



Testimony

Outcomes-based Funding

Testimony before the House Higher Education Committee

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Education

I write to testify in support of HB 25, which would further tie university funding to measurable outcomes of student success.

Across the country, a bipartisan chorus has arisen demanding an improvement in college graduation rates. This is reasonable. Roughly half of all entering students never finish college, and most of those who do graduate take longer than four years, which raises the cost of a degree not only for them but also for taxpayers, who subsidize higher education. Those who don't graduate leave with the insult of personal failure added to the injury of student-loan debt, which, because they lack a degree, is harder to repay. Total student-loan debt now approaches one trillion dollars, which is more than credit card debt nationwide.

Findings

Texas should strengthen the learning-outcomes component of its definition of student success.

In an effort to boost graduation rates, 16 states have adopted or are moving toward adopting “outcomes-based funding” under which a portion of state appropriations to public colleges and universities is allocated on the basis of each school's achieving certain outcomes. The outcomes most emphasized revolve around graduation and completion rates.

The legislature is to be commended for tackling this problem head-on. At the same time, I would like to suggest a note of caution. As important as our graduation-rate dilemma is, no less important is the crisis in student learning. In *Academically Adrift*, the landmark national study published in 2011, 2,300 students nationwide were administered the Collegiate Learning Assessment (CLA) to measure what they learned while in college. The study found that 36 percent show “small or empirically non-existent” gains in fundamental academic skills—critical thinking, complex reasoning, and writing skills—after four years of college. *Adrift* fingers some factors that contribute to this malady: In the last 50 years, student study time has fallen on average from 24 to 14 hours a week. Yet, professors are giving these lower-effort students ever-higher grades. In the early '60s, about 15 percent of grades given were A's. Today, 43 percent of all grades are A's. A's have in fact become the most common grade in college. This collapse of standards only incentivizes students to study still less.

In light of this crisis in learning standards, I recommend that this committee consider strengthening the learning-outcomes component of its definition of student success. Texas students deserve not only a timely path to graduation but also a college degree that signifies that they have made genuine strides in learning.

Again, I support HB 25 and offer this recommendation only in the hope of helping the bill better realize its laudable intentions.

I address this issue in greater detail in the research study, “Toward Strengthening Texas Public Higher Education” (see especially Reform II “Texas Higher Education Adrift? Addressing the Crisis of Poor Student-Learning Outcomes”). ★