Productivity, & Spending in Postsecondary Education
An Examination of Productivity

The dreaded “P” word

An examination of productivity in public postsecondary education
Graduation rates are not particularly good measures for gauging overall productivity.

Measure “certificates and degrees awarded as a percentage of the number of students enrolled” provides a better assessment:

- Can be strengthened by adjusting enrollments to account for students attending part-time.
- However, not sensitive to the types and levels of credentials produced.
Two questions relevant to policymakers include:

- What is the value to individuals and the state of producing college credentials – by level and type?
- How well are our institutions utilizing the public’s investment to produce them?

New approach for addressing productivity:

- Uses publicly available data
- Provides comparable information across all states
- Sets a contextual framework that is easy to understand
Higher-funded public postsecondary education systems are concentrated in the northeast.

- Large proportions of the revenues coming from students and families with less direct appropriations from the state.
- These overall higher-funded postsecondary institutions include:
  - Rhode Island
  - Vermont
  - New Hampshire
Total Funding per Full-Time Equivalent (FTE) Student by State and Student Share (2006-2007)
Patterns in Enrollment & Completion

- Rhode Island from 2006-2007
  - Degrees & certificates awarded per 100 FTE students
    - Rhode Island awarded only 20 per 100 FTE students
    - New England’s average 24
    - National average 23
    - Rhode Island lowest in New England & nationally 3rd lowest
  - Produced fewest STEM credentials
    - Rhode Island produced only 9.3%
    - New England’s average 11.3%
    - National average 11.7%

Source: Swinburne
Degrees and Certificates Awarded (weighted) per 100 FTE Students (2006-2007)

Planning Services

Patterns in Enrollment and Completion
Percentage of Degrees and Certificates Awarded in STEM Fields (2006-2007)

Patterns in Enrollment and Completion
Productivity

- Calculations of productivity are driven by:
  - Funding
  - Certificate and degree production
- No evident relationship at the state level between resources and performance
  - High levels of resources ≠ more credentials awarded per student
  - Nationally Rhode Island’s public higher education is the lowest performer with high levels of resources
Productivity: Degrees & Certificates Awarded per FTE vs. Total Funding per FTE (2006-2007)

Although Rhode Island is one of the least productive states, nationally RI is the 8th highest funded postsecondary education system.

Students and families are:

- Providing the bulk of revenues to RI's high cost-per-degree education system
- Directly investing in a controversially unproductive system
Other Productivity Considerations

- In New England a large portion of the states’ postsecondary education occurs in the private sector
  - Does not address productivity of private colleges and universities
- Study shows each state’s education system in a very restricted time period
  - Further follow-ups would be useful and may yield different results
  - Extraneous factors may be influencing productivity
    - Including state’s ability to keep all its graduates within its boundaries
Annual Certificates and Degrees Awarded by Control/Sector (2006-2007)
Average Annual Migration Rate of College Graduates aged 22 to 64 (2006-2007)
How Our Neighbors are Doing

- Although this report shines a negative light on Rhode Island’s public higher education system, other New England states are excelling
  - New Hampshire is one of the best-educated states and exhibits one of the highest levels of productivity

- However...
  - Connecticut is also one of the least productive states with the highest cost-per-credential
The Dreaded “P” Word report offers:

- Framework for more detailed analyses
- To determine which disciplines might be considered for increased state investments and/or differential tuition policies
- Opportunity to measure productivity over time
  - Also could be used to determine whether or not state systems are improving or falling
This presentation was compiled from

The Dreaded “P” Word

&

Trends in College Spending

Both reports are published by

DELTA PROJECT
on Postsecondary Education Costs, Productivity, and Accountability

MAKING OPPORTUNITY AFFORDABLE
Investing in College Access and Success

Copyright © 2009 Delta Project on Postsecondary Education Costs, Productivity and Accountability

THINK BIG • WE DO™
Appendix A

Sources of Revenue

(Source: Tends in College Spending)