higher Education in the States

Lessons Learned from the National Collaborative for Higher Education Policy

By
Gordon K. Davies

December 2006

The National Collaborative for Higher Education Policy:

The Education Commission of the States
The National Center for Higher Education Management Systems
The National Center for Public Policy and Higher Education

©2006 by The Education Commission of the States, The National Center for Public Policy and Higher Education, and The National Center for Higher Education Management Systems. Material may be duplicated with full attribution.

Contents

Foreword

A Guide for Setting a Public Agenda

More..... Download the full report in PDF format (340Kb)

E-Mail this link to a friend.
Enter your friend's e-mail address:

Send this URL

Download the full report in PDF format (340KB)

Front Page

Foreword

A Guide for Setting a Public Agenda

Setting a Public Agenda for Higher Education in the States
Lessons Learned from the National Collaborative for Higher Education Policy

A Guide for Setting a Public Agenda

Although it might be useful to involve individuals or organizations from outside the state in some aspects of setting a public agenda for higher education, states can initiate and sustain the work themselves. The approach of the National Collaborative for Higher Education Policy was consistent in all five states that we worked with formally. This approach included five main activities:

Setting a Public Agenda and Defining Higher Education's Responsibilities

1. Appoint a leadership group
2. Ground the agenda and its priorities in the needs of state residents
3. Complete a higher education policy audit
4. Meet with key people throughout the state
5. Report back to the leadership group, finalize the public agenda, and assign responsibilities

1. Appoint a leadership group

The governor should appoint a group of leaders from business, the executive and legislative branches of government, and education to oversee the process and to reach agreement on a policy agenda. If the governor does not accept this step as a high priority, then it might be appropriate to consider whether the state's effort to set a public agenda for higher education is politically feasible. The leadership group should be comprised of state leaders who will create and then support the agenda from its initial development through implementation. We recommend that this be an informal group that meets for candid conversation, since "blue ribbon" commission members tend to arrive with obligations to constituent groups and typically feel called upon to make pronouncements. The governor should chair the leadership group.

2. Ground the agenda and its priorities in the needs of state residents

In identifying the needs of state residents for higher education, start with the framework provided in the *Measuring Up* report card series and with your state's grades and performance highlighted in *Measuring Up 2006*. Supplement that information with data from the Information Center for Higher Education Policymaking and Analysis (www.higheredinfo.org) from the National Center for Higher Education Management Systems, to get a better picture of regional variations within the state and among subpopulations (for example, income groups, and racial and ethnic groups). Augment these sources of national data with data from your own state and from other sources, depending on your needs.

Present the data to the leadership group in order to reach agreement on a preliminary public agenda: the first attempt to describe the condition of the state, the areas in which change and improvement are most needed, and the specific responsibilities of higher education in meeting the state's priorities. The preliminary public agenda articulates a common

understanding of state needs across geographic regions and subpopulations, based on actual data rather than assumptions, conventional wisdom, or folklore. Adopting a preliminary public agenda may require more than one meeting, as you might need to include additional data and analysis. In the states we worked with, each state achieved a preliminary public agenda within three meetings.

Work with the leadership group to agree upon the highest-priority needs.

3. Complete a higher education policy audit

This is an assessment of the policies currently in place and the extent to which they contribute to, or inhibit, the state's ability to meet its highest-priority needs as identified in the public agenda.

Higher education institutions operate within a web of policies and procedures that have accumulated over time and may have been implemented to address issues that are no longer relevant. But the policies and procedures still shape institutional behavior, with results that may now be unsatisfactory and need to be changed. Before suggesting new policies, you should review the current array. This procedure typically has three major components:

a. Review existing policies—particularly those most obviously connected to the areas of priority established in the state agenda and those that are inherent in the budget process. When budget policies conflict with other policies, the budget policies typically prevail.

b. Pay particular attention to the relationships among policies that affect institutional financial support, student financial aid, and tuition. A generous financial aid policy, for instance, can be undercut by a tuition policy that permits institutions to raise the price as financial aid increases.

c. Solicit feedback from experienced individuals who can identify policies that are not working. This assists in understanding the problems that stem from existing policies and in building a broad consensus about state priorities.

4. Meet with key people throughout the state

Meet with a wide range of individuals about policies that influence—either positively or negatively—individual or institutional behaviors. These stakeholders include college and university presidents and senior administrators; faculty; key legislators and their higher education staff; staff from student financial aid agencies; K–12 administrators and teachers; other state agency personnel whose work affects higher education; employers; economic development and Chamber of Commerce personnel; and community leaders.

If possible, meet in small groups, which can encourage the exchange of perceptions and ideas among policy leaders (occasionally they are surprised by how differently they and their colleagues view the same issues). This can also build trust among diverse interest groups. It is important that those interviewed include persons from outside higher education so that state leaders can get a clear picture of how higher education serves the public's interest.

During these meetings, share the data and analyses that the leadership group used to develop its preliminary public agenda and ask whether the priorities are appropriate for the region in which you are meeting. Ask questions such as:

- Do the data that led to the preliminary public agenda reveal an accurate picture of your part of the state? Does this public agenda and higher education's responsibilities within it make sense to you? Why or why not?

- What high-priority items can you identify that are not being pursued?
- What current policies or procedures provide incentives for institutions to behave in ways that support the proposed agenda? What current incentives encourage them to behave in ways contrary to the proposed agenda?

5. Report back to the leadership group, finalize the public agenda, and assign responsibilities

After completing the policy audit and after meeting with individuals and groups throughout the state about the preliminary public agenda, report back to the leadership group on the findings and forge agreement around a revised statewide public agenda. At this stage it is crucial to affirm priorities and agree upon strategies to implement the plan. The leadership group should assign appropriate responsibilities to the key participants, most of whom will be represented at the table: the governor and the executive branch, the legislature, the business community, the state higher education agency, and the institutions.

DOWNLOAD | PREVIOUS | FRONT

E-Mail this link to a friend.
Enter your friend's e-mail address:

Send this URL

© 2006 The National Center for Public Policy and Higher Education

Setting a Public Agenda for Higher Education in the States

Lessons Learned from the National Collaborative for Higher Education Policy

By Gordon K. Davies

December 2006

The National Collaborative for Higher Education Policy:

The Education Commission of the States
The National Center for Higher Education Management Systems
The National Center for Public Policy and Higher Education

© 2006 by The Education Commission of the States, The National Center for Public Policy and Higher Education, and The National Center for Higher Education Management Systems. Material may be duplicated with full attribution.

Contents

Foreword ..... *iv*

Introduction 1

A Guide for Setting a Public Agenda ..... Center Pullout Section

Lessons Learned 10

Conclusion 20

About the Education Commission of the States 21

About the National Center for Higher Education Management Systems 21

About the National Center for Public Policy and Higher Education 21

Foreword

In March 2003, the Education Commission of the States, the National Center for Higher Education Management Systems, and the National Center for Public Policy and Higher Education established a collaborative project to help states improve higher education performance by assisting with examination of state higher education policies and with establishing broad agreement around statewide priorities for improvement.

Five states participated formally in the new National Collaborative for Higher Education Policy: Missouri, Rhode Island, Virginia, Washington, and West Virginia. The starting point for the analysis in each state was *Measuring Up*, the national report card series issued by the National Center for Public Policy and Higher Education. Additional state-specific information was added to provide a more comprehensive picture of the needs of each state. As part of the process, a leadership group was formed in each state to analyze performance, assess policy gaps, and develop a new state agenda for higher education. The leadership group sought guidance from stakeholders throughout the state. A common priority in all of the states was the need for a more highly educated population that could function effectively in a technologically sophisticated world.

This report summarizes lessons learned from the collaborative project. It offers guidance to states interested in gaining broad agreement around a new agenda for higher education that is grounded in performance in the state and directed toward meeting the needs of state residents (see center pullout section).

National Collaborative Advisory Council

The Honorable Jeanne Shaheen, Chair
Governor of New Hampshire (1996 to 2002)
Director, Institute of Politics
John F. Kennedy School of Government
Harvard University

Cheryl King
Vice President for External Relations
Kentucky Wesleyan College

David Longanecker
Executive Director
Western Interstate Commission for Higher Education

Mark Musick
President Emeritus
Southern Regional Education Board

Jane Nichols
Vice Chancellor for Academic and Student Affairs
University of Nevada System of Higher Education

Richard Novak
Executive Director
Center for Public Higher Education Trusteeship & Governance
Association of Governing Boards of Universities and Colleges

Suellen Reed
Superintendent of Public Instruction
Indiana Department of Education

The National Collaborative for Higher Education Policy acknowledges the many leaders who have worked with us to develop new public agendas for their states and to define the responsibilities of higher education within those agendas. Their commitment and vision were instrumental in developing consensus around new priorities. The collaborative also is grateful for the guidance provided by those who served on the National Collaborative Advisory Council (see sidebar).

The collaborative was managed by Terese Rainwater at the Education Commission of the States, with assistance from Carl Krueger. We thank them for their good work.

Finally, the support of The Pew Charitable Trusts helped to make the collaborative possible. We are particularly grateful to program managers Michele Seidl and Nichole Rowles. We worked formally in five states, but our approach to policy and to reframing the public agenda for higher education has influenced a number of other states as well. Once again, the Trusts have helped to set a direction for American higher education policy.

Patrick M. Callan
President
National Center for Public Policy and Higher Education

Gordon K. Davies
Director
National Collaborative for Higher Education Policy

Dennis P. Jones
President
National Center for Higher Education Management Systems

Introduction

The United States is in a period of transition. Globalization is changing how nations and communities envision and support economic development, how businesses seek talent and offer services and products across borders, and how residents perceive and expand their own opportunities. As other nations challenge the United States technologically, scientifically, and economically, U.S. residents are becoming more aware that globalization will be beneficial only if we are not passive about it—only if we behave as if this is not a matter of "letting the good times roll." However, while other nations are making significant gains in educating their populations, educational achievement in the United States has stagnated over the last two decades. If we do not address this issue in the next several years, the educational advancement of other nations compared with the United States may change both the way we live and the freedoms we enjoy.

We welcome the economic development of all nations and the challenges this presents; an increasing standard of living throughout the world is desirable in itself. But in meeting the challenges of globalization we in the United States need to mobilize our resources and adapt our public policies so that we do not fall behind other developed and developing nations in educating our population. As the global economy has developed and other nations have assumed primacy in traditional manufacturing sectors, most states in the U.S. have had to reshape their economies. Now that several Asian nations have developed strong capacity in high technology industries, the effort to compete effectively in this sector has become urgent for many states as well. Yielding the advantage of a skilled and knowledgeable workforce to China and India, two emerging economic giants, or to other nations would be a strategic error with economic and social consequences.

Currently, the United States is slipping relative to many other countries in developing a skilled and knowledgeable workforce. According to the Organisation for Economic Co-operation and Development (OECD):[1]

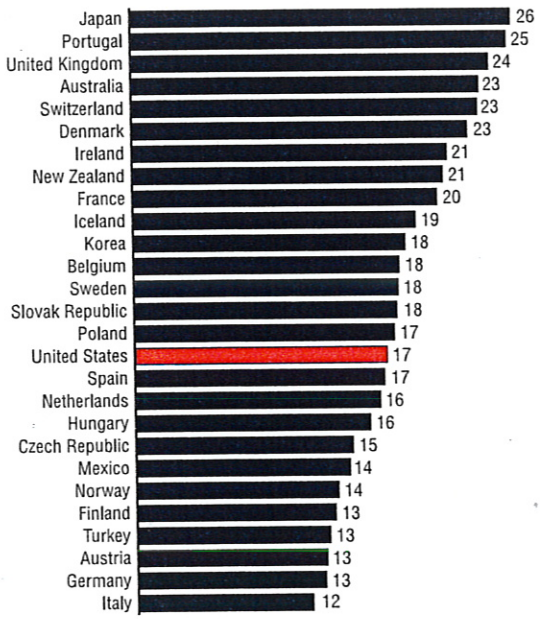
[1] Comparisons are made among the 30 member countries of the OECD: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, and United States.

- Internationally, the United States now ranks behind the top five countries in the percentage of 20- to 24-year-olds with a high school credential.[2]
- The United States has slipped to fifth in the percentage of 18- to 24-year-olds enrolled in college. In addition, the U.S. ranks in the bottom half of countries—16th of the 27 countries with data—on the proportion of students who complete college certificate or degree programs (see figure 1).

Figure 1

College Completion, 2003

Total Number of Certificates/Degrees Completed per 100 Students Enrolled



Source: National Center for Public Policy and Higher Education, *Measuring Up 2006: The National Report Card on Higher Education* (San Jose, CA: 2006), based on data from the Organisation for Economic Co-operation and Development (OECD).

- The United States ranks among top nations in the educational attainment of older adults (ages 35 to 64), but it has dropped to a tie for seventh in the educational attainment of younger adults (ages 25 to 34) (see figure 2). Only the United States and Germany show lower educational attainment levels for younger as compared with older segments of the population. While other nations are increasing the educational achievement of their populations, the United States is not.

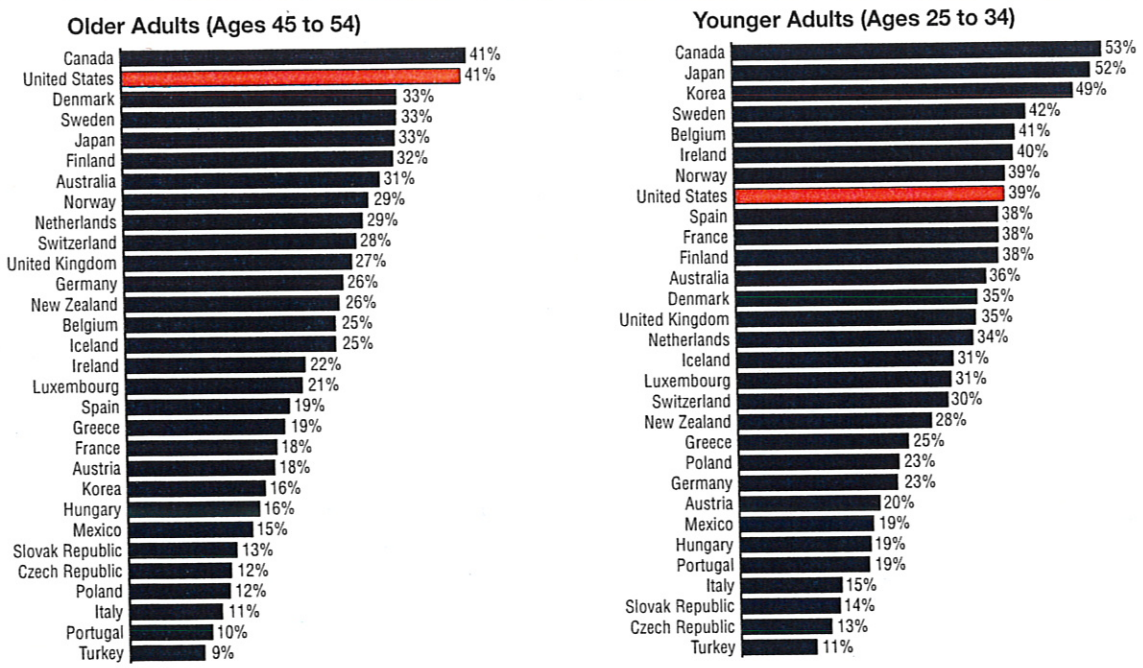
In addition, within the United States, demographic trends are presenting challenges for states seeking to improve the educational achievement of their residents. The population of most states includes a sizable proportion of well-educated workers, but also a large number of residents who are not prepared educationally to participate fully in the social and economic well-being of their state. Whereas many of the well-educated workers are older residents who are reaching retirement age, growing numbers of younger residents are ethnic minorities and are less likely to finish high school, enroll in higher education, or receive degrees. For example, in 16 states, a smaller proportion of young adults (ages 25 to 34), as compared

[2] Alan Wagner, *Measuring Up Internationally: Developing Skills and Knowledge for the Global Knowledge Economy* (San Jose, CA: National Center for Public Policy and Higher Education, 2006). Data are from 2003 and from the OECD database.

with older adults (ages 35 to 64), have an associate's degree or higher. These 16 states include the fastest growing states in the country, including Arizona, California, Colorado, Florida, Nevada, and Texas.[3] Unless these demographic trends change, both the proportion of working-age adults with college

Figure 2

Percentage of Adults with an Associate's Degree or Higher, 2004



Source: Organisation for Economic Co-operation and Development, *Education at a Glance 2006* (Table A.1.3a), http://www.oecd.org/dataoecd/47/51/37363421.xls.

degrees and the per capita personal income of Americans are projected to decline over the next 15 years (see figure 3). In New York, for example, per capita income increased by 52% from 1980 to 2000. If current trends in New York continue, per capita income is projected to *decline* by 5% between 2000 and 2020.

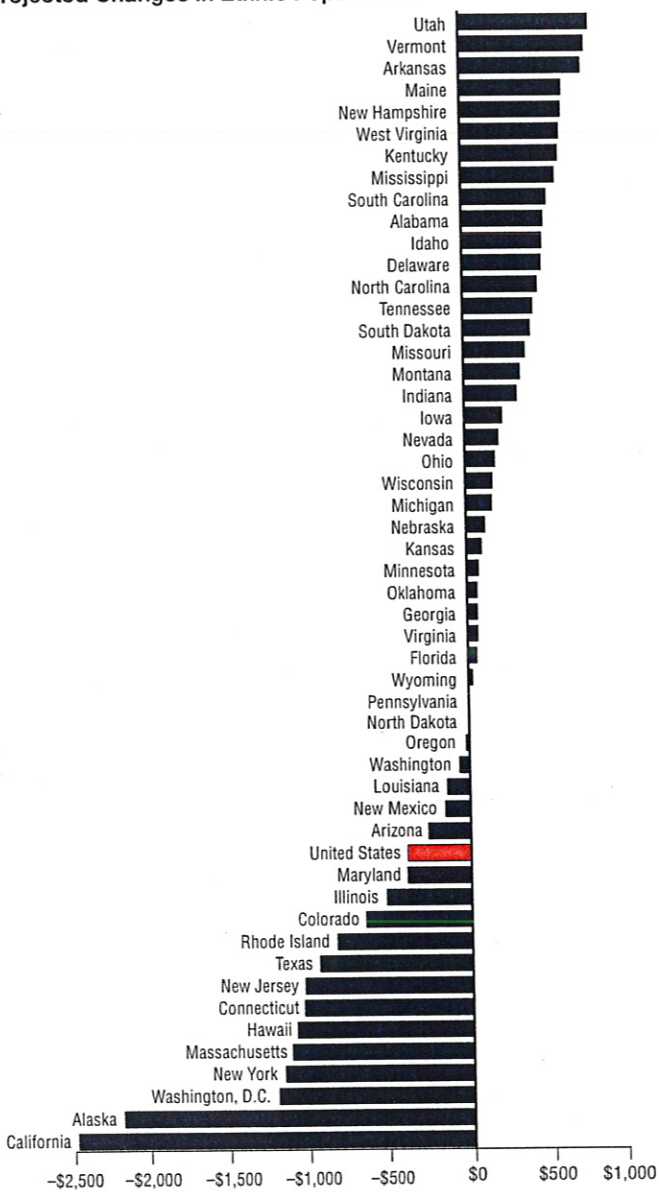
The educational pipeline that runs from the start of high school through the completion of college leaks considerably in every state and large numbers of students drop out at key transition points along the way. On average across the nation, for every 100 students who are in the ninth grade, less than half will enroll in college within four years and only about one-fifth will earn a

[3] National Center for Public Policy and Higher Education, *Measuring Up 2006: The National Report Card on Higher Education* (San Jose, CA: 2006).

Figure 3

Projected Change in Personal Income Per Capita from 2000 to 2020 (in 2000 $)

Given Current Educational Disparities by Ethnicity and Projected Changes in Ethnic Populations



Note: Projected change in personal income is based on the annual personal income by age group (15 years and older) and race/ethnicity in 2000, as well as population projections by age group and race/ethnicity in 2020.

Source: Patrick J. Kelly, *As America Becomes More Diverse: The Impact of State Higher Education Inequality* (Boulder, CO: National Center for Higher Education Management Systems, 2005), figure 28, http://www.higheredinfo.org/raceethnicity/InequalityPaperNov2005.pdf.

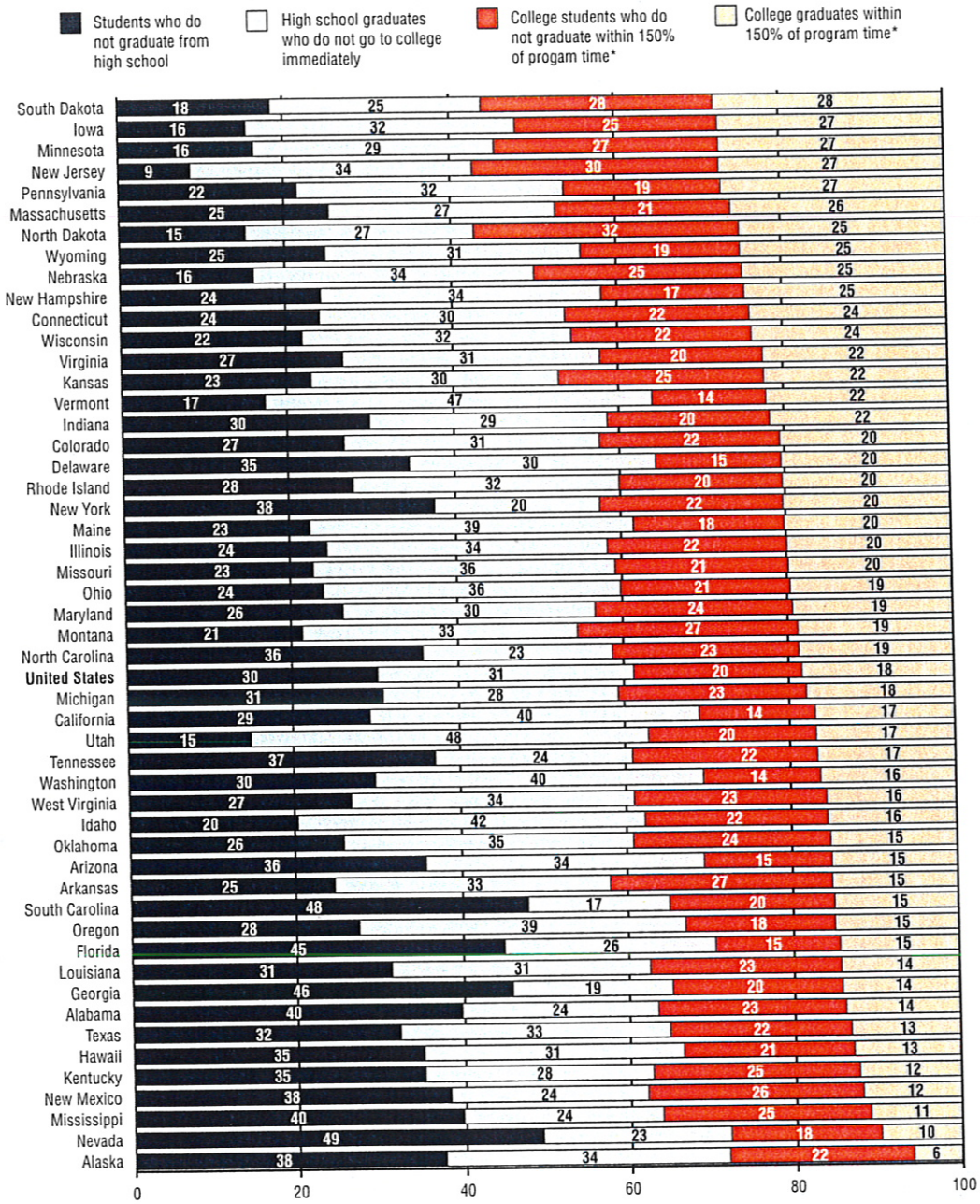
two-year degree (within three years of enrolling in college) or a four-year degree (within six years of enrolling in college) (see figure 4). In some states, the losses are more significant in high school; in other states, college-going rates are low; and in still others, college students do not persist to earn certificates or degrees.

Although each state has its own economic strengths and educational needs, all states depend on having a highly educated population in order to strengthen their economic and social vitality within a global marketplace. Some states need a more highly trained workforce to fill available jobs. Others need to attract higher-paying jobs in order to employ skilled residents. If states are to achieve their high-priority objectives for improving the lives of their residents—especially in times of economic challenge—they need to invest strategically and systematically in educational programs and activities that have the highest probability of yielding those objectives. However, most state policies around higher education are focused more on the management of colleges and universities as resources than on state priorities that are grounded in the diverse needs of residents.

Kentucky was among the first states to strategically link and map out goals for higher education within the interrelated areas of social

Figure 4

Loss Rate per 100 Ninth Graders at Each Transition Point, 2004

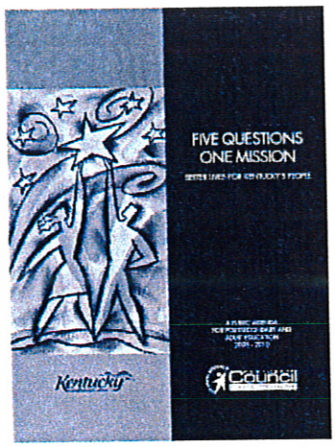


* 150% time refers to college enrollees completing an associate's degree within three years or a bachelor's degree within six years.

Note: This table shows the proportion of students lost at each transition point. Some states lose more students in high school; others are not effective in getting high school graduates to attend college; still others have low levels of college completion. The numbers in the far right column show, out of every 100 9th graders, how many earn an associate's degree within three years of entering college or a bachelor's degree within six years of entering college. Numbers may not add to 100 due to rounding.

Source: Data analysis provided by National Center for Higher Education Management Systems (NCHEMS). For more detailed data, go to http://www.higheredinfo.org/dbrowser/index.php?measure=72.

vitality, health, and economic development. In 1998, the state identified key factors across its 120 counties relating to social issues (for example, children living in poverty and incidents of family violence), health (such as prevalence of heart disease, diabetes, and lung cancer), economic challenges (such as unemployment and annual earnings below the state average), and educational issues (for example, failure to finish high school or to attend college). Because the relationships across these areas were so strong, Kentucky's efforts in higher education reform were directed toward improving the lives of residents, strengthening communities, and improving regional and state economies. The colleges and universities, while important, were viewed as means to an end. "One mission: better lives" became the overall message of higher education reform in Kentucky.



In 1998, Kentucky developed a public agenda for higher education that addressed social, health, and economic priorities as well as education.

Given the competitiveness of the global economy, this nation and its 50 states face unique opportunities to flourish or fail. To ensure that we succeed, both the federal government and the states need to develop new public agendas for higher education, and they need to act with urgency because the world is changing rapidly. These new public agendas, by broadening the responsibilities of higher education, should address and reinvigorate social and economic opportunities within the states. In the job market today, a college degree, whether from a community college or a four-year university, is roughly equivalent to a high school diploma in 1940. In our complex, technologically sophisticated society, colleges and universities are an indispensable means to developing human potential—not just "human capital" in a narrow economic sense, but productive, self-sufficient individuals. By helping more people reach their potential through higher education, states can advance key economic, social, health, and civic priorities. Beyond the private benefits that accrue to graduates, higher education contributes substantially to the public good.

The new public agendas will vary by state, but there are also common needs across states. For example, state systems of higher education are generally more effective in retaining and graduating students from middle- and upper-income families; they are less effective in retaining and graduating those with lower incomes. And in general, state systems of higher education are not particularly effective in helping adults who lack basic skills in reading,

writing, and arithmetic. In light of these and other needs, higher education should embrace several new responsibilities that include the achievement of:

- Higher participation and completion rates, particularly for racial and ethnic minorities.
- More extensive involvement in education reform from preschool through high school.
- Improved adult literacy rates, since educational disadvantage tends to extend from generation to generation.
- More effective programs to meet the educational needs of adults of all ages, including those in their early 20s, mid-career workers, and older residents.

We need to begin the hard work of maintaining the most responsible citizenry and the most skilled and knowledgeable workforce in the world. How we work together over the next few years will determine how our grandchildren live in the mid-21st century.

In order to assist states in developing new public agendas that address the needs of state residents and their communities, the National Collaborative for Higher Education Policy, with support from The Pew Charitable Trusts, worked with five states to develop sustainable public agendas for higher education. These states were Missouri, Rhode Island, Virginia, Washington, and West Virginia. In addition, the collaborative worked with seven other states informally, using elements of the same approach. These seven states were Indiana, Kentucky, Louisiana, Nevada, North Dakota, South Carolina, and Tennessee.

The collaborative did not establish or develop any state agendas; we assisted state officials in doing so. For its part, the collaborative helped to uncover policy barriers, identify needs for new policies, bring stakeholders together to discover broad areas of agreement, design implementation strategies, and assign key tasks to appropriate individuals and groups. But in the end, the accomplishments belong to the state leaders themselves. The will and skill of political and education leaders in each state are essential to developing a public agenda and ensuring that appropriate objectives for higher education are defined and achieved.

Measuring Up **as a Framework for Setting a Public Agenda**

The *Measuring Up* series of national report cards on higher education provides a useful framework for developing statewide priorities for higher education and aligning those priorities with existing higher education performance in the state. *Measuring Up* considers the performance of states as a whole rather than individual colleges or universities, and it identifies six overall categories for measuring and understanding the strengths and weaknesses of higher education performance:

Preparation: How adequately does the state prepare students for education and training beyond high school?

Participation: Do state residents have sufficient opportunities to enroll in education and training beyond high school?

Affordability: How affordable is higher education for students and their families?

Completion: Do students make progress toward and complete certificates or degrees in a timely manner?

Benefits: What benefits does the state receive from having a highly educated population?

Learning: What is known about student learning as a result of education and training beyond high school?

Within each category, *Measuring Up* identifies several measures of performance, which states can supplement with additional information by region and by subpopulation group (such as income or ethnicity).

In working with states to develop public agendas for higher education, the collaborative used the framework of *Measuring Up*,[4] the national report card on higher education, to assist state leaders in identifying and assessing the state's needs, priorities, and areas of strength and weakness in higher education (see *Measuring Up* sidebar). The five states that were formal partners in the collaborative have shown improvement in their grades in the *Measuring Up* series, except in the category of affordability, for which almost all states consistently earned failing grades (see figure 5). For the additional seven states that participated informally, improvement on the graded categories is not as conclusive. However, Tennessee improved in four of the *Measuring Up* categories, Kentucky in three, and Indiana, Louisiana, and South Carolina in two.

Continued after "A Guide for Setting a Public Agenda."

[4] See National Center for Public Policy and Higher Education, *Measuring Up 2006: The National Report Card on Higher Education* (San Jose, CA: 2006).

A Guide for Setting a Public Agenda

Although it might be useful to involve individuals or organizations from outside the state in some aspects of setting a public agenda for higher education, states can initiate and sustain the work themselves. The approach of the National Collaborative for Higher Education Policy was consistent in all five states that we worked with formally. This approach included five main activities:

Setting a Public Agenda and Defining Higher Education's Responsibilities

1. Appoint a leadership group
2. Ground the agenda and its priorities in the needs of state residents
3. Complete a higher education policy audit
4. Meet with key people throughout the state
5. Report back to the leadership group, finalize the public agenda, and assign responsibilities

1. Appoint a leadership group

The governor should appoint a group of leaders from business, the executive and legislative branches of government, and education to oversee the process and to reach agreement on a policy agenda. If the governor does not accept this step as a high priority, then it might be appropriate to consider whether the state's effort to set a public agenda for higher education is politically feasible. The leadership group should be comprised of state leaders who will create and then support the agenda from its initial development through implementation. We recommend that this be an informal group that meets for candid conversation, since "blue ribbon" commission members tend to arrive with obligations to constituent groups and typically feel called upon to make pronouncements. The governor should chair the leadership group.

2. Ground the agenda and its priorities in the needs of state residents

In identifying the needs of state residents for higher education, start with the framework provided in the *Measuring Up* report card series and with your state's grades and performance highlighted in *Measuring Up 2006*. Supplement that information with data from the Information Center for Higher Education Policymaking and Analysis (www.higheredinfo.org) from the National Center for Higher Education Management Systems, to get a better

picture of regional variations within the state and among subpopulations (for example, income groups, and racial and ethnic groups). Augment these sources of national data with data from your own state and from other sources, depending on your needs.

Present the data to the leadership group in order to reach agreement on a preliminary public agenda: the first attempt to describe the condition of the state, the areas in which change and improvement are most needed, and the specific responsibilities of higher education in meeting the state's priorities. The preliminary public agenda articulates a common understanding of state needs across geographic regions and subpopulations, based on actual data rather than assumptions, conventional wisdom, or folklore. Adopting a preliminary public agenda may require more than one meeting, as you might need to include additional data and analysis. In the states we worked with, each state achieved a preliminary public agenda within three meetings.

Work with the leadership group to agree upon the highest-priority needs.

3. Complete a higher education policy audit

This is an assessment of the policies currently in place and the extent to which they contribute to, or inhibit, the state's ability to meet its highest-priority needs as identified in the public agenda.

Higher education institutions operate within a web of policies and procedures that have accumulated over time and may have been implemented to address issues that are no longer relevant. But the policies and procedures still shape institutional behavior, with results that may now be unsatisfactory and need to be changed. Before suggesting new policies, you should review the current array. This procedure typically has three major components:

a. Review existing policies—particularly those most obviously connected to the areas of priority established in the state agenda and those that are inherent in the budget process. When budget policies conflict with other policies, the budget policies typically prevail.

b. Pay particular attention to the relationships among policies that affect institutional financial support, student financial aid, and tuition. A generous financial aid policy, for instance, can be undercut by a tuition policy that permits institutions to raise the price as financial aid increases.

c. Solicit feedback from experienced individuals who can identify policies that are not working. This assists in understanding the problems that stem from existing policies and in building a broad consensus about state priorities.

4. Meet with key people throughout the state

Meet with a wide range of individuals about policies that influence—either positively or negatively—individual or institutional behaviors. These stakeholders include college and university presidents and senior administrators; faculty; key legislators and their higher education staff; staff from student financial aid agencies; K–12 administrators and teachers; other state agency personnel whose work affects higher education; employers; economic development and Chamber of Commerce personnel; and community leaders.

If possible, meet in small groups, which can encourage the exchange of perceptions and ideas among policy leaders (occasionally they are surprised by how differently they and their colleagues view the same issues). This can also build trust among diverse interest groups. It is important that those interviewed include persons from outside higher education so that state leaders can get a clear picture of how higher education serves the public's interest.

During these meetings, share the data and analyses that the leadership group used to develop its preliminary public agenda and ask whether the priorities are appropriate for the region in which you are meeting. Ask questions such as:

- Do the data that led to the preliminary public agenda reveal an accurate picture of your part of the state? Does this public agenda and higher education's responsibilities within it make sense to you? Why or why not?
- What high-priority items can you identify that are not being pursued?
- What current policies or procedures provide incentives for institutions to behave in ways that support the proposed agenda? What current incentives encourage them to behave in ways contrary to the proposed agenda?

5. Report back to the leadership group, finalize the public agenda, and assign responsibilities

After completing the policy audit and after meeting with individuals and groups throughout the state about the preliminary public agenda, report back to the leadership group on the findings and forge agreement around a revised statewide public agenda. At this stage it is crucial to affirm priorities and agree upon strategies to implement the plan. The leadership group should assign appropriate responsibilities to the key participants, most of whom will be represented at the table: the governor and the executive branch, the legislature, the business community, the state higher education agency, and the institutions.

Figure 5

Grade History for Selected States

States Participating Fully in National Collaborative Project

	Preparation		Participation		Affordability		Completion		Benefits	
	2002	*2006*	*2002*	*2006*	*2002*	*2006*	*2002*	*2006*	*2002*	*2006*
Missouri	B–	C	C+	B	D+	F	B–	B+	D+	A
Rhode Island	C	C+	A	A	F	F	A	A	A–	B
Virginia	B+	A–	B	B	B–	F	B	B+	B	A
Washington	B–	B	C–	C–	C–	D–	A–	A	B	A–
West Virginia	C+	C–	C–	C–	F	F	C–	C+	F	D+

States Receiving Limited Informal Assistance from National Collaborative

	Preparation		Participation		Affordability		Completion		Benefits	
	2002	*2006*	*2002*	*2006*	*2002*	*2006*	*2002*	*2006*	*2002*	*2006*
Indiana	C–	C	C+	C+	D+	F	B–	B+	C	C
Kentucky	C–	C–	C–	B–	C	F	C	C+	C–	C+
Louisiana	F	F	D	C–	D	F	D+	C–	C–	D+
Nevada	D	C–	C+	C	D+	F	F	F	C–	C–
North Dakota	B	B–	B	A	D	F	B	B	C+	C+
South Carolina	D+	C+	D+	D+	D+	F	B	B+	C	C
Tennessee	D–	C–	D+	C–	D–	F	C+	B	D+	C+

Source: National Center for Public Policy and Higher Education, *Measuring Up 2002* (San Jose, CA: 2002) and *Measuring Up 2006* (San Jose, CA: 2006).

Lessons Learned

Several key learnings emerge from the experiences of the National Collaborative for Higher Education Policy in working with states to forge new public agendas for higher education.

1. Setting a public agenda for higher education requires sustained leadership

Within each state, existing assumptions about colleges and universities tend to establish statewide priorities that do not necessarily meet the needs of state residents. Working to revise those priorities—and in turn the assumptions on which they are based—requires sustained leadership and consensus building at the highest levels.

The governors of the five states with which we worked closely agreed to play a central role in setting a public agenda for higher education. They established "leadership groups" of key legislators, business people, government officials, and educators to:

- work through an intensive review of data about their state,
- examine and explore our findings from regional meetings that we conducted throughout each state to understand variations and diverse needs across the state, and
- reach consensus around the development and implementation of a public agenda for higher education.

Two of the governors, in Rhode Island and Virginia, met regularly with the leadership group to discuss differences and consider possibilities.

In each state, we talked with well-informed people from throughout the state about the needs of residents, the reach of existing educational institutions, and various components of a public agenda for higher education. But none of those discussions would have resulted in substantive action without the leadership of the governor and other high-level public officials willing to sell the agenda. Developing a state public agenda requires what one participant called a high-level "policy entrepreneur" who devotes time and energy to the agenda, uses the media astutely to inform others, and otherwise

builds consensus about what needs to be done. As another participant observed, "Leadership involves building consensus, not finding it." In addition, the process may start with a policy entrepreneur or a leadership group, but key leaders throughout the state must support and advance the agenda if it is to shape policy.

"Leadership involves building consensus, not finding it."

Although recommendations for action do not need the unanimous approval of colleges and university leaders in order to be implemented, the support of a substantial number of these leaders must be achieved. In 2004, Governor Mark Warner of Virginia (2002–06) gained support from a bitterly divided General Assembly to push through funding and policy initiatives. The universities came together in 2005 behind legislation that tied deregulation to implementation of a public agenda. In return for more autonomy, institutions have to improve graduation rates, ensure that students from the least wealthy families have access to affordable higher education, become more engaged with local public schools, and establish transfer agreements among community colleges and universities. The resulting legislation was not what the Virginia universities might have wanted going into the legislative session but it was what they could get, and they took it. Efforts in other states to establish a public agenda in which higher education has key responsibilities have been sidetracked through lack of agreement among the major players.

Sustaining an agenda across administrations is also difficult. Of the five governors with whom we worked, only one remains in office. Rhode Island, where Governor Donald Carcieri is still in office, may have addressed this challenge by creating a formal partnership between its Board of Education and the Higher Education Governing Board. Also, a successful transition appears to have occurred in Washington, where Governor Christine Gregoire created the "Washington Learns" initiative to formulate policies addressing important education issues, several of which were raised by a leadership group that worked with the collaborative.

For years, North Dakota has had an organization that has maintained a statewide focus on priorities for higher education, providing continuity across changes in administrations and legislative leadership. Kentucky, a state with which members of the collaborative have worked informally since 1997, wrote key aspects of higher education reform into law. But absent the attention of state leadership, legislation is subject to interpretation and benign neglect, and either can derail a public agenda.

2. Data analysis is a critical first step

In identifying higher education's role in meeting public needs, we found that state conversations about the future of higher education typically center on the colleges and universities within the state: their strengths, weaknesses, and potential. We sought to change this conversation by focusing first on the needs of state residents, communities, and businesses. Setting a policy agenda without careful examination and analysis of educational, social, and economic conditions in the state is a recipe for well-intentioned disaster. "We frequently solve the wrong problems very well," one observer noted.

"We frequently solve the wrong problems very well."

In reframing the conversation around public needs and educational opportunities, we developed a data profile for each state by first compiling national data, and then adding more specific data from state sources. We used the data profiles not as conclusions but as the beginning of a process of evaluating public needs throughout the state. These discussions, in turn, influenced and led to further data gathering and analysis. For example, in assessing the affordability of higher education in one state, the leadership group said that the data about family earnings did not account for the sizable amount of money provided by various government programs to support families and individuals through unemployment, disability, and other assistance programs—known as transfer payments. "There is more spendable income in some of these counties than you show in your tables," a banker told us. As a result of this discussion we explored the issue in greater detail, found significant variance by state in transfer payments as a percentage of total personal income (see figure 6), and began to include this information in the state profiles. For example, about 25% of personal income in West Virginia comes from these transfer payments. In Louisiana, where the collaborative has begun additional work, the percentage is just over 19%; in Rhode Island it is about 18%. The national average is 14.5%.

As another example of state data analysis, the leadership group in Rhode Island emphasized the substantial number of nonstate students served by private universities in the state. As a result of this discussion, we adjusted our analysis to identify residents of the state who are enrolled in higher education, and those who are not.

The leadership in Washington did not initially identify adult illiteracy as a substantial challenge for the state. However, after reviewing data about the percentage of the statewide workforce without a high school diploma, as well

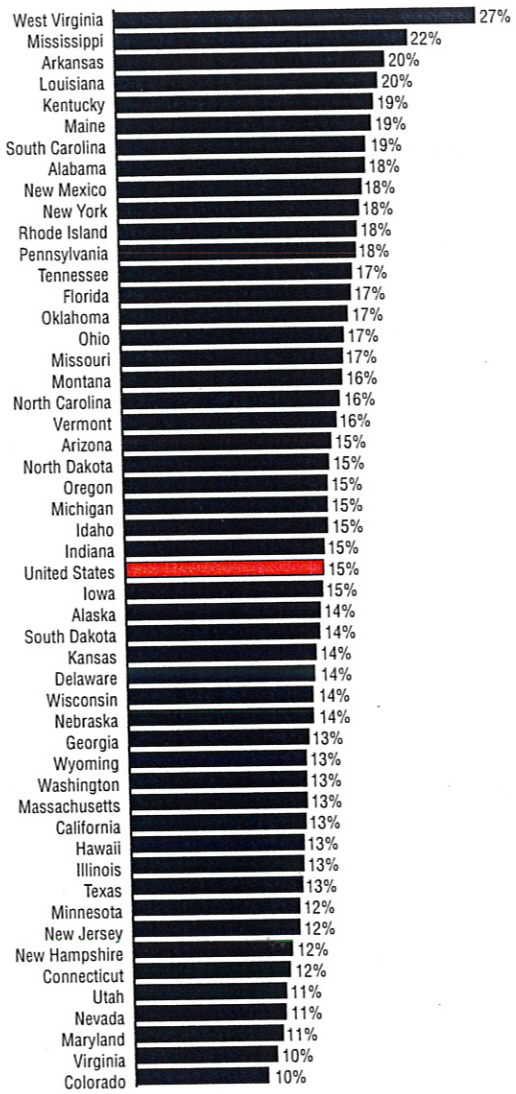
as variances among counties on this measure, officials in the state reconsidered this issue and elevated its level of importance. The challenge of increasing adult literacy rates was also raised by community leaders and educators as we travelled across the state. Indeed, we found adult illiteracy to be an issue in every state in which we worked.

As we engaged state leaders in analyzing the data profiles, we included assessments of existing state policies that affect higher education. In one state, for instance, we learned that state regulations governing unemployment and disability benefits discourage college attendance. In another state, we found that student financial aid policies provided no incentives for institutions to limit tuition increases. Increases in state support for student aid went directly to pay for increases in tuition, and students were no better off after receiving the increased student aid.

The analysis of data also uncovered many instances of statewide averages hiding large disparities by region within states. In Washington and Virginia, the statewide averages for per capita income exceed the national average, yet these averages hide large pockets of poverty. One leader told us, for example, "In Virginia, there is a golden crescent. But please remember that there also is a dark side of the moon." Likewise, the statewide averages for per capita income in West Virginia and Kentucky are relatively low, yet these averages mask large income disparities between the poor and the very rich across these states. In every state we worked in, we found wide variations that we identified through detailed county-by-county analysis

Figure 6

Transfer Payments as a Percentage of Total Personal Income, 2004



Note: Transfer payments consist of payments from various government programs that help to support people, such as retirement and disability insurance benefits, medical payments, income maintenance benefits, unemployment insurance benefits, veterans' benefits, and federal grants and loans to students.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, http://www.bea.gov/bea/regional/spi/.

of data, which in turn assisted in understanding public needs and establishing priorities.

We also found variations in educational attainment in every state. There are, for example, large differences in high school completion and college-going rates between the greater Seattle region of Washington and several counties to the east of the Cascades. Not surprisingly, the same is true between the suburbs and inner cities of St. Louis and Kansas City.

"In Virginia, there is a golden crescent. But please remember that there also is a dark side of the moon."

We also found other similarities among states. For example, about 40% of Kentucky's and Rhode Island's workforces—men and women between the ages of 16 and 64—have difficulty performing basic skills like reading, writing, and simple arithmetic.[5] The two populations are very different, as are the root causes of the literacy problems, but the two states face similar challenges: attracting new industries to replace those that have relocated overseas or simply closed their doors, and preparing skilled and knowledgeable workers for these new industries. Although their solutions will differ, they both need to identify their needs clearly and find solutions that are appropriate for their state. Kentucky, in fact, has made good progress since 2000 in dealing with this issue.

3. Policy issues overlap and extend beyond higher education

The variations in educational attainment within and across states correlate closely with several important social and economic indicators that states are seeking to improve, including: how well children live (the number living in poverty and instances of child abuse), personal health (the percentage of the population afflicted by heart disease, lung cancer, diabetes, and other diseases), per capita and family earnings, unemployment, and voting. In addition, the education of a state's population also appears to be related to the cost of public safety and corrections, healthcare, and welfare programs, which now consume large portions of state budgets.

Laws and regulations pertaining to one function of government can impede other functions. In southwestern West Virginia, we were told that

---

[5] For Kentucky, see American Institutes for Research, *Highlights from the 2003 Kentucky State Assessment of Adult Literacy*, at http://www.air.org/publications/documents/SAAL_KY_web.pdf. For Rhode Island, see Stephen Reder, "Synthetic Estimates of Adult Literacy Proficiency," at http://www.casas.org/lit/litcode/.

the state's welfare reform act discourages residents from attending college; some people have not sought further education at their local community college because they would lose their benefits—including healthcare for their children—if they enrolled even part-time. Although state officials said this was not accurate, people in the rural mining region perceive it to be true and it is shaping their behavior. Removing barriers to educational opportunity—whether real or perceived—can be as helpful as creating supportive policies.

4. The face of America is changing

The populations of most states are changing, and states need to consider and prepare for these changes through their public agendas for higher education. For example, the populations of many states are aging as the Baby Boomers reach retirement age. In addition, the young workforce that is replacing them is becoming more diverse racially and ethnically. Based on current educational attainment patterns, in many states these young people are less likely than the preceding generation to finish high school, begin postsecondary education, and attain a higher education degree. If current trends continue nationwide, the proportion of workers with high school diplomas and college degrees is projected to decline over the next 15 years.[6] Today's young people are on track to be the first generation of Americans with lower educational attainment than the previous generation.

The states we worked in found their own responses to these demographic trends. Along with taking actions that focused on undereducated adults in the workforce, Virginia introduced an initiative to allow high school students to use their senior year more effectively by preparing for college or beginning to learn a skilled trade. High school seniors can earn up to a year's community college credit or a semester's baccalaureate credit, thereby accelerating their preparation and reducing their higher education expenses. Rhode Island Community College and the University of Rhode Island have increased their presence in the schools in and near Providence, where a large portion of the state's Latino/Hispanic population lives. Eastern Washington University established programs on a community college campus near Seattle; students can complete a bachelor's degree program at a location where they already

[6] Patrick J. Kelly, *As America Becomes More Diverse: The Impact of State Higher Education Inequality* (Boulder, CO: National Center for Higher Education Management Systems, 2005), http://www.higheredinfo.org/raceethnicity/InequalityPaperNov2005.pdf.

have been successful academically. Some Washington community colleges have integrated their adult basic education programs into the general curriculum so students are encouraged to continue on after acquiring basic skills.

5. Every state needs its own policy agenda

Every state we worked in reveals similar patterns of educational disparity, but because of differences in their populations, educational resources, economies, and a variety of other factors, each state has to tailor its public agenda to address its unique challenges and opportunities. For example, substantial portions of the workforces of Rhode Island and Kentucky face literacy problems, but one state is dealing with a large immigrant population from Spanish-speaking countries while the other is dealing with an indigenous rural population.

In 2002, North Carolina conferred 19 college degrees for every 100 ninth graders in the system.[7] Virginia conferred 22. But in North Carolina there is more attrition in high school and a fairly high rate (64%) of college-going. In Virginia, the high school graduation rate is higher but the college-going rate (54%) is lower than in North Carolina. Raising educational attainment levels remains important in each state, but the corrective actions will need to differ, based on each state's strengths and challenges.

As another example, Washington and Virginia have about the same number of residents. Economic activity is intense around Seattle and in the Virginia counties surrounding Washington, D.C. Improving residents' access to higher education is a major issue in both states. But whereas Virginia has 15 public universities and 23 community colleges, Washington has 6 public senior institutions and 32 community and technical colleges. Because the geographic concentration of higher education resources differs between these two states, each has to develop its own strategy for meeting the increasing demands for higher education.

---

[7] These are degrees conferred within three years of beginning study for a community college degree and six years for a baccalaureate degree. See data analysis by National Center for Higher Education Management Systems (NCHEMS). For more detailed data, go to http://www.higheredinfo.org/dbrowser/index.php?measure=72.

6. State relationships with higher education are shifting

In general, the relationships between states and their institutions of higher education feature two key components:

- Maintaining the assets of higher education—that is, ensuring that the higher education system has the capacity and quality to meet state needs.
- Ensuring that the services of higher education are appropriate for the needs of state residents.

The balance of states' attention to these two responsibilities is shifting. Most states have taken a predominantly institution-centered approach to policymaking, with heavy emphasis on developing and maintaining the assets of their higher education systems. While one key mission of colleges and universities is to support the state and serve its residents, the efforts of each institution can be fragmented and counterproductive when considered in terms of statewide needs. Examples include the duplicative proliferation of professional programs and the efforts of many universities to acquire prestige by becoming more selective in admissions.

Recently, some state policymakers, under the leadership of governors like Paul Patton in Kentucky (1996 to 2004), have taken a more active role in ensuring that the assets assigned to higher education are used in ways that address the needs of state residents. This is a role that state policymakers can emphasize by establishing a new public agenda that forges appropriate links between social and economic priorities and the capacity of the state's higher education institutions to achieve them.

7. Performance incentives in the state budget have to align with the public agenda

In practice, the state budget is the most important policy document in the state; its incentives can often trump a state's publicly stated policy goals. If the financing and resource allocation policies reflected in the state budget are not aligned with the state's public agenda for higher education, the chances for progress are slim. Conversely, if the state can develop performance measures and other incentives that clearly address how colleges and universities can participate in meeting state goals, then the chances for success are much more likely.

As states become more effective in addressing the needs of their residents for higher education, their budget mechanisms need to reflect state priorities more effectively. Allocation of state funding by formula works well when the primary goal is to maintain funding balance among institutions. When the primary goal is to meet the needs of state residents, however, a strategic investment approach to funding is preferable, so that the state rewards institutional behavior that assists in meeting statewide goals. Kentucky, for example, approached the problem of improving student graduation rates by paying for enrollment only when the students return for the second year of their baccalaureate study. Oklahoma took a similar step, introducing an incentive program that pays institutions more for increasing the number of bachelor's degrees conferred. In both states, graduation rates improved significantly.

Washington, on the other hand, created regional centers of Washington State University and the University of Washington to meet enrollment demand, especially from students seeking to transfer from community colleges. But as outreach sites of research universities, the centers are funded and staffed at a very expensive level and many of their faculty members aspire to research rather than teach. The result may be inefficient use of state funding. As one observer stated, "We often reward behavior we don't want."

"We often reward behavior we don't want."

At the state level, it is also important that policies regarding institutional support, tuition, and student financial aid be aligned with each other to meet state priorities. When state revenue shortfalls make it necessary to reduce support for higher education, for example, tuition can be expected to increase. In such circumstances, it may be wise to increase financial aid even as budgets are being cut, in order to keep higher education affordable. Virginia did this in 1992, cutting more than $300 million from institutional support but increasing need-based financial aid by almost $100 million.

Performance measures should clearly reflect stated goals and priorities. While the process of measurement may be complex, the measures themselves and the resulting data should be presented simply and in the plain language of noneducators. There should be as few performance indicators as possible and they should measure only what is important. Kentucky has done this well. In addition, Virginia has taken important steps in aligning performance measures with its public agenda. In 2004, Virginia's elite public universities requested "charter" status and more freedom from state control. A year later, the General Assembly passed legislation that made every institution

eligible for some deregulation if it met public agenda responsibilities (such as becoming more involved in local public school systems, providing affordable access to the neediest Virginians, improving the transfer path from community colleges to universities, and increasing retention rates and degrees conferred).

Conclusion

The work of the National Collaborative for Higher Education Policy suggests that states can develop statewide public agendas that identify clearly the responsibilities of higher education to meet the educational needs of state residents. State leaders can forge agreement on priorities, uncover and remove policy barriers, identify statewide needs for new or modified policies, and design and implement action strategies based on the findings. Responsibilities for various strategies can be assigned to appropriate leaders, bodies, and communities, with promising results.

Individuals and organizations from outside the state and its system of higher education can play an important role in this process. Their perspectives can help to identify trends that those very close to a situation might overlook; their experience working in other states might prove useful; or they might highlight difficult questions and propose solutions from an impartial stance.

But in the end, success depends on the vision and action of political and education leaders within the state. Without the involvement and skill of high-level leaders in initiating and sustaining change over several years, progress is unlikely. For many states, the first step is to find a policy entrepreneur or a leadership group that can focus statewide attention upon the needs of state residents for higher education and other related services, such as economic development. One of the best ways to begin that discussion is around developing a new public agenda for higher education.

The Education Commission of the States

The Education Commission of the States (ECS) is an interstate compact created in 1965 to improve public education by facilitating the exchange of information, ideas, and experiences among state policymakers and education leaders. As a nonprofit, nonpartisan organization involving key leaders from all levels of the education system, ECS creates unique opportunities to build partnerships, share information, and promote the development of policy based on available research and strategies.

The National Center for Higher Education Management Systems

The National Center for Higher Education Management Systems (NCHEMS) is a private nonprofit organization whose mission is to assist colleges and universities as they improve their management capability. Through its more than 30 years of service to higher education, NCHEMS has been committed to bridging the gap between research and practice by placing the latest managerial concepts and tools in the hands of working administrators on college and university campuses. Since its founding, NCHEMS has received widespread acclaim for developing practical responses to the strategic issues facing leaders of higher education institutions and agencies. Established to meet the needs of working administrators, NCHEMS delivers research-based expertise, practical experience, information, and a range of management tools that can help institutions improve both their efficiency and their effectiveness.

The National Center for Public Policy and Higher Education

The National Center for Public Policy and Higher Education promotes public policies that enhance Americans' opportunities to pursue and achieve high-quality education and training beyond high school. As an independent, nonprofit, nonpartisan organization, the National Center prepares action-oriented analyses of pressing policy issues facing the states and the nation regarding opportunity and achievement in higher education—including two- and four-year, public and private, for-profit and nonprofit institutions. The National Center communicates performance results and key findings to the public, to civic, business, and higher education leaders, and to state and federal leaders who are in positions to improve higher education policy.

Established in 1998, the National Center is not affiliated with any institution of higher education, with any political party, or with any government agency; it receives continuing, core financial support from a consortium of national foundations that includes The Pew Charitable Trusts, The Atlantic Philanthropies, and The Ford Foundation.