Rethinking Higher Education

> ***"Rethinking Higher Education requires us to challenge every assumption, examine every practice, and question the status quo. We must ask ourselves why we do what we do, if there might be a better way, and if the needs of all students are being met."***
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> – Secretary of Education Betsy DeVos

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Introduction

American postsecondary education has immeasurably expanded economic opportunity, improved our quality of life, fostered advances in art and culture, and driven scientific and technological innovation. It is rightly the envy of the world. American colleges and universities have also served a noteworthy public good by preparing our nation's leaders and cultivating thoughtful, productive citizens capable of informed debate, respectful disagreement, and community engagement.

The United States can stand proud of its accomplishment in significantly expanding the number and diversity of students who have sought and earned a college credential as a result of the **Servicemen's Readjustment Act of 1944 (the G.I. Bill**) and the **Higher Education Act of 1965**. Although educational elites expressed fears that the G.I. Bill would turn college campuses into "educational hobo jungles,"[1] more than a million World War II veterans received education benefits provided through the G.I. Bill, and many credit this expansion of postsecondary opportunity with creating the burgeoning middle class and prosperity of the post-World War II era. The Higher Education Act further expanded the diversity of students who could participate in postsecondary education by providing financial support to students who would otherwise not have had such an opportunity.

This admirable legacy, however, is under threat due to growing concerns about ever-rising costs and growing differences regarding the purpose of postsecondary education. In addition, the growing lack of philosophical diversity on campus—a concern for many parents, students, and members of the higher education community—has only inflamed these tensions.

Despite the overwhelming emphasis that the United States has placed on a traditional four-year college degree, the return on investment of such degrees has been shrinking since the 1970's.[2] Today, a significant proportion of the currently available jobs require more than a high school diploma but less than a four-year degree.[3] Yet even at the nation's community colleges, the majority of degrees are conferred in liberal arts, general studies, and humanities.[4] Unfortunately, the vast majority of students in such programs never complete a four-year degree, and many fail to complete any degree at all. They are often left with debt and few skills or job prospects that lead to upward mobility.[5] These programs are far from alone, however, in their failure to build a curriculum that marries both theory and practice in order to prepare graduates for the demands of adult life, citizenship, and the modern workplace.

Through the decades, the concern about college completion has overtaken the original goal of the Higher Education Act, which was to expand access to higher education. We should celebrate that completion rates have remained relatively stable since the 1970's, particularly considering the significant expansion in the diversity and number of students served. However, it is unacceptable that hidden beneath the national average is completion rate disparity, with non-traditional, low-income, and minority students graduating at much lower rates than their peers.

[1] Carey, K. (August 21, 2008). On 'real education' – I. Retrieved from https://www.insidehighered.com/views/2008/08/21/real-education-i.
[2] The Economist (December 1, 2012). Not What It Used to Be. Retrieved from https://www.economist.com/united-states/2012/12/01/not-what-it-used-to-be.
[3] Carnevale A., Smith N. & Strohl J. (June 2013). Recovery: Job Growth and Education Requirements through 2020, Executive Summary (p. 5). Retrieved from https://cew.georgetown.edu/wp-content/uploads/2014/11/Recovery2020.ES_.Web_.pdf. (10 million [18%] of job openings between 2010 and 2020 will require some college, no degree)
[4] National Center for Education Statistics (March 2018). Undergraduate Degree Fields. Retrieved from https://nces.ed.gov/programs/coe/indicator_cta.asp.
[5] Holzer, H. J., & Baum, S. (2017). Making College Work: Pathways to Success Beyond High School. Washington, D.C.: Brookings Institution Press.

Some institutions have invested in educational innovations, including new delivery models, expanded student services, and the use of data analytics to develop customized educational plans that meet the needs of a greater number of students. These are worthwhile investments and many have yielded impressive results. But for the most part, these innovations are superimposed upon a higher education model that is fundamentally unchanged. Delivery models are just one element of higher education. Changing those without addressing other aspects of the system, such as who develops the learning objectives and who evaluates competency, leaves us with a system that is little more than a technologically updated version of the system we already had. There can also be wide gaps amongst the perceptions of faculty, students, and employers regarding graduates' preparedness for work.[6]

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The push for college completion, without an equal emphasis on new and different postsecondary options, has created its own set of unintended consequences. Interested in meeting accountability metrics that focus on college completion, some institutions have simply reduced academic rigor, created academic programs that award credentials for the number of credits completed rather than mastery of defined learning objectives, or engaged in a campus amenities "arms race" to attract the lowest-risk students possible. Too many institutions value their own prestige, selectivity, and the academic status quo more highly than reducing costs, serving high-need students, and increasing efficiencies. Of concern, the institutions with the most resources often serve the smallest proportion of high-need students,[7] whereas institutions with fewer resources are expected to serve a larger number of high-need students and achieve outcomes comparable to more selective institutions, all at a lower cost to students. Being a more selective institution does not necessarily mean that an institution is better or of higher quality, but our current outcomes measures fail to accurately distinguish between quality and selectivity.[8]

Ironically, despite the growing list of complaints about the readiness of college graduates for the demands of the work environment, employers continue to require postsecondary degrees in a growing number of job postings, potentially due to the lack of alternative credentials upon which employers can rely to assess an individual's work readiness.[9] **But academic degrees may have little relevance to the demands of the workplace**. Moreover, programs that fail to give students academic credit for knowledge and skills they developed while working or during military service continue to underserve large numbers of adult learners and keep them out of a workforce that needs their participation. As a result, adults are often required to repeat and pay for classes that teach what the student has already learned and practiced, often times under more challenging circumstances than can be replicated in the classroom.

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[6] Mourshed M., Farrell D. & Barton D. (January 2013). Education to Employment: Designing a System That Works (p. 37). Retrieved from https://www.mckinsey.com/~/media/mckinsey/industries/social%20sector/our%20insights/education%20to%20employment%20designing%20a%20system%20that%20works/education%20to%20employment%20designing%20a%20system%20that%20works.ashx.

[7] Nichols A. & Santos J. (August 4, 2016). A Glimpse Inside the Coffers: Endowment Spending at Wealthy Colleges and Universities. Retrieved from https://edtrust.org/resource/a-glimpse-inside-the-coffersendowment-spending-at-wealthy-colleges-and-universities/.

[8] Dale S. & Krueger A. (June 2011). Estimating the Return to College Selectivity Over the Career Using Administrative Earnings Data. National Bureau of Economics Research Working Paper No. 17159.

[9] Fuller J. & Raman M. (October 2017). Dismissed by Degrees. Retrieved from http://www.hbs.edu/managing-the-future-of-work/Documents/dismissed-by-degrees.pdf

Unfortunately, the academy has too often held onto traditions that were designed to serve impressionable young minds and that value faculty-led instruction and instructors with terminal degrees more highly than real world experience and instructors who better understand the demands of the workplace.

Perhaps most disappointing, institutions of higher education and education policy-makers continue to rely on **simplistic outcomes metrics** to evaluate institutional quality, when these metrics are more reliable proxies for institutional selectivity and student socioeconomic advantage than academic quality. Despite ample research findings that demonstrate the correlation between student demographics and socioeconomic status, on the one hand, and college completion, student loan repayment, and earnings early in a graduate's career, on the other hand, almost all current institutional outcomes assessments simply ignore these factors and incorrectly assert causal relationships between academic quality and student outcomes[10]. This is often out of methodological convenience or a desire to elevate the perceived quality of one's own institution.

The college degree has become the new high school diploma, and jobs that once went to high school graduates now require a graduate degree.

Degrees were once an effective signaling tool that employers used to identify applicants who had a strong work ethic and could stand above the rest.[11] However, as an increasing number of students have flocked to **"light" majors** (i.e. those that are of low rigor), the college degree has become the new high school diploma, and jobs that once went to high school graduates now require a college degree – which adds to the cost of preparing for jobs that will not likely pay a commensurate wage.[12,13]

In addition, **State licensure requirements**, which are frequently used to reduce competition for certain jobs, have added to the cost of preparing for those jobs. In some instances, close relationships between accreditors and licensing boards have resulted in credential creep in the name of occupational protectionism. Licensing requirements have also reduced the number and diversity of career pathways that can lead to employment in a given profession, especially as the eligibility for many licenses is linked to having completed an accredited program and not to demonstrating competency in the field. In many instances, credential creep makes it more expensive to prepare for jobs that may not pay a higher wage to align with the added credential requirements.

Added educational costs have resulted in higher student and parent loan debt, with the **outstanding Federal student loan debt surpassing $1.5 trillion**.[14] Concerned about the size of this debt and the number of students who are in default or non-repayment, policymakers have created layer upon layer of regulatory requirements, as if punitive actions against institutions would have an impact on a borrower's ability or inclination to repay his or her loans.

$1.5+ trillion
OUTSTANDING FEDERAL STUDENT LOAN DEBT

Meanwhile, recent studies of student loan repayment rates among college graduates 10 years after graduation point to the important role that parental wealth transfer plays in determining student loan repayment

[10] Lochner L. & Monge-Naranjo A. (February 2014). Default and Repayment among Baccalaureate Degree Earners, National Bureau of Economic Research. National Bureau of Economics Research Working Paper No. 19882.
Holzer, H. J., & Baum, S. (2017). Making College Work: Pathways to Success Beyond High School. Washington, D.C.: Brookings Institution Press.
[11] Slayback Z. (October 19, 2017). The value of the college degree is crashing. Here's how to fix it. Retrieved from https://medium.com/the-mission/the-value-of-the-college-degree-is-crashing-heres-how-to-fix-it-cd7a1e116396.
[12] Ibid.
[13] Conerly B. (August 21, 2012) The Six Classes That Will Make Any College Grad Employable. Retrieved from https://www.forbes.com/sites/billconerly/2012/08/21/how-to-make-a-college-graduate-employable/#7c74d5cc17e0.
[14] Federal Student Aid (n.d.). Federal Student Loan Portfolio: Federal Student Aid Portfolio Summary. Retrieved from https://studentaid.ed.gov/sa/about/data-center/student/portfolio.

outcomes.[15] In other words, students who depend less on student loans to pay for their education and who are more likely to have financial support from parents while in college and during the early years after graduation are more likely to repay their loans. This is not a new or surprising revelation. In 1992, in response to rising student loan defaults in the late 1980's, Congress created the unsubsidized student loan program and removed the caps from Parent PLUS loans to balance out – and perhaps even hide – the incredible challenges that low-income students were having in repaying their loans.

The growing burden of federal regulations has not improved educational quality or student outcomes or better prepared students to meet the demands of life and work. However, it is likely that these regulations have reduced institutional autonomy, inserted government into decisions about academic programs, increased the cost of higher education, and caused higher education leaders to shift valuable resources from the classroom to administrative functions. In some instances, regulatory growth has squelched the innovation necessary to achieve the improved outcomes that these regulations sought to achieve in the first place.

Beyond rising costs, the campus climate has also changed in ways that are disturbing to many Americans. Despite proclaimed missions that call for open dialogue and debate, far too many colleges and universities have imposed **limitations on free speech** and implemented speech codes that discredit their historical role as arenas of free expression and inquiry. Such policies fail to treat students as adults seeking (and often needing) enhancement of their intellectual, social, and civic skills. And while some institutions fall short of providing the open debate they proclaim to support, other institutions that are very clear about the importance of religion or other principles to their mission are criticized and pressured to abandon those principles and ideals. Truth in advertising is critically important in attracting students to an institution, but uniformity of mission is neither required nor desirable, and no institution should be required to uphold beliefs that are well understood to run counter to its mission.

- It is time to challenge our past practices, assumptions, and expectations about what "college" is, what it should do, and how it should operate.
- It is time to restore institutional autonomy and respect for an institution's unique mission.
- It is time to value the unique goals and challenges that each student brings to the postsecondary experience.
- It is time to include in our assessment of institutions the contributions that each school makes to helping its students succeed, maintaining rigor to prepare students for the demands of life, and enabling adults to engage in lifelong learning.
- It is time to streamline regulations so as to avoid government intrusion into academic programming, curriculum, and institutional mission.
- It is time to promote innovation and accept that sometimes new methods fail or need additional refinement to generate desired results.
- It is time to allow new entrants to educational delivery and reject efforts to maintain the status quo.

It is Time to Rethink Higher Education.

[15] Lochner L. & Monge-Naranjo A. (February 2014). Default and Repayment among Baccalaureate Degree Earners, National Bureau of Economic Research. National Bureau of Economics Research Working Paper No. 19882.

Secretary DeVos seeks the partnership of institutions, innovators, entrepreneurs, educators, and students to create and advance long-lasting, student-centered reforms that empower students, empower institutions, and empower innovators.

Empowering Students

STUDENTS must be empowered to select a postsecondary option that best serves their interests, further develops their talents, prepares them to be productive citizens, provides a pathway to employment and career advancement, and eliminates the need to take on debilitating debt.

Empowering Institutions

INSTITUTIONS must be empowered to serve their independent missions, experiment with new solutions, and meet the unique needs of their students while at the same time ending the long-standing confusion that institutional selectivity equals institutional quality.

Empowering Innovators

INNOVATORS must be empowered to contribute new ideas and advance evidence-based solutions to ensure that American postsecondary education is delivering a world-class education for this generation and the next. Innovators must have the opportunity to test new solutions and expand options available to students, enable customized learning opportunities, meet the needs of adult learners who bring a large number and variety of life experiences to the classroom, and abandon old assumptions about the importance of advanced degrees in ensuring that instructional teams are well-equipped to meet the needs of students and cultivate excellence among students who are well-prepared to succeed in life and work.

Rethinking Higher Education: Principles for Reform

EMPOWERING STUDENTS

1. Provide greater options and opportunities for intellectual discovery, career preparation, and lifelong learning;
2. Respect the many goals that students bring to postsecondary education and evaluate success relative to those goals;
3. Enable academic and career mobility, including through common sense transfer-of-credit policies, restrictions on needless credential inflation, and unnecessary licensure and certification barriers;
4. Prepare students to meet the responsibilities of citizenship in a growing, dynamic, and diverse nation;
5. Ensure that students learn in a safe environment and that their schools provide them with due process protections when they are accused of wrong-doing;
6. Enable students to make decisions as adults and not unduly limit the options available to them; and
7. Improve access to federal student aid, simplify student loan repayment, and emphasize personal responsibility in making informed borrowing decisions.

EMPOWERING INSTITUTIONS

1. Provide regulatory relief by removing overreaching regulatory burdens, revising costly or ambiguous regulations, and providing a greater understanding of Department expectations concerning regulatory compliance;
2. Carefully construct accountability measures that take into account the unique mission of an institution and the needs and goals of its students;
3. Ensure that accreditors evaluate institutional quality in the context of the students an institution serves and the institution's unique mission;
4. Enable institutions to limit student borrowing;
5. Ensure that institutions are treated fairly and afforded due process rights while at the same time taking quick action against institutions that engage in deceptive practices;
6. Reward institutional value-added rather than student selectivity; and
7. Provide for the fair treatment of institutions with religious missions.

EMPOWERING INNOVATORS

1. Establish additional Experimental Sites to examine innovative delivery and accountability measures;
2. Provide for the fair treatment of both distance education and "brick-and-mortar" education;
3. Promote customized learning through competency-based education, direct assessment, and work-based learning models;
4. Expand student aid to include short-term programs that meet the needs of lifelong learners;
5. Reform the accreditation system to promote change and innovation, to allow accrediting agencies to accommodate educational innovation, and to reduce the cost of quality assurance;
6. Enable institutions to integrate programs developed and delivered by non-accredited providers into their accredited, Title IV eligible programs; and
7. Identify new ways to expedite approvals for new programs and program modifications in order to keep pace with changing technologies and employer demands.