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The Growing Accountability Agenda in Tertiary Education: Progress or Mixed Blessing?

by
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Table of Contents

Acknowledgments

Acronyms

AASCU	American Association of State Colleges and Universities
AHELO	(International) Assessment of Higher Education Outcomes, OECD
HEA	Higher Education Authority, Republic of Ireland
IUA	Irish Universities Association
NACIQI	National Advisory Committee on Institutional Quality and Integrity, USA
NASULGC	National Association of State Universities and Land-Grant Colleges , USA
NCAHE	National Commission on Accountability in Higher Education, USA
NSSE	National Survey of Student Engagement, USA
PISA	Program for International Student Assessment, OECD
SNESUP	Syndicat National de l'Enseignement Supérieur, France
UQAM	Université du Québec à Montréal

Executive Summary

In the past decade, the accountability of tertiary education institutions has become a major concern in most parts of the world. Governments, parliaments, and the public are increasingly asking universities to justify their use of public resources and account more thoroughly for their teaching and research results. Academic fraud, accreditation scams, and misuse of resources plague the tertiary education systems of many developing and transition countries, where corruption is endemic.

Although many universities in advanced industrial nations complain of excessive top-down accountability requirements, there is growing acceptance of the need for transparency and accountability in their operation. There is also growing recognition that accountability mechanisms work best when universities are engaged in their definition in a collaborative process with governments and other stakeholders. University leaders can use the accountability agenda as a management tool to focus on results and improve institutional performance.

Today university leaders must simultaneously satisfy the competing demands of several groups of stakeholders, including society at large, government, employers, alumni, teachers, and students and their parents. Accountability requirements have thus grown to encompass such concerns as:

- the extent to which access is offered evenly to all groups in society (*equity*);
- standards of teaching and research (*quality*);
- the degree to which graduates receive an education that meets labor-market needs (*relevance*);
- the contribution of the university to local and/or national economic development (sometimes called the *"third mission"*);
- the values imparted by tertiary education institutions (e.g., *citizenship and nation building*);
- the manner in which public resources are utilized (*internal efficiency*); and
- the financial capacity of the tertiary education system to grow while maintaining high standards (*sustainability*).

In their attempts to accommodate these multiple agendas, institutional leaders often face difficulties in convincing their constituencies, especially faculty. Teaching staff has traditionally been the most powerful group in universities, especially where the head of the institution and faculty deans are democratically elected. In many developing countries, one of the most fundamental shifts now taking place is making universities less faculty oriented and more attuned to the needs of the student community.

In spite of the challenges associated with multiple accountability requirements, employers, students, and tertiary education institutions all benefit from increased information about the quality of existing programs and the labor-market outcomes of graduates. New instruments of accountability are helping promote a culture of transparency about the outcomes of tertiary education institutions. In recent years, the mass media have often played a useful educational role by making relevant information available to the public, especially in countries that lack a formal system of quality assurance (such as accreditation bodies).

But not all stakeholders are ready for transparency event in the U.S., accreditation associations in particular continue to maintain a shroud of secrecy over their accreditation reports. Many U.S. universities, including all top-tier national universities, have refused to release results from the National Survey of Student Engagement (NSSE) —which collects useful information on how students feel about the quality of teaching and engagement in their institutions—since it started in 2000.

This paper proposes three principles of good accountability. First, accountability should not focus on the way institutions operate, but on the results that they actually achieve. Second, accountability works better when it is experienced in a constructive way, rather than being imposed in an inquisition-like mode. Tertiary education institutions are more likely to appreciate the value of reporting obligations if their relationship with stakeholders, especially government authorities, is based on positive incentives rather than punitive measures. Third, the most effective accountability mechanisms are those that are mutually agreed or are voluntarily embraced by tertiary education institutions.

Agreement ensures a greater sense of responsibility for the feedback process and fuller ownership of the instruments.

The paper concludes that the successful evolution of tertiary education hinges on finding an appropriate balance between credible accountability practices and favorable autonomy conditions.

Introduction

Compared to the well-established tradition of accreditation in the United States, public universities in most countries in other parts of the world have typically operated in a very autonomous manner. In many cases, leaders of these universities are subject to little, if any, outside control. In the francophone countries of Africa, for example, public universities enjoy full independence in the selection (election) of their leaders and complete management autonomy regarding their operations. Although they are known for being very wasteful, with repetition rates in the range of 25 to 50 percent, they are not accountable for their inefficient performance to the governments that fund them.

In several Latin American countries, for example, Nicaragua, Honduras, Bolivia, and Ecuador, the national constitution entitles public universities to a fixed percentage of the annual budget, which they are free to use without any accountability. In the name of autonomy, some public universities in Mexico refused to submit financial audits to the government until the Supreme Court rendered a judgment in September 2002 ordering them to start complying with this requirement. In Colombia in the early 2000s, universities were successful in getting the Constitutional Court to block the Ministry of Education from shifting to a performance-based budget allocation system. Some countries, like Peru, do not even have a government ministry or agency officially responsible for steering or supervising the tertiary education sector.

In the past decade, however, accountability has become a major concern in most parts of the world. Governments, parliaments, and the public are increasingly asking universities to justify their use of public resources and account more thoroughly for their teaching and

research results (Fielden 2007). In Europe, an important part of the ongoing Bologna process consists in designing a qualifications framework that will provide common performance criteria in the form of learning outcomes and competencies for each degree awarded. In the United States, one of the key recommendations made by the Commission on the Future of Higher Education (set up by Secretary of Education Spellings in 2005) is to create measures of student learning in order to assess the actual added value achieved by tertiary education institutions.

Accountability may take many forms, including legal requirements, such as licensing, financial audits, and reports; quality assurance procedures, such as program or institutional accreditation; benchmarking exercises (to compare programs across institutions); professional qualification examinations; budget allocation mechanisms that reward performance; and oversight structures, such as governing boards with representation from external stakeholders. The press itself, with its controversial university rankings (or league tables), has also entered the accountability arena in great force.

Is this a favorable development for tertiary education? Or is there too much accountability, at the risk of stifling initiative and confidence among university leaders? This paper analyzes the main dimensions of the growing accountability agenda, examines some of the negative and positive consequences of this evolution, and considers a few guiding principles for achieving a balanced approach to accountability and autonomy in tertiary education.

I. The Growing Accountability Agenda

> *No good book was ever written on command, nor can good teaching occur under duress. And yet, conceding this, the fact remains that left entirely to their own devices academic communities are no less prone than other professional organizations to slip unconsciously into complacent habits, inward-looking standards of quality, self-serving canons of behavior. To counter these tendencies, there will always be a need to engage the outside world in a lively, continuing debate over the university's social responsibilities.*
>
> Bok 1990

For universities and their leaders, accountability represents the ethical and managerial obligation to report on their activities and results, explain their performance, and assume responsibility for unmet expectations. At the very minimum, all tertiary education institutions should be legally required to fulfill the following two basic dimensions of accountability:

- integrity in the delivery of education services, and
- honesty in the use of financial resources.

In addition, many stakeholders have a legitimate claim to expect a cost-effective use of available resources and the best possible quality and relevance of the programs and courses offered by these institutions.

In the first instance, one of the most basic responsibilities of the state is to establish and enforce a regulatory framework to prevent unethical, fraudulent, and corrupt practices in tertiary education, as in other important areas of social life. In recent years, accusations of flawed medical research results in the United Kingdom, reports of Australian universities cutting corners to attract foreign students, and the student loan scandal in the USA have shown the need for greater vigilance, even in countries with strong accountability mechanisms. Academic fraud, accreditation scams, and misuse of resources plague the tertiary education systems of many developing and transition countries, where corruption

is endemic (Hallak and Poisson 2006). Table 1 presents various categories of fraudulent and unethical practices found in tertiary education.

Table 1. Catalogue of fraudulent and unethical practices in tertiary education

Type of corruption / Fraudulent practice	Definition / description	Most common perpetrators	Main victims
Financial management			
Embezzlement / inappropriate spending	Stealing or misuse of funds (including research grants); falsification of accounting records	Institutions	State
Fraud in public tender	Offering bribes (monetary or non-monetary) to obtain contracts	Institutions	State
Supplier collusion	Illegal agreement on tuition fees and financial aid packages to avoid competition	Institutions	Students
Academic management			
Examination fraud	Student cheating on exams or when writing papers (e.g., copying, plagiarism)	Students	Institutions
Unethical behavior of faculty	Sale of exam questions or grades, obligation to buy private lessons or textbooks, nepotism, discrimination, sexual harassment	Faculty	Students, employers, society
Non-compliance with admission standards	Lowering of standards for fee-paying students; bribes or nepotism in applying admission criteria	Institutions	Students, employers, society
Research fraud	Research data and/or results are misreported and/or misused	Faculty	Institutions, state, society
Unethical management of faculty careers	Corruption in hiring and promotion; discrimination based on gender, political, or ethnic grounds	Institutions	Faculty, society
Fraud in quality assurance process	Bribes paid to accreditation bodies/ external reviewers to gain and/or maintain accreditation; biased external reviewers; fake accreditation bodies	Institutions, accreditation agencies	Students, institutions not involved in fraud, society
Information Management			
False credentials	Students apply using fake or falsified records	Students	Institutions
Data manipulation	Supplying false or doctored data to a government agency, accreditation association, or ranking body	Institutions	State, students, employers, society
Biased information	Special relationships between university officials and certain agencies offering services to students	Institutions, service providers	Students

Source: Adapted by Sonali Ballal and Jamil Salmi from Hallak and Poisson (2006).

In the second instance, public universities should legitimately be held accountable for their effective use of public resources and the quality of their outputs. Similarly, private tertiary education institutions must be answerable to all stakeholders. In the words of John Millett, former Senior Vice President of the Academy for Educational Development, "Accountability is the responsibility to demonstrate that specific and carefully defined outcomes result from higher education and that these outcomes are worth what they cost." (MOHE, 2008).

Mechanisms are therefore needed to measure and monitor the efficiency of resource utilization, as well as to assess the quality and relevance of the training received by university graduates, the productivity of research activities, and the contribution of universities to the local economy, especially in terms of technology transfer. Some governments and institutional leaders are also paying close attention to equity balance in student recruitment and success.

Box 1: Statewide accountability system of Minnesota

The U.S. state of Minnesota produces an annual report that measures the progress of the higher education system in supporting the state's economic development strategy. Minnesota's leaders recognize that in order to lead consistently in these areas, the state must first embrace a system of accountability that can measure progress toward goals.

The report reflects the results of a consensus-building exercise that brought together educators, policy makers, employers, and community leaders in 2005 and 2006. Together they identified five broad goals that define the public agenda for higher education and 23 indicators that measure success towards these goals. The five goals are to: (i) improve the success of all students, particularly students from groups that are traditionally underrepresented in higher education; (ii) create a responsive system that produces graduates at all levels who meet the demands of the economy; (iii) increase student learning and improve the skill levels of students so they can compete effectively in the global marketplace; (iv) contribute to the development of a state economy that is competitive in the global market through research, workforce training, and other appropriate means; and (v) provide access, affordability, and choice to all students.

Source: Minnesota Office of Higher Education - MOHE (2008)

The evolution towards increased accountability that can be observed in many parts of the world is not only a matter of more governments expecting their universities to answer for their performance and putting new mechanisms in place to achieve this goal. The growing accountability agenda is also reflected in the multiplicity of stakeholders, themes

under scrutiny, and instruments and channels of accountability. Together, these three dimensions make for a situation of unprecedented complexity.

Today university leaders must satisfy at the same time the competing demands of several groups of stakeholders, which can be divided into six generic categories: (i) society at large (often represented on university boards), (ii) government (which, depending on the context, can be national, provincial, or municipal), (iii) employers, (iv) alumni, (v) teachers, and (vi) students themselves and their parents. Even within government structures, demands for accountability in tertiary education are coming from new actors. In Denmark, for example, responsibility for the university sector has been entrusted to the Ministry of Technology. In Malaysia, the Economic Planning Unit of the prime minister has taken a leadership role in defining how tertiary education contributes to the national competitiveness agenda.

In many developing countries, one of the most fundamental shifts taking place is making universities less faculty oriented and more attuned to the needs of the student community. In some cases, the raison d'être of public universities had become the provision of staff employment and benefits, rather than the preparation of students as citizens and professionals. Such systems were rigorously guarded by academic councils that were accountable almost exclusively to administrative staff and faculty (World Bank 2002). From the student perspective, accountability means that the leadership of a university supports the establishment of an institutional culture that respects their rights, encourages good teaching and ethical behavior on the part of faculty, and assures the relevance of university programs.

To respond to the demands of external and internal stakeholders, university leaders must take many concerns into consideration, including:

- the extent to which access is offered evenly to all groups in society (*equity*);
- standards of teaching and research (*quality*);
- the degree to which graduates receive an education that meets labor-market needs (*relevance*);

6

- the contribution of the university to local and/or national economic development (sometimes called the *"third mission")*;

- the values imparted by tertiary education institutions (e.g., *citizenship and nation building*);

- the manner in which public resources are utilized (*internal efficiency*); and

- the financial capacity of the tertiary education system to grow while maintaining high standards (*sustainability*).

In several countries, tertiary education institutions are even being held accountable for their impact on the environment. A recent survey of the top 100 universities and colleges in the USA measured these institutions' sustainability programs with respect to food, recycling, green buildings, climate change, and energy conservation (June 2007). In September 2007, when Harvard and Yale announced the construction of a new sciences campus and a new business school building, respectively, the main emphasis in their public statements was not the educational purpose of these investments, but their pledge to limit carbon emissions (Appelbaum 2007). Students at the University of St. Gallen in Switzerland have even prepared a ranking of business schools that reflects the degree to which these schools emphasize corporate social responsibility in their approach to business development and management. Similarly, the biannual ranking of MBA programs by the Aspen Institute in the United States seeks to identify innovative programs that ". . . lead the way in integrating issues of social and environmental stewardship into business school curricula and research" (Aspen Institute 2005).

In their attempts to accommodate these multiple agendas, institutional leaders often face difficulties in convincing their constituencies, especially faculty. The teaching staff has traditionally been the most powerful group in universities, especially where the head of the institution and faculty deans are democratically elected. Professors and researchers usually have a powerful, sometimes decisive, voice on the various academic councils that govern universities.

Not even the most prestigious institutions are immune from these tensions, as Oxford University's recent failed attempt at financial reform illustrates. In the increasingly competitive market for academics, the central authorities of the university need additional

resources to continue hiring internationally renowned professors and researchers. They are constrained, however, by centuries-old governance arrangements and authority structures that give control of a large share of the university's wealth to its individual colleges. A key aspect of the reform proposals submitted in 2006 by Oxford Vice Chancellor John Hood was to reduce the size of the University Council and bring in more external stakeholders, which would have resulted in a shift in accountability and increased financial oversight by outsiders. The reform was ultimately rejected by Oxford's academic community, leading to Hood's decision to step down at the end of his five-year term in 2009.

Similarly, the demise of Harvard University President Summers in 2006, precipitated by his comments about women's abilities, was largely due to the opposition of some faculty to his attempts to increase scrutiny of the quality and rigor of university programs. When students join in, the combined voice of faculty and students can be powerful enough to topple a university president. Precisely this outcome happened at Bishop's University in Canada in 2005 and Gallaudet University in the USA in 2006.

Finally, the pressure for compliance with accountability measures comes through an increasingly wide range of mechanisms. The most common are legal requirements. Usually inscribed in higher education law, ministerial decrees, and public sector regulations, these requirements encompass aspects of financial management (e.g., budget documents, mandatory financial audits, publicly available audit reports), quality assurance (e.g., licensing, accreditation, academic audits), and general planning and reporting requirements (e.g., preparation and monitoring of key performance indicators, as practiced in the UK, Australia, and several U.S. states).

Accountability can also be enforced in an indirect way, for example, through financial incentives such as performance-based budget allocations and competitive funds made available to institutions whose projects satisfy official policy objectives. Performance contracts in France, Austria, Spain, and Chile allow universities to receive additional funding in return for a commitment to fulfill a number of national objectives, as

measured by specific targets agreed between the relevant ministry of education and the institution. In many countries, tertiary education institutions are encouraged to elaborate strategic plans outlining their vision of the future and the specific actions that they intend to implement in order to reach their strategic objectives.

Demand-side financing mechanisms can also be used to promote greater accountability. In the 60 plus countries that have a student loan system, financial aid is often available only for studies in *bona fidae* institutions, that is, universities and colleges that are licensed (at the minimum) or even accredited. Innovative funding approaches, such as the voucher system recently established in the U.S. state of Colorado and several former Soviet republics (including Kazakhstan and Armenia), or the contracting of places in private universities piloted in Brazil and the Department of Antioquia in Colombia, give students more power to enroll in the institution of their choice (Salmi and Hauptman 2006).

Another way of making the wider tertiary education community accountable is to establish university boards with a majority of outside members who have the power to hire (and fire) the leader of the institution, as has recently happened in Denmark, Norway, and Québec (Fielden 2008). A recent survey of governance reforms in Sub-Saharan Africa found several countries moving towards greater external representation on university boards, including Botswana, Lesotho, Mauritius, Mozambique, Uganda, and Zambia (Lao and Saint 2008). In some of these countries, membership on academic councils has also been expanded to include employers.

The interplay of all these factors makes for a dynamic relationship between universities and their stakeholders. Pressure for accountability sometimes even comes from unexpected quarters, as illustrated by the accreditation experience of Colombia and the negative accreditation list announced by Intel, the semiconductor maker. Colombia was the first country in Latin America to set up a national accreditation system in the mid-1990s, but the number of programs reviewed by the new accreditation agency remained relatively few in the first few years because accreditation was voluntary and the most

prestigious universities—public and private—did not feel any compulsion to participate. But after the country's main newspaper, *El Tiempo*, started to publish the full list of accredited programs, many more universities joined the accreditation process for fear of being shunned by students. In the same vein, Intel announced in August 2007 that it was removing more than 100 U.S. universities and colleges from the list of eligible institutions where its employees could study for retraining purposes (at the firm's expense) due to quality concerns.

The power of public opinion is nowhere more visible than in the growing influence of rankings. Initially limited to the USA, university rankings and league tables have proliferated in recent years, appearing in more than 35 industrial and developing countries (Salmi and Saroyan 2007).

> *The U.S. News [& World Report] rankings have become the nation's de facto higher education accountability system—evaluating colleges and universities on a common scale and creating strong incentives for institutions to do things that raise their ratings.*
>
> Kevin Carrey (2006)

Even recognizing the methodological limitations of these rankings, the mass media have often played a useful educational role by making relevant information available to the public, especially in countries lacking a formal system of quality assurance. In Poland, for example, when the transition to the market economy started in the early 1990s, there was a thirst for information about the quality of the many private education institutions that began to operate. This demand for information pushed the owner of *Perspektyvy* magazine to initiate the country's first university ranking. Similarly, for many years the annual ranking published in Japan by the *Asahi Shimbun* fulfilled an essential quality assurance function in the absence of any evaluation or accreditation agency.

Table 2 takes this discussion one step further by mapping out the contribution of the instruments discussed above to the five main dimensions of accountability. The table

makes clear that accountability must rely on several complementary instruments because of the multiplicity of policy objectives involved.

Table 2. Instruments of accountability

Instruments \ Dimensions	Academic integrity	Fiscal integrity	Effective use of resources	Quality and relevance	Equity
Strategic plan				X	X
Key performance indicators			X	X	X
Budget			X		
Financial audit		X	X		
Public reporting			X	X	X
Licensing	X				
Accreditation/ academic audit/ evaluation	X			X	
Performance contracts			X	X	X
Scholarships/ student loans/ vouchers			X	X	
Rankings/ benchmarking				X	

II. The Accountability Crisis

Not everything that counts can be measured,
not everything that can be counted is meaningful.

Einstein

It is often said that the road to hell is paved with good intentions. In recent years, grievances about excessive accountability requirements and their negative consequences have come from many quarters. In the UK and Australia, for example, universities have complained of being overloaded by performance indicators, stressing that too much energy and time is spent on mining and reporting the data monitored by their respective governments. In the USA, tertiary education institutions have expressed concern about the voluminous accountability information that they must produce, including for regional and specialized accreditation associations, the federal Department of Education, state legislatures, and state higher education commissions. The 2005 Report of the U.S. National Commission on Accountability in Higher Education acknowledged that

> *[A]ccountability for better results is imperative, but more accountability of the kinds generally practiced will not help improve performance. Our current system of accountability can best be described as cumbersome, over-designed, confusing, and inefficient. It fails to answer key questions, it overburdens policy makers with excessive, misleading data, and it overburdens institutions by requiring them to report it."*

NCAHE (2005)

The reporting burden is getting heavier not only for university administrators, but also for faculty. Researchers spend more time competing for resources and justifying their utilization. A number of countries, including Mexico, have also introduced comprehensive evaluation systems to assess and reward the publications record of faculty.

Another common complaint concerns the tyranny of the rankings published by the press, despite questionable use of unreliable data and significant methodological flaws. After *Asiaweek* published its first rankings of Asian and Pacific region universities in 1997 and

1998, 35 universities refused to participate in the survey in 1999; more than half of which were in Japan and China. The boycott led to the actual termination of the initiative. In Malaysia, after the 2005 league table published by the *Times Higher Education Supplement* showed the country's top two universities slipping by almost 100 places compared to the previous year, the leader of the opposition called for a Royal Commission of Inquiry, notwithstanding the fact that the dramatic decline was partly due to a change in ranking methodology. The Vice-Chancellor of the University of Malaya, the country's flagship university, was forced to resign a few weeks later. More recently, in 2007, two major boycotts were initiated by leading universities in Canada and the USA against the Macleans Magazine and the *US News and World Report* rankings, respectively. In France, after the publication of the 2008 Shanghai rankings, the Secretary General of the national teacher union (SNESUP) complained that it was unfair to compare the performance of universities to a race at the Olympic Games. He proposed that each university community declare its own evaluation criteria (Rotman 2008).

The recent controversy sparked by the Spellings Commission on the Future of Higher Education in the United States, which recommended measuring learning outcomes, illustrates the weariness of the tertiary education community vis-à-vis accountability demands beyond accreditation. One of the main claims of the Spellings Commission was that accreditation falls short of providing a clear picture of actual learning outcomes. In the words of Secretary of Education Spellings, ". . . by law, student learning is a core part of accreditation. Unfortunately, students are often the least informed, and the last to be considered. Accreditation remains one of the least publicized, least transparent parts of higher education—even compared to the Byzantine and bewildering financial aid system" (NACIQI 2007). Since the publication of the Commission report, many stakeholders in the higher education community, especially the accreditation associations, have lobbied hard to avoid the imposition of standardized measures of student learning outcomes, either by the federal government or Congress.

The debate even took on an international dimension after the OECD announced a plan to undertake a study to explore the feasibility of measuring student learning outcomes

across tertiary education institutions in various countries, as the Program for International Student Assessment (PISA) does for secondary education students. Even though AHELO, the International Assessment of Higher Education Outcomes, is meant to focus on generic skills, such as analytical reasoning and critical thinking, it has been met with skepticism by the European and U.S. higher education community, as the following quotes reveal (Labi 2007):

> *We are now asking the institutions to identify their learning outcomes, and we know from the American experience that these frameworks take a long time to develop in a sound way. . . It is a problem, there is no question about it.*
>
> Andrée Sursock
> Deputy Secretary General, European University Association

> *The notion of measuring students' achievement within the United States has been very controversial. The notion of developing a mechanism to do it across the world seems orders of magnitude more controversial.*
>
> Terry W. Hartle
> Senior Vice President, Government and Public Affairs,
> American Council on Education

> *I don't know the details. But just as I don't think the U.S. government should be the promulgator of academic standards for the U.S. community, I'm very uneasy about an organization comprised of governments driving something like this.*
>
> Peter McPherson, President
> National Association of State Universities and Land-Grant Colleges

In developing and transition countries, university leaders often complain that government confuses accountability with excessive control. Generally speaking, it is neither realistic nor fair to expect tertiary education institutions that enjoy limited autonomy to be fully accountable for their performance. In some developing countries, public universities receive insufficient, often unpredictable budgets, and are not allowed to generate or keep additional resources. They do not have the authority to determine staffing policy, budgetary allocations, or the number of students admitted. They also have little say about

the number of faculty positions, the level of salaries, or promotions. For example, Brazil's Law of *Isonomy* establishes uniform salaries for all federal jobs, including those in the federal universities. A recent study of Madagascar found that:

> *In the absence of performance-based budget allocation processes and clear*
> *accountability mechanisms, public universities have no managerial and financial*
> *incentives to use the limited available resources effectively. Internal efficiency is*
> *very low, most teaching is done through complementary hours paid on top of*
> *faculty salaries, and the universities have a disproportionate number of*
> *administrative staff .*

<div align="right">Salmi (2009)</div>

In most Francophone systems, open-access policies prevent university leaders from controlling the number of students that they admit. This constraint often translates into student enrollments that greatly exceed existing infrastructure and available resources (World Bank 2002).

Even in countries intent on relying more on market forces than government control to steer their tertiary education systems, governments find it difficult to decrease their control over public universities. In Chile, for instance, where public universities receive less than 30 percent of their budget from the state, they are still subject to civil service regulations, especially with regard to human resource policies, financial management, and the procurement of goods and services. As a result, they do not enjoy the needed flexibility to use available resources in the most efficient manner and thus compete with private institutions on a level playing field.

This situation creates an element of paradox in the case of Chile, where private sector enrollment accounts for more than two-thirds of the total student population and the government actively encourages competition between public and private institutions through various funding instruments (e.g., a voucher system, competitive research funds, a guaranteed student loan system, etc.). The paradox is that, although public universities receive the majority of their funding from private sources, they must follow civil service

regulations while the oldest private universities, which receive a significant part of their income from public sources, are not constrained by the same regulations, even in terms of financial control over the public portion of their resources (OECD and World Bank 2008).

In the Province of Québec in Canada, an ambitious infrastructure program turned into a bungled real estate development in 2007, leading to an over-spending scandal. The scandal resulted in increased central control and tighter regulations for all public universities in the province. Universities complained that instead of imposing a straightjacket on all universities in reaction to gross mismanagement at UQAM (Université du Québec à Montréal), the government should have put into place clearer reporting requirements and guidelines. Such guidelines would allow university boards to play their oversight role more effectively (Thompson 2007).

Box 2: Market forces vs. central control in Kazakhstan and Azerbaijan

Comparing recent trends in two former Soviet republics, Kazakhstan and Azerbaijan, helps illustrate practices that may stifle the development of the tertiary education sector. In 2001, Kazakhstan introduced a voucher-like allocation system to distribute public resources for tertiary education. About 20 percent of students receive education grants to study in a public or private institution of their choice. For universities to qualify for such grants, they must have received a positive evaluation from the quality assurance unit of the Ministry of Education. As a result, all tertiary education institutions have become more attentive to the quality and relevance of their programs—or at least their reputations—as these attributes determine their ability to attract education grant beneficiaries.

In Azerbaijan, by contrast, the Ministry of Education centrally controls student intake in every university in the country, even private ones. The Ministry also decides which programs a university may open and even enforces the closing of programs in areas perceived to be either of little relevance or saturated. For example, in 2006, a number of universities had to terminate their programs in law, medicine, and international relations. This restrictive planning framework makes it difficult for the more dynamic tertiary education institutions to innovate and expand.

Source: Field trips by the author to Kazakhstan (2006) and Azerbaijan (2007).

In developing countries where unemployment among graduates is high, such as Morocco, Egypt, and India, universities are often accused of offering programs of poor quality and little relevance to labor market needs. But the reality is that there is a fundamental arithmetic imbalance in these countries between rapidly increasing numbers of

16

graduates—the result of demographic growth and the expansion of basic education—and limited job creation in the modern economic sector. Even when tertiary education institutions produce well-trained graduates, the sheer imbalance in numbers makes graduate unemployment unavoidable.

These real or perceived excesses can have worrisome unintended consequences. In the USA and Canada, for instance, there have been rumors of universities and colleges "doctoring" their statistics to improve their rankings. Even in the absence of unethical behavior, institutions may succumb to the natural temptation of paying more attention to factors such as SAT scores and donations from alumni, which receive prominence in the rankings, to the detriment of other aspects, such as the quality of teaching and learning—which are more important from an education viewpoint.

Finally, in the aftermath of September 11, 2001, there has been a trend toward the enforcement of "politically correct" codes of conduct, such as the Academic Bill of Rights, in a growing number of U.S. universities and colleges. Many such codes have been influenced by the far-right Republican agenda, resulting in non-negligible restrictions of academic freedom UWN, 2008). The September 2007 decision of the President of the University of California in Irvine to withdraw the nomination of the constitutional scholar Chemerinsky as Dean of the Law School was the latest manifestation of the heavy-handed influence of this agenda. In addition, a number of top universities have opted to reject lucrative research contracts from the U.S. Department of Defense in recent years rather than compromise their academic freedom. A 2007 survey of 20 top U.S. schools found 180 instances of worrisome clauses attached by the federal government to research contracts, including 12 at the University of California in Berkeley (UWN 2008).

III. Expected and Unintended Benefits of Accountability

It is not just about catching the thieves, it is about having the right institutional and structural procedures to ensure that you prevent the occurrence of bad behavior.

Obiageli Ezekwesili
Former head, Anti-corruption Drive, Nigeria

In spite of the challenges associated with multiple accountability requirements, employers, students, and tertiary education institutions all benefit from increased information about the quality of existing programs and the labor-market outcomes of graduates. In countries where surveys of student engagement are conducted regularly (e.g., Australia, Canada, UK, USA), high school graduates are better equipped to choose which college or university they would like to attend.

Labor-market observatories, which provide detailed information about the employment characteristics of graduates from various institutions and programs, are another source of relevant information. In Tunisia, for example, a recent tracer study showed that graduates from engineering schools, technology institutes, and the more selective faculties had much better employment opportunities than graduates from open-access faculties in the humanities, law, and economics. In Chile, the annual survey of employers undertaken by *Que Pasa* magazine is an important source of data for its annual ranking of university programs. In the USA, Florida is widely regarded as the state with the most advanced education-employment information system (Carey 2006).

Another interesting example of the benefits of accountability comes from Brazil, where in 1996 the Ministry of Education introduced an assessment test (the *Provão*) meant to compare the quality of undergraduate programs across public and private universities.[1]

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[1] The *Provão* existed for six years, from 1996 to 2002, until the Lula administration took over and replaced it with a new examination called ENADE. The Provão was a final course examination for undergraduate students that did not count towards graduation, it served to evaluate the performance of respective programs and individual institutions as a whole. Using a five-point scale, the examination tested student knowledge in a specific field of study (engineering, psychology, law, etc.), with an emphasis on mastery of

Even though the results of the Provão did not count towards the marks of graduating students, it initially met a lot of opposition. The National Student Union called for a boycott of the assessment test, many students were reluctant to take it, and the universities themselves were not keen about their students participating, especially after the first rounds showed that some top public universities received lower scores than expected, while some students from lesser-known private universities had achieved good results. But, over time the Provão became more accepted and, increasingly, employers asked job applicants to share their test results, creating a very strong incentive for students to take the exam. Provão results even influenced students in their choice of tertiary institution. Between 1996 and 2002, the time period in which the exam was administered, demand for courses in private institutions that received positive evaluations grew by about 20 percent, whereas the demand for courses in institutions that received negative assessments decreased by 41 percent (Salmi and Saroyan 2007).

Conscious of the need for more transparency, many U.S. university leaders are contemplating initiatives to make their institutions more accountable on a voluntary basis. In September 2007, the American Association of State Colleges and Universities (AASCU) and the National Association of State Universities and Land-Grant Colleges (NASULGC) announced that they would start publishing key performance indicators through a Voluntary System of Accountability Program. The program is a reaction to the recommendations—and perceived threat—of the Spellings Commission report. According to the plan released by the two associations, each participating university will use a common template—called a College Portrait—to post key data on costs, transfer and graduation rates, and student satisfaction. The program will also include an assessment of student learning from one of three existing tests: the Collegiate Assessment of Academic Proficiency, the Collegiate Learning Assessment, and the Measure of

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key concepts and the ability to think critically, rather than memorization of accumulated information. The *Provão* grew considerably in coverage and influence over the years. While only 56,000 students took the first exam, which covered only three disciplines (administration, law, and engineering), by its last year of existence (2002), 400,000 students took the *Provão,* which encompassed 24 subjects. Institutional results were made public every year, both in the press and a government publication. The *Provão* was also used as an instrument to collect exhaustive data on graduating students and their evaluation of the quality of the education they had received (Salmi 2009; Schwartzman 2006).

Academic Proficiency and Progress (Fischer 2007). Among the sponsors of this proposal are the same university presidents who boycotted the *U.S. News and World Report* rankings.

In the same spirit, a report released in January 2007 by the Association of Governing Boards of Universities and Colleges in the United States suggested that governing boards should improve their own accountability standards and develop codes of conduct to avoid increased government interference (Fain 2007). Recognizing the need to uphold the mission, heritage, and values of their institutions, as well as to be accountable to the public and the public trust, the association proposed greater attention to and stricter rules regarding fiscal integrity; board performance; educational quality; and the search, assessment, and compensation of college and university presidents.

A similar trend can be observed in other parts of the world. Australian universities have taken the initiative to build a set of indicators to measure their regional scope and impact. In Belgium, where there is no official accreditation system, Flemish universities have voluntarily joined a German ranking exercise for benchmarking purposes. In France, when the government proposed in July 2007 that universities could enjoy increased autonomy in return for more accountability on a voluntary basis, there was, ironically, a unanimous outcry. The scope of the proposed autonomy was then reduced, but still imposed on all universities.

Accountability can also be useful when tertiary education institutions use reporting obligations as a management tool to monitor their ability to meet strategic targets. In the Province of Québec, for instance, the legally required annual presentation to Parliament by university rectors provides an opportunity to showcase their plans and achievements.
In sum, new instruments of accountability are helping promote a culture of transparency about the outcomes of tertiary education institutions. In the Netherlands, for example, accreditation reports are now made available to the public. The results of international league (i.e., ranking) tables, especially the ranking of research universities prepared by Shanghai Jiao Tong University (China) since 2003, are increasingly watched by countries

and institutions eager to benchmark themselves against their international counterparts. The French Minister of Higher Education declared a few days after the publication of the 2008 rankings, "[T]hese lists of winners may not be ideal, but they do exist. . . . They show the urgency of reform for the [French] university" (Benoît 2008).

Box 3: Balancing autonomy and accountability in Ireland

The Irish case represents perhaps one of the most interesting partnerships between a national government and university sector to create a comprehensive accountability framework. Recognizing that good governance is essential, given the crucial role of tertiary education in the country's economic and social development, the Irish Universities Association (IUA) decided in 2001 to adopt a Code of Governance that went beyond the accountability requirements of the 1997 Universities Act.

The 2001 code was revised in 2007 in consultation with the national government's agency responsible for higher education, the Higher Education Authority (HEA) to reflect recent governance arrangements in Ireland and Europe. The revisions also took into consideration the recommendations of the 2004 Review of Higher Education in Ireland by the OECD. The new code extends recommendations on good governance and good practices beyond the realm of financial management—the primary focus of the 2001 Code. New recommendations include, in particular, a separate written code of conduct for members of the governing board and for university employees, principles of quality customer service, a system of internal controls and risk management, reliance on strategic planning to set objectives and targets against which performance can be measured, and detailed reporting arrangements.

Source: HEA and IUA (2007).

But not all stakeholders are ready for this kind of transparency. U.S. accreditation associations continue to maintain a shroud of secrecy over accreditation reports. Many U.S. universities, including all top-tier national universities, have refused to release results from the National Survey of Student Engagement (NSSE)—which collects useful information on how students feel about the quality of teaching and engagement in their institutions—since it started in 2000. In Pakistan, university vice-chancellors leaned on the Higher Education Commission not to make the results of its first ranking available to the public (Salmi and Saroyan 2007). In New Zealand, two universities successfully sued the government in March 2004 to prevent the publication of an international ranking that found them poorly placed in comparison with their British and Australian competitors. Another example of reluctant use of available information comes from the Colombian Ministry of Education, which has developed a sophisticated Labor Market Observatory

that collects detailed data on the labor market outcomes of graduates by university and program. The government has, however, agreed not to publish this data under pressure from the universities, which fear that the results of individual universities and programs would be seen by the public.

Conclusion: The Way Forward

> *The organizing principle for accountability must be pride, not fear.*
>
> NCAHE (2005)

The proliferation of accountability obligations and mechanisms has not been met with enthusiasm by all stakeholders in the tertiary education community. The most common complaints are about cumbersome reporting obligations, unreasonable demands from government, loss of institutional autonomy, and unduly pressure from biased league tables.

Notwithstanding the excesses and misunderstandings that can accountability requirements, the growing availability of information about tertiary education institutions and their results can only be saluted as a healthy development. As a recent report on funding and governance reforms in Canada acknowledged:

> *The greater interest in accountability has played out differently by sector and province, recognizing the quite different relationships between governments and the institutions and changes over time in the perceived intent and value of accountability initiatives. Initially seen as intrusive and a recipe for government micro-management with a single goal of containing expenditures, the value of good accountability frameworks is now generally recognized as an important ingredient in the overall management and operation of post-secondary institutions. Moreover, over time, the emphasis has shifted from a more narrow view of adherence to policies and procedures and financial accountability, to a more comprehensive view of accountability with an onus on multi-year plans and performance measures—often developed jointly (or at least with some consultation) by government and the institutions.*
>
> Snowdon (2005)

The multiplicity of accountability mechanisms provides students, employers, government, and society at large with transparent data about the operation and outcomes of tertiary education institutions. Adherence to administrative and financial rules satisfies the accountability needs of the state, whereas adherence to quality standards makes tertiary education institutions accountable to society at large. Focusing on the learning

outcomes of their students and the research results of professors, moreover, better enables these institutions to respond to the needs of the economy and society at large. All of these mechanisms also give them better instruments to assess their strengths and weaknesses and indications on how to improve their performance.

The universal push for increased accountability has made the role of university leaders much more demanding. They are under constant pressure to report their plans and justify their achievements, exposing themselves to harsh sanctions if they fail to meet expectations, as the aforementioned recent spate of dismissals of university presidents in the USA illustrates.

In light of the analysis undertaken in this article, three principles of good accountability are proposed. First, ***accountability should not focus on the way institutions operate, but on the results that they actually achieve.*** To use the distinction proposed by Stein (2005), procedural accountability, which is primarily concerned with rules and procedures, is less meaningful than substantive accountability, which focuses on the essence of the research, teaching, and learning in tertiary education institutions. It may be easier to monitor the first type of accountability, but it is without doubt more relevant to concentrate on the second, notwithstanding its complexity.

Second, ***accountability works better when it is experienced in a constructive way***, rather than being imposed in an inquisition-like mode. Tertiary education institutions are more likely to appreciate the value of reporting obligations if their relationship with stakeholders, especially government authorities, is based on positive incentives rather than punitive measures. Therefore, accountability should be less about justifying a poor performance and more about making strategic choices to improve results. Institutions must not react to the past as much as try to shape their futures. The Continuous Quality Initiative launched by the University of South Florida in the USA is a useful illustration of this type of proactive endeavor, which seeks to improve processes and results across the board.

Third, ***the most effective accountability mechanisms are those that are mutually agreed or are voluntarily embraced by tertiary education institutions.*** Agreement ensures a greater sense of responsibility for the feedback process and fuller ownership of the instruments. The performance contracts mentioned earlier are a good example of this kind of shared commitment, as they represent the culmination of a negotiation process between university leaders and government officials to ensure the convergence of strategic institutional goals and national policy objectives.

> *We need a fresh approach to accountability, an approach that yields better results. We need accountability to focus attention on state and national priorities and challenge both policymakers and educators to shoulder their share of the responsibility for achieving them. We need accountability to give us dependable, valid information to monitor results, target problems, and mobilize the will, resources, and creativity to improve performance... A better system of accountability will rely on pride, rather than fear, aspirations rather than minimum standards, as its organizing principles. It will not be an instrument for diverting or shifting blame. It will be collaborative, because responsibility is shared.*
>
> NCAHE (2005)

In all cases, institutional leaders need to focus first on defining a clear purpose and measurable objectives, then on motivating all stakeholders to assume joint responsibility for achieving these goals. This process may in fact be a balancing act that because it must reconcile multiple and not always compatible objectives. For example, the pursuit of equity may be defeated by highly competitive admission conditions, especially in countries with socially segregated secondary schools (like Brazil) or that show a strong correlation between academic preparation and socioeconomic origin (like France).

The irreversible evolution towards increased accountability has transformed the competencies expected of university leaders, as well as the capacity-building needs of university management teams. University presidents, rectors, and vice-chancellors are becoming accountable for their many roles—leaders of the academic community, chief executives of business enterprises, spokespeople, fundraisers, advocates for higher education—a process for which they are not necessarily well prepared (June 2006). Most

importantly, university leaders need to harness the accountability agenda as a vehicle for focusing on results and working towards improved performance.

Various national and international training programs are available to help strengthen the dimensions of leadership that have become increasingly critical for effective governance. Such programs include training in leadership techniques, strategic and financial planning, budget management, financial reporting, and successful interaction with university boards or councils. The U.K. Leadership Foundation, launched in 2004 by Gordon Brown when he was Minister of Finance, illustrates the importance that the British government has given to the effective operation of its universities, in view of their expected contribution to the national development agenda.

Tertiary education institutions also need to put in place the solid information systems upon which an adequate institutional research capacity can be built. The main purpose is to develop a culture of self-assessment and establish mechanisms to collect and analyze, in a systematic and regular manner, the key data which are necessary to measure and report on the institution's performance. These data, in turn underpin managerial decision-making and strategy formulation.

Finally, it is ironic to note that while accountability was initially resisted by universities in the name of autonomy, today's accountability requirements can be meaningfully fulfilled only to the extent that tertiary education institutions are actually empowered to operate in an autonomous and responsible way. Academic freedom and managerial autonomy are indispensable to the well-being of all societies. The successful evolution of tertiary education will therefore hinge on finding an appropriate balance between credible accountability practices and favorable autonomy conditions. Only then will these institutions be able to operate with agility and responsiveness, enhance their efficiency, and implement innovative practices that ultimately lead to better learning outcomes and greater labor market and social relevance of tertiary education itself.

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In the past decade, accountability has become a major concern in most parts of the world. Governments, parliaments, and the public are increasingly asking universities to justify the use of public resources and account more thoroughly for their teaching and research results. Is this a favorable development for tertiary education? Or is there too much accountability, at the risk of stifling initiative among university leaders?

This paper analyzes the main dimensions of the growing accountability agenda, examines some of the negative and positive consequences of its evolution, and proposes a few guiding principles for achieving a balanced approach to accountability in tertiary education. It observes that the universal push for increased accountability has made the role of university leaders much more demanding, transforming both the competencies expected of them and the capacity-building needs of university management teams. It concludes by observing that accountability is meaningful only to the extent that tertiary education institutions are actually empowered to operate in an autonomous and responsible way.