

Breakthrough Solution #7: Create Results-Based Accrediting Alternatives

The Goal

Breakthrough Solution #7 promotes alternatives to the current, largely input-based and institution-dominated accrediting process. The first alternative, to allow competition among accrediting agencies in the state of Texas, has already been passed by the Texas Higher Education Coordinating Board (THECB). The second alternative is for Texas colleges and universities to support the creation of a new results-based national accrediting agency.

The Texas Higher Education Coordinating Board recently approved new rules that will allow all accrediting bodies recognized by the U.S. Department of Education, not just the Southern Association of Colleges and Schools (SACS), to be allowed to accredit colleges in Texas. The rules also established an alternative path to receive state certification to operate a college or university in Texas. These reforms open the door for new entrants into the higher education marketplace, which will both expand access and opportunities for Texas students as well as provide more competition among higher- education institutions.

At the national level, a new national accrediting agency needs to be established to pilot an outcomes-based accreditation model. Similar to how the Federal Trade Commission and the Securities & Exchange Commission approach regulation, this model would not focus on inputs or processes as much as outcomes by requiring full disclosure of promises to students and results achieved. By participating in this pilot while still remaining under SACS accreditation, Texas universities would be able to demonstrate the benefits of a new, results-based accrediting model.

Notes

Carrying Out the Reform

Texas universities will participate in a pilot of outcomes-based accreditation undertaken by a new national accrediting agency.

1. *Establish an SEC-type model for accreditation.*

If a company in America wants to do an initial public

offering and list its shares, the Securities and Exchange Commission requires lots of public disclosure about the firm and its finances. The SEC does not pre-approve this information but requires the company's officers to certify that it is accurate (and have an outside auditor do so as well). The SEC lets people who buy and sell stocks judge a company's performance. Only if there is suspected fraud does the SEC (and as we have seen in recent years, state attorney generals and U.S. attorneys) investigate and prosecute. This approach to regulation has been a successful cornerstone of public securities markets for decades.

A similar approach can be taken to accreditation. Colleges and universities would disclose prominently to students the promises they make about their academic program, qualifications of faculty, costs and other critical factors. The colleges and universities would have to disclose how they measure results toward meeting these promises, have these results audited by independent third-parties, and then let students and parents – the market – decide if a college or university is worthwhile. Prosecutors would pursue cases where fraud may occur.

2. This outcomes-based approach focuses on results, not the inputs and processes.

Unlike current accrediting agencies, which are dominated by representatives of the colleges and universities they accredit – and hence focus more on inputs like how many volumes are in the library and processes like how many faculty committees there are rather than holding institutions accountable for results – this new approach relies on self-reporting and independent outside auditors to measure results. This approach would bring greater transparency, accountability, and comparison between institutions to the accreditation process.

3. Texas universities could participate in a pilot while staying under SACS accreditation.

Texas universities could lead the nation in accreditation reform by agreeing to join a new national accrediting agency. While still remaining under the SACS accreditation process, as part of a pilot program of the new national accrediting agency, Texas colleges and universities

would make clear promises to students and measure the results. This would allow a new outcomes-based accreditation model and agency to get established, off the ground and tested with little risk to Texas universities.

Possible Objections

1. *Why join a new accrediting agency if we are already accredited by SACS? Isn't that duplicative?*

Unfortunately, SACS and most regional accrediting agencies have proven reluctant to reform and create outcomes-based models for quality assurance. Only a new agency not beholden to and dominated by institutions will be able to provide a better model – but it will need university participation to prove the model. While operating under two accrediting agencies may for a time be duplicative, the long-term benefit for universities (in terms of cost and time saved that is currently spent on accreditation reviews that have little to do with results) are huge.

2. *Won't this just encourage diploma mills?*

At too many *accredited* colleges and universities today, learning outcomes are unclear. In fact, tests and studies of graduates from many of the most prestigious institutions in the country have found in some cases a *decrease* in knowledge between the freshman and senior years. This lack of clarity around value-added is why there is tremendous pressure from Congress, the U.S. Secretary of Education, employers and others for reform of accreditation.

A system that requires the explicit statement of what value added will be provided and how results will be measured – and then audited by an independent third-party – provides much greater transparency to determine institution quality. This transparency will make it more difficult for fraud (diploma mills) to go undetected.