

## EXECUTIVE SUMMARY

Six months ago, Governor Arne H. Carlson called together the Commission on Post-Secondary Education, chaired by Connie Levi. He charged the 20 commission members to review current resources, determine future needs and plan an integrated, efficient and effective system of post-secondary education. He further suggested that we look at issues of quality, accessibility and affordability.

To guide our thinking, we developed the following vision:

*To be a world leader in high quality post-secondary education programs for the intellectual and economic advancement of the customer and all the citizens of Minnesota.*

The Commission held eight meetings and visited more than 70 campuses, where we talked to students, educators, policy makers and citizens.

### Our Findings

- Minnesota has a good post-secondary education system, one that has served us well in the past. But it needs significant changes if it is to continue to help us maintain our competitive advantage. This good system must become better.
- Minnesota's economic survival depends on a well-educated work force, as does its quality of life.
- In the future, higher education will be expected to better meet the needs of its customers with the same or fewer resources. To meet this challenge, the higher education system will need to contain costs and increase productivity.
- Basic assumptions about the way higher education is structured, administered, and delivered need to be re-examined. To live within its budget, higher education must focus its efforts and resources on its primary mission.

### Our Recommendations

We have organized our recommendations into five areas: 1) Serving the Needs of the Customer, 2) Providing and Promoting Quality,

3) Redefining Access, 4) Leveraging Change through Funding and Other Policies and 5) Clarifying Missions and Creating Structures to Enhance Quality, Access and Customer Needs.

## SERVING THE NEEDS OF THE CUSTOMER

Post-secondary education must focus on the needs of its customers, including students, employers and society as a whole. This is a revolutionary concept, because it implies that those who best know what is needed are not the providers, but the users of the products and services. Post-secondary education traditionally has provided the educational services that best serve the administrators, faculty and others within the system. Looking at every function and process within higher education as being driven by the needs of its customers will profoundly change the way higher education defines and goes about its business.

### We Recommend:

- Each system and each campus should define its major internal and external customers, actively seek their input and design educational services and processes that meet their needs. Systems should report on these efforts to the 1993 Legislature.
- The Governor should include, in his 1994-1995 biennial budget, funds to support a Minnesota Quality in Education Award similar to the national Malcolm Baldrige Award.

## PROMOTING AND PROVIDING QUALITY

Quality should be determined by the customer and be stated in customer outcomes. It should not be defined by inputs, nor equated with additional dollars. Quality is not exclusivity -- an open door institution can provide a quality education. Quality should be viewed not as a destination, but as a journey.

Definable and measurable outcomes should be used to measure progress. These outcomes should be based on world-class standards or benchmarks, focusing primarily on student knowledge and skills. Higher graduation rates, improved retention of students of color and higher rates of job placement

are examples of possible state goals. Customer views and expectations can help to determine these goals.

**We Recommend:**

- Each system, campus and program should develop quality indicators which are measurable, customer-defined and stated as outcomes. Each public system should develop the indicators by Fall 1993 and ways to assess their attainment by Fall 1994.
- Development and implementation of these plans should be linked to future resource allocations. The Higher Education Coordinating Board (HECB) should review and comment on the indicators and plan for assessment and report to the Legislature before any incentive or performance funds are allocated.
- Policy makers should articulate state goals for post-secondary education and direct the systems to find ways to measure and report progress toward them.
- A sample of alumni and employers should be surveyed to assess the degree to which they are satisfied with the quality of their education. The survey should be designed by HECB, in cooperation with the systems. Survey results should be reported to the Governor, Legislature and the citizens of Minnesota biennially. This information also should be available to prospective students.
- The HECB's program review process should require campuses to identify their customers and develop outcomes and indicators of attainment.

**REDEFINING ACCESS**

There are several kinds of access beyond geographic access. We also are concerned also with psychological access; access to programs that meet the special needs of students, and logistical access to programs that meet the needs of the consumers and enable them to complete those programs as quickly as they are able. Financial access is also of concern. Cost-containment strategies are necessary if the dream of higher education is to remain within the economic reach of all Minnesotans.

**We Recommend:**

- Financial access should be maintained with cost containment strategies, tuition levels and financial aid that will keep post-secondary education affordable for students and their parents.
- Cultural access should be improved with policies and practices that help underserved populations feel at home and be successful.
- Student choice should be maintained and expanded. Important options such as the private college system and reciprocity agreements with other states should be maintained.
- A telecommunications master plan that takes a regional approach should be developed by each system. Planning should be coordinated by the HECB to expand and redefine geographic access through telecommunications, making efficient use of resources and coordinated planning.
- Until a facilities utilization survey is completed, no new campuses or buildings should be constructed. As access is redefined, the need for additional bricks and mortar will diminish.
- Campuses should remove barriers to timely completion of programs. An annual report on progress in this area should be made to students and policy makers.

**LEVERAGING CHANGE THROUGH FUNDING AND OTHER POLICIES**

The way resources are allocated sends a powerful message about what is valued and what will be rewarded. If the goal is high-quality, accessible post-secondary education that meets the needs of the customer as efficiently as possible, then a funding formula should be devised to encourage those goals and outcomes. Other state and system policies also should encourage and reward quality performance.

**We Recommend:**

- **The Governor should recommend and Legislature should allocate funds to conduct a policy audit to see if state policies are working.**
- **The Task Force on Future Funding should develop a formula that is not based solely on enrollment.** The formula should include performance and incentive funds that will reward quality outcomes and encourage innovation.
- **All systems should develop admission policies that encourage and reward preparation and achievement.** We endorse the preparation standards developed by the University of Minnesota and the State University System as a first step. The two-year systems also should develop and publicize a set of preparation recommendations. Students meeting the preparation standards or recommendations should be granted a tuition reduction as an incentive for planning and working hard in high school.
- **Remedial or development education should be offered only at the two-year institutions.** No college credit should be given for any remedial or development course. The cost of remedial education for recent high school graduates should not be paid with post-secondary funds. The K-12 system should provide the remediation or be charged for those costs.
- **Financial aid should have a component for performance as well as need, while recognizing the special needs of various groups of students.** Some scholarships should be based upon academic performance or demonstrated improvement in performance.
- **High school graduation standards now being developed by the State Board of Education should be more rigorous than the current standards.** The 80 percent of all high school graduates who will enroll in post-secondary education courses should

graduate with the knowledge and skills need to successfully complete college-level work.

- **Cooperative partnerships between K-12 and post-secondary education should be developed.** HECB and the Department of Education should develop a plan and process to improve communication between all levels of education.
- **The HECB's Parent and 8th Grade Information Campaigns should continue so secondary students, their parents and the high schools understand both the academic and financial expectations and ways to achieve them.**

**CLARIFYING THE MISSIONS AND CREATING A STRUCTURE TO ENHANCE QUALITY, ACCESS AND MEETING THE CUSTOMER'S NEEDS**

*Mission:* We cannot overstate the need for clear and clearly differentiated mission statements. Individual campuses should have mission statements that recognize the unique needs of the area served and the strengths of the campus within the overall mission of its system.

Campuses must know who their customers are and what needs they must meet. No campus can or should be expected to meet all the educational needs of the citizens of Minnesota.

**We Recommend:**

- **The directive of the 1991 Legislature requiring systems to eliminate programs not within their mission should be retained and enforced.**
- **Campus mission statements should be developed that allow and encourage quality-driven niches of excellence within the overall mission of the system.**

*Structure:* Like funding, structure is a means to the goals of quality and access. It is not an end in itself. We think a structure should encourage innovation, meet customer needs and allow for decision-making at the lowest level possible while not losing sight of the state's needs.

We suggest dividing the state into higher education regions, similar to the economic development regions. Each region would have a combination of institutions from technical to baccalaureate, and students would be better served by a better-coordinated array of curricular offerings and services. Institutions could become more efficient by sharing staff and support services. Most important, unique quality-driven niches or centers of excellence could be created in each region, based upon the strengths of the campuses with the region, regional needs or needs identified by the state.

Governance for all public institutions except the University of Minnesota could shift to a central state authority. That body would have responsibility for making overall policy, selecting senior administrative staff, making resources allocations, collecting data and evaluating the quality outcomes.

The governing body must be committed to combining centralized governance with decentralized management. It must insist on setting high standards, but resist trying to standardize what institutions do. In an era of scarce resources, the governing board must assure that there are rewards for higher productivity.

#### **We Recommend:**

- **The HECB, in consultation with the Higher Education Advisory Council, should develop a plan to create post-secondary education districts throughout the state.** Each region would have a Board of Advisors appointed to represent the needs and interests of the customers. A companion Board of Providers, composed of the heads of all campuses within the district, would be created to implement the regional delivery of services.
- **A board should be created to govern all public two-year institutions and the state universities.** The board should allow the regional administrative structures to develop programs and services to meet the needs of the region and the board should assure that the state's needs are being efficiently met.

## **CONCLUSION**

The Commission has completed its work and has issued a final report that provides more information on our findings and recommendations. It is now up to the Governor, the Legislature, the Higher Education community and the citizens of Minnesota to further discuss our recommendations and develop ways to implement them.