

# ACCREDITATION, INNOVATION, AND TRANSPARENCY IN HIGHER EDUCATION

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The Department of Education is engaged currently in a negotiated rule making process regarding accreditation in higher education. The issues under discussion are complex, but the principles undergirding them—and the strategies that policymakers can employ to achieve stronger outcomes for students and taxpayers—are relatively simple.

Two key dynamics put current accreditation at odds with innovations that expand access, tackle affordability, and increase the value of American higher education:

## 1. Uncertainty in accreditation stifles innovation in higher education.

In a chapter that appears in the recently published *Accreditation on the Edge: Challenging Quality Assurance in Higher Education*, we demonstrate that innovation in the context of accreditation is essentially a game of Russian roulette. It is impossible to know what innovative models can or will be accredited, as similar initiatives are treated differently by different accreditors—even by the same accreditor at different points in time. Institutions that are able to innovate are those blessed by geography—a cooperative, forward-thinking regional accreditor—as well as finances.

Many institutions don't feel they can afford the reputational damage involved in having a program shut down, and institutions do not want to risk having their accreditation revoked. Financial losses can also cut deep: innovation can be expensive, especially when it's shut down midstream. Ironically, the institutions that arguably need to innovate the most are often those that are not swimming in resources.

## 2. Input-driven standards prop up higher education's broken business model and discourage cost cutting.

Accrediting standards currently focus on making sure an institution has the right ingredients—professors, processes, committees, curriculum—and disregard outcomes, such as retention, graduation rates, job placement, salaries, and student satisfaction, almost entirely. This input-driven approach results in higher costs, as schools add complexity and features in order to meet accreditation standards and risks pushing many of the students who most need support out of the system altogether.

But, unfortunately, our current approach to quality assurance in higher education doesn't protect students from enrolling in schools with low completion rates and weak return on investment. Even standards like "educational effectiveness" only require institutions to study and consider whether the institution is effective. The institution is not held accountable for meeting any specific outcomes. Even worse, the focus on inputs makes it challenging for institutions to change their business models.

## RECOMMENDATIONS

To design an accreditation system that is friendlier to innovation across new instructional models and/or new business models in higher education, our recommendations are to:

## 1. Move away from an input-based system to one that emphasizes outcomes.

Accreditors should be encouraged to focus primarily on whether institutions are creating value for students. Schools that do should be given wide latitude in how they do so. Institutions that do not create value for students should be heavily scrutinized. Focusing on outcomes would enhance student protection, as well as clarifying the rules of the road for institutions. Critical outcome measures include learning assessments; graduation rates; student employment outcomes; salary growth; ability to repay student loans; return on investment (for both students and taxpayers); and graduate satisfaction.

## 2. Provide clear standards and develop transparent processes.

Accreditors should provide clearer guidance around how they will evaluate nontraditional approaches, and transparency around processes and decisions. Higher education is expensive enough without the costs of schools innovating in the dark, not knowing when they will bump into an accreditation issue. Schools need to be able to design programs to fit accreditation standards—and if those standards are based on outcomes rather than inputs, this all becomes much easier.

#### 3. Move beyond current accreditation models.

It is extraordinarily difficult for old organizations and institutions to build new priorities, and we would expect this to be the case in efforts to reform accreditors. Indeed, the most recent revisions to HEA established requirements that accreditors incorporate outcome measures into their evaluations—to little effect. Accreditors were built as a peer review model and operated as such for decades, prior to being drafted to gate access to federal financial aid programs. They have never been well suited for this role and will likely struggle to reinvent themselves. Successfully reforming our nation's quality assurance mechanisms in higher education is likely to require building entirely new accrediting entities. Ideally, these entities would be specialized by type of school, rather than by region. This would allow for deeper specialization around the issues that pertain to each of the various higher education models: research universities, undergraduate liberal arts institutions, community colleges, and technical schools. It would also facilitate the development of a quality assurance body that dealt specifically with new or innovative programs, a particular stumbling block in today's accreditation model.