



## Policy Paper

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# Measuring Up: Quality Metrics and Accountability in Ontario's Post-Secondary System

October 2008

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## Introduction

As the demand for quality assessment indicators grows, there is an increasing need to set parameters within which such a framework should be created. Policy-makers have struggled to develop a fair and workable system to evaluate quality and continuous improvement. While strides have been made to address quality assessment in order to provide accountability mechanisms for the public, there is a clear need for more and better data from which quality can be assessed. Since the creation of the Higher Education Quality Council of Ontario, the needs of various users of quality indicators have been identified: accountability to the public, internal institutional planning, and student decision-making on their educational futures. An efficient and accountable system of quality indicators must demonstrate a concern for the needs of all post-secondary stakeholders in the province of Ontario.

### A Brief History of Quality Assessment in Ontario's Post-Secondary System

Since their establishment, Ontario's universities have operated through what is known as a 'self-accrediting' system, where quality assurance is largely done internally by each institution through its own governing board and senates. University governing boards, composed of representatives from the community, industry, faculty, staff, alumni, and the student body, are meant to be the focal point of universities' accountability to stakeholders.<sup>1</sup> Each institution uses its governing bodies in order to approve new offerings and review the quality of existing programs.

With this strong tradition of internal review, Ontario university presidents have resisted any attempts to restrict their autonomy or ability to make decisions about their own programs and operations. Nevertheless, the provincial government introduced several accountability measures previous years. For instance, the Key Performance Indicator (KPI) system was introduced in 2000 as a means of introducing greater public accountability to the post-secondary system. For universities, KPIs track degree completion rates, employment rates at six months and two years after graduation, and OSAP default rates. A small portion (about two per cent) of provincial operating funding is distributed proportionately to institutions based on their performance on KPI measures.<sup>2</sup>

In more recent years, the provincial government has established the importance of ensuring quality within Ontario's post-secondary system. The Honourable Bob Rae, in his report on higher education in Ontario in 2005, recommended the creation of a council on higher education for Ontario.<sup>3</sup> This Council would establish performance outcomes, co-ordinate research on higher education, and encourage best practices among other things. As a result, the Higher Educational Quality Council of Ontario was born in 2005 with the mandate of creating a quality framework for post-secondary education in Ontario. Since that time, HECQO has been conducting research into areas of quality in order to obtain a more comprehensive vision of quality.

In order to compliment recent research and developments in quality, OUSA is specifically interested in ensuring that quality assessment meets the needs of students, institutions, and the public. This paper is not a micro-analysis that articulates specific metrics – it is a macro-analysis that lays out broad principles, concerns, and recommendations geared towards developing a framework within which to assess quality. Given recent Higher Education Quality Council of Ontario research, this is also the level of analysis that is appropriate at this time.

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<sup>1</sup> Council of Ontario Universities, *Council of Ontario Universities Briefing Notes* (Toronto: COU, 2005), p.10; accessed online at <http://www.cou.on.ca/content/objects/COU%20Briefing%20Notes%202005-20063.pdf>.

<sup>2</sup> Daniel W. Lang, "The Political Economy of Performance Funding", paper presented at the *Taking Public Universities Seriously* Conference, Toronto, December 3-4, 2004, p.6; accessed online at <http://www.gir.utoronto.ca/publicuniversities/downloads/Lang.pdf>.

<sup>3</sup> Bob Rae, "Ontario: A Leader in Learning," 2005, p. 51; accessed online at <http://www.edu.gov.on.ca/eng/document/reports/postsec.pdf>.

## Principles

OUSA has examined creating a framework of quality assessment in accordance with the following principles:

**Principle One: Quality assessment indicators must serve the diverse needs of students, the public and internal governance bodies of institutions.**

In order for quality assessment indicators to be effective, they must be systemic and sustainable. Furthermore, they must serve the needs of all these consumers of that information. Students need quality indicators to help them choose which institution is appropriate for their educational goals; the public needs assurance that tax dollars are yielding societal benefits; and internal governance bodies need such data for institutional planning. No particular need should take priority over another – data collection must be designed to meet all needs at the same time, not just serve a public accountability function.

Following a sweeping review of the post-secondary education system on Ontario, in May 2005 the Ontario government announced their “Reaching Higher” plan which would see an unprecedented \$6.2 billion being invested into the system. However, as with any publicly-subsidized institution, increased funding is always followed soon after by increased public scrutiny and the need for both transparency and accountability. In particular, recent years have shown a trend in acquiring information on quality for reasons of ensuring the value of public investments.<sup>4</sup>

The post-secondary sector is unique in that it is not funded solely by the government, but also in large by part tuition paid by the students attending the institutions. Students are by no means small contributors either, for example in 2007 tuition fees represented a substantial share of revenue for universities, at over 45 per cent of the total operating funding for institutions in Ontario.<sup>5</sup> As students provide a significant contribution to the cost of an education, it is understandable that they require indicators of quality assessment. While there may be no shortage of information provided to students from institutions, it is important that such data also be comparable across institutions to facilitate informed decision-making.

In order to accurately gauge successful and plan for the future, institutions themselves are a significant consumer of quality assessment. While institutions are largely already committed to gathering data on quality, there is a developing need for indicators that are standardized and will facilitate peer comparisons.<sup>6</sup> In order to ensure accurate quality assessment and foster continuous improvement, governing bodies of institutions certainly have a need for both unique and comparative data to be accessible.

**Principle Two: Quality assessment must focus on a broad range of indicators that measure all dimensions of a student’s educational experience.**

In order to provide accurate quality assessment and subsequent improvement of our post-secondary education system, it is important to evaluate all dimensions of a student’s educational experience. One way of examining different forms of quality metrics is to examine them within a conceptual framework that reflects students’ cycle through the system (See Figure One).

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<sup>4</sup> Educational Policy Institute, “Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data”, Toronto: Higher Education Quality Council of Ontario, 2008.

<sup>5</sup> Council of Ontario Universities, *Ontario Universities – 2007 Resource Document* (Toronto: Council of Ontario Universities, 2007)

<sup>6</sup> Educational Policy Institute, “Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data”, Toronto: Higher Education Quality Council of Ontario, 2008.

**Figure One: Conceptual Framework for Quality Metrics<sup>7</sup>**

<b>Beginning Characteristics</b>	<b>Input Indicators</b>	<b>Teaching and Learning Indicators</b>	<b>Internal Service Function Indicators</b>	<b>Output Indicators</b>
Abilities of incoming students, including critical thinking; analytic reasoning; communications skills; desire for learning; learning strategies and specific knowledge.	Any factors that determine the educational experience, and are theoretically controllable by the institution. These include financial and material resources, facilities, and pedagogy.	Skill sets developed by students as a result of their educational experiences. These should measure how far students have progressed from their beginning characteristics. Also includes student engagement (NSSE).	Student satisfaction indicators such as surveys. Also includes spending and library indicators.	The ultimate ends of the educational experience. This includes completion rates, employment rates, incomes and citizenship.

To accurately capture the quality of the educational experience an institution is providing, various inputs such as students' entering grades and background are important to consider when examining outputs such as employment prospects and OSAP default rates following graduation. In essence, the characteristics of the students that an institution admits will no doubt have an influence on both their performance while at university and their ability to obtain employment.

By measuring the entire range of indicators and understanding the connection between them, it is easier to foster changes that fundamentally improve the system in a more comprehensive manner. To measure the quality of all of our institutions, we must examine elements of what they are starting with and what they produce to accurately assess the quality of the service they are providing.

**Principle Three: Quality assessment indicators must be equally accessible to students, the public and internal governance bodies of institutions.**

In order for quality assessment indicators to serve the diverse needs of their users, it is necessary for these to be accessible by all stakeholders. It is not enough to collect data for a singular stakeholder need. In a transparent and effective system, the results must be available for analysis by all stakeholder parties, so as to facilitate a more thorough understanding of future needs, and to allow for better communication on future improvements. In particular, the 'open access model' recommended in the Educational Policy Institute's report to the Higher Education Quality Council of Ontario represents a framework for quality assessment indicators that is accessible.<sup>8</sup> It allows all users of

<sup>7</sup> Based on Ross Finnie and Alex Usher, "Measuring the Quality of Post-Secondary Education: Concepts, Current Practices and Strategic Plan", *Canadian Policy Research Networks Inc.*, April 2005, accessed online at [http://www.cprn.org/documents/35998\\_en.pdf](http://www.cprn.org/documents/35998_en.pdf).

Based on Educational Policy Institute, "Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data", Toronto: *Higher Education Quality Council of Ontario*, 2008.

<sup>8</sup> Educational Policy Institute, "Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data", Toronto: *Higher Education Quality Council of Ontario*, 2008.

data to work from the same page, yet use the data for their own needs. Such a system for data collection is not designed for one particular user, ensuring its accessibility by all stakeholders.

**Principle Four: Quality assessment indicators used for public accountability purposes must allow for differing institutional mandates while being accountable to the broader public for comparative results.**

The government must recognize the need to strike a balance between allowing universities to set their own unique direction and ensuring that they are demonstrating accountability to students and taxpayers of Ontario, who contribute the majority of operating funding that the institutions receive.

Universities play a major role in the socio-economic growth in the province, and as such they receive significant amounts of funding. The government has traditionally vested financial responsibility for the university with each institution's governing body, typically comprised of a diverse group of stakeholders, including representatives from both the university community and the general population.

Universities must be able to set their own academic direction and priorities without intervention from the government or the corporate sector. An emphasis on this flexibility is necessary in a framework for quality assessment in order to ensure that the post-secondary system meets the unique needs of its users and has a meaningful commitment to continual improvement. However institutions must also find a way to demonstrate to the government, taxpayers, and students that they are fulfilling their mandate and utilizing the resources afforded to them in an efficient and responsible manner.

**Principle Five: Students must be directly involved in the process of managing quality at post-secondary institutions.**

As end users of the higher education system, and as a party that makes major financial contributions to fund its operations, students should be deeply involved in quality management. In order for students to develop an effective understanding of the challenges faced by institutions, they must be represented on the governing bodies at universities. In addition, they must meaningfully participate in the bodies, systems and processes of setting direction and managing quality at institutions.

Any quality assessment framework will no doubt be more successful if there is a sense of buy-in and approval from its users. One of the easiest ways to achieve this approval is by engaging these users, the students, in all levels of the process. Furthermore, it is often those individuals who are most affected by changes to the quality of the learning experience at Ontario's universities that may be best equipped to assist in the system's improvement.

**Principle Six: Quality assessment indicators used for public accountability purposes must foster a process of continual improvement.**

With the prioritization of the post-secondary education sector by the Ontario government in terms of finances and resources, the system is in a good position to focus on improvements. To ensure that Ontario is a leader in learning amongst our peer jurisdictions for years to come, and to ensure that higher education is at the leading edge we must create a framework that enshrines within the system a formula for continual improvement.

More particularly, quality assessment should focus less on artificial rankings and put a greater emphasis on relative levels of improvement. While indicators must meet goals of standardization and allow for cross-institutional comparison, it is necessary for the provincial government to avoid meaningless artificial ranking systems. Rather, it should ensure that quality assessment has the objective of measuring the efforts of institutions to improve the educational experience and meet its goals. This approach allows for institutional autonomy, while also holding them accountable for results.

**Principle Seven: Quality assessment analysis must take into account supplemental assessments.**

Quality assessment analysis must take into account basic standards of education at Ontario institutions, and recognize that different institutional mandates necessitate a supplemental assessment that examines the unique situation of each school. While a clinical assessment system would be preferable in an ideal world, we must recognize that supplemental assessments of unique factors at each university must be taken into account to ensure fairness and accuracy.

While this sort of assessment may be highly subjective, it meets a basic circumstantial need.

Cutting edge assessment mechanisms, such as the UUDLE's (University Undergraduate Degree Level Expectations), a new system of streamlined minimum standards of education, is a program that could have significant impact on quality assessment in the future. This is just one of many options to be examined in a balanced and diligent evaluation system.

## Concerns

**Concern One: There isn't a single source of publically available data measuring all dimensions of a quality educational experience.**

While some data on quality exists in the public sphere, there is a significant gap in that such data is not available from a single arms-length source.

The National Survey of Student Engagement (NSSE) measures some teaching and learning indicators, and has thus become a popular tool for institutions in measuring quality. Additionally, Common University Data Ontario (CUDO) measures plenty of input and internal service indicators. However, while this data is accessible to the public, it is not presented in a format that facilitates any kind of institutional comparisons.<sup>9</sup> Furthermore, the Ontario University Application Centre and the National Graduate Survey provide some output indicators. However, overall, there are gaps in the indicators available, and there is no single source that ties them all together. This limits the opportunity for the public to access strong, useable data for accountability purposes, does not provide institutions with the opportunity to plan and benchmark based on indicators regarding all aspects of the educational experience, nor does it provide a holistic view of quality for students' educational planning.

**Concern Two: The current process of tying specific quality metrics to government funding results in an overly narrow perspective of what a quality educational experience entails.**

Following an increased emphasis on accountability and quality benchmarking throughout the 1990s, the provincial government instituted a performance indicator framework and funding to be associated with performance on those indicators. The performance indicators used were OSAP default rates, graduation rates, and graduate employment rates (six months and two years after graduation).<sup>10</sup> The associated funding amounted to \$16.5 million in the first year, and was increased to \$23.2 million in the second year to account for concerns of equity raised by stakeholder and universities.<sup>11</sup>

The major problem with such a system of quality assessment is that the particular indicators use a very limited scope to gauge the quality of an institution. These key performance indicators rely much too closely on a single outcome of post-secondary education – employment. Factors such as student engagement, student satisfaction, and the amount

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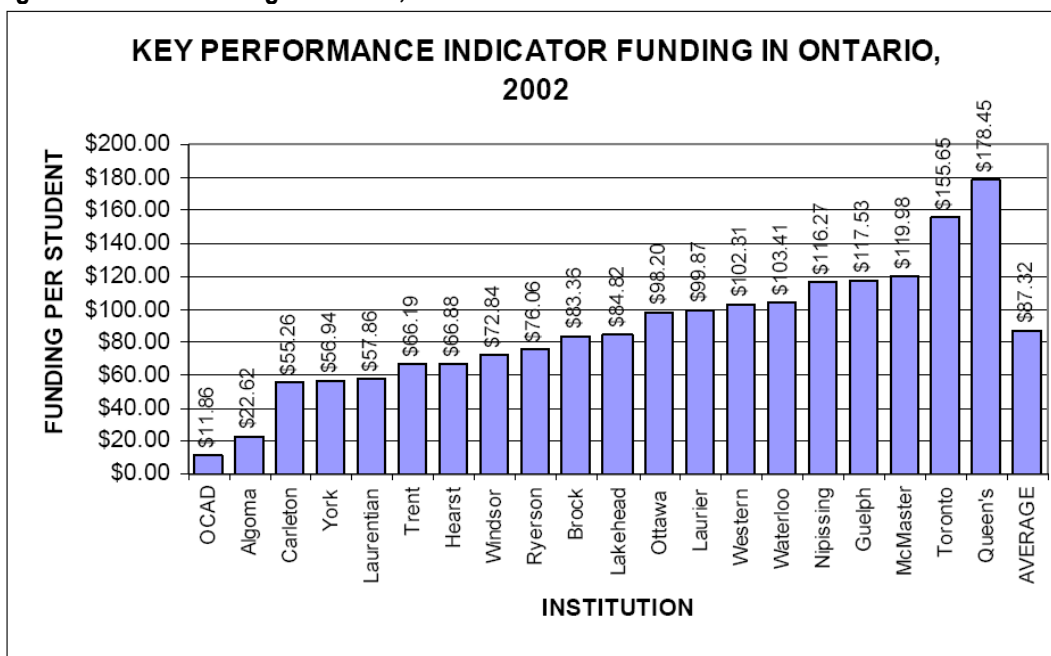
<sup>9</sup> Educational Policy Institute, "Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data", Toronto: Higher Education Quality Council of Ontario, 2008.

<sup>10</sup> Office of the Provincial Auditor of Ontario. "4.13 – Accountability Framework for University Funding." 2001 Annual Report of the Provincial Auditor of Ontario. Toronto: Government of Ontario, 2001.

<sup>11</sup> Ibid.

a student as improved over the course of their degree are simply not taken into account. A further problem with the key performance indicator framework is that the use of such indicators, in effect, does not reward improvement, but the attainment of benchmarks relative to other institutions. Finally, a problem exists when using employment rates to determine funding levels, as there is a relatively small amount of variance among institutions. The vast majority of institutions all have between 92 and 98 per cent employment rates for two years after graduation.<sup>12</sup> Under the current system, for example, Queen's University receives over three times the level of per-student funding as York University.

Figure Two: KPI Funding in Ontario, 2002<sup>13</sup>



The difference in funding results from a difference in employment rates of an average of only 2.2 per cent.<sup>14</sup> Another common concern with using a system of quality assessment which relies so heavily on employment rates is that institutions may begin to prioritize programs which more readily lead to employment over others such as liberal arts programs.

**Concern Three: Quality assurance frameworks in some peer jurisdictions have negatively impacted the affordability and quality of a post-secondary education for students.**

In order to develop a quality assurance framework that meets the objective of producing a high-quality higher education system, the provincial government should consider the results of peer jurisdictions that have created ineffective frameworks.

In some jurisdictions, serving the accountability needs of assessing quality has resulted in substantial punishments to institutions that fail to reach their targets. There are major concerns surrounding such a framework, as this negatively impacts the student experience (such as by holding back a portion of institutions' operating grants, which can augment issues of quality). In some jurisdictions, for instance, multi-year accountability plans brought very negative results for students. In the United States, the University of Florida and Florida State University proposed to

<sup>12</sup> Ibid.

<sup>13</sup> Ministry of Training, Colleges and Universities, "Backgrounder: Universities receive \$23.2 million in performance based funding", February 8, 2002.

<sup>14</sup> Ibid.

the state legislature that five-year contracts be established between the universities and the state government. In exchange for reaching their goals, institutions would be given unlimited flexibility to establish tuition levels without government constraint, effectively deregulating tuition.<sup>15</sup>

Policy-makers must bear in mind that the overall goal of quality frameworks is to promote quality, and must take care in selecting either potential rewards or punishments that are built into their systems. These kinds of consequences would have very negative results for students that would likely supercede any benefits achieved from a university reaching its quality targets.

**Concern Four: Quality assurance frameworks in peer jurisdictions have created an onerous and ineffective bureaucracy.**

In developing a quality assurance framework, the Ontario government should learn from the experiences of other higher education systems and take care not to create another major level of government or extensive bureaucracies.

The United Kingdom provides an example of a peer jurisdiction with many similarities to Ontario. In the UK there are four major bodies within the governance, accountability, and assessment framework of higher education: the Department for Education and Skill (the government department responsible for governing universities), the Quality Assurance Agency for Higher Education (QAA), the Higher Education Funding Council for England (which distributes funds to institutions), and the Higher Education Statistics Agency.

The QAA is most relevant to this discussion as it is the agency responsible for conducting quality assessments on behalf of the government and funding councils.<sup>16</sup> The mission of the QAA is, “to safeguard the public interest in sound standards of higher education qualifications and to encourage continuous improvement in the management and quality of higher education.”<sup>17</sup> In the UK system there are clear lines of responsibility and authority over higher education that theoretically ensures clear lines of accountability to the public interest. However, there are a few disadvantages associated with such a system.

First off, there is the cost and the level of government intervention with respect to the QAA. Many see the review performed by the QAA as too costly and intrusive in relation to their benefit.<sup>18</sup> It has also been said that there is an unnecessary amount of bureaucracy between government and institutions. At various points, the QAA imposed major burdens of paperwork and organization upon already overworked university administrators, thus reducing their time available for other work. An institution’s level of success reportedly depended not on delivering good teaching, but on whether the department was skilled at paperwork and submissions. In 2000, the QAA cost the British government £250 million per year, which would likely be better used for hiring faculty, purchasing supplies, or improving facilities.<sup>19</sup> This has created an onerous environment that we would hope to avoid here in Ontario.

**Concern Five: Students are not adequately engaged in managing the quality of their educational experience.**

<sup>15</sup> Centre for Education Policy, Research and Improvement, “The Benefits of Multi-Year Contracts Between the State and Public Universities: Linking Performance, Funding and Mission”, November 2003, p.4.

<sup>16</sup> Higher Education Quality Council of Ontario Act, 2005; accessed online at [http://www.e-laws.gov.on.ca/DBLaws/Statutes/English/05h28\\_e.htm](http://www.e-laws.gov.on.ca/DBLaws/Statutes/English/05h28_e.htm)

<sup>17</sup> Quality Assurance Agency for Higher Education. “About the Quality Assurance Agency for Higher Education”. As found on <http://www.gaa.ac.uk/aboutgaa/gaaintro/intro.htm>.

<sup>18</sup> David C. Smith, “How will I know if there is quality? Report on Quality Indicators and Quality Enhancement in Universities: Issues and Experiences”, (Toronto: Council of Ontario Universities, March 2000), p.24.

<sup>19</sup> Donald C. Savage, “The United Kingdom Model: A Route to Avoid”, paper presented at the January 2005 OCUFA Conference, “Ensuring Quality and Affordability in Ontario Universities: The Path Best Taken”.

According to acts of provincial legislature (with the exception of Queen’s University) each university has a governing body that is responsible for its operation and accountability.<sup>20</sup> The responsibilities of these governing bodies allow them to serve as examples of formal mechanisms for managing quality at the institutional level. The composition of these bodies is unique to each institution, and is outlined in their respective legislative acts. One thing that remains constant across these boards is the low ratio of student members to non-student members. The list below outlines a sample of student representation (including both undergraduate and graduate students) on governing bodies in some Ontario universities:

**Figure Three: Student Representation on University Senates**

Institution	Number of Undergraduate Students on Senate	% of seats	Number of Graduate Students on Senate	% of seats
University of Western Ontario <sup>21</sup>	14 of 102	13.7 per cent	4 of 102	3.9 per cent
McMaster University <sup>22</sup>	6 of 66	9 per cent	6 of 66	9 per cent
Brock University <sup>23</sup>	3 of 53	5.7 per cent	2 of 53	3.8 per cent
Wilfrid Laurier University <sup>24</sup>	7 of 53	13.2 per cent	1 of 53	1.9 per cent
University of Windsor <sup>25</sup>	9 of 84	10.7 per cent	2 of 84	2.4 per cent
University of Waterloo <sup>26</sup>	9 of 88	10.2 per cent	5 of 88	5.7 per cent
Queen’s University <sup>27</sup>	11 of 71	15.5 per cent	5 of 71	7 per cent

It is quite clear from the list above that students are underrepresented on their institutions’ senates, given that they are an integral component of the university community and contribute over 40 per cent of the universities’ operating costs through tuition. This is problematic as any decisions around quality improvement measures undertaken at the institutional level will have only a small amount of input from those users that are often the most impacted by such decisions.

**Concern Six: The majority of quality assessment indicators are collected and administered by non-governmental sources, with no arms-length oversight over which indicators must be publically reported.**

<sup>20</sup> Michael J. Doucet, “The Maclean’s Rankings and Ontario’s Universities: A comparison of the 2003, 2004, and 2005 results”, *OCUFA Research Report 7*(1), January 2006; available online at

<http://www.ocufa.on.ca/Macleans%20Rankings%20Report%202005%20final%20--%20Jan.%2030%20%202006.pdf>.

<sup>21</sup> University of Western Ontario, “Senate Membership 2006”, accessed online at <http://www.uwo.ca/univsec/senate/members.pdf>.

<sup>22</sup> McMaster University, “McMaster University Members of Senate, 2005-2006”, accessed online at <http://www.mcmaster.ca/univsec/senate/SenateMembers.pdf>.

<sup>23</sup> Brock University, “The 2006-2007 Senate”, accessed online at <https://www.brocku.ca/secretariat/senate/2006-2007SENATE.pdf>.

<sup>24</sup> Wilfrid Laurier University, “Senate Membership, 2005-2006”, accessed online at [http://www.wlu.ca/page.php?grp\\_id=158&s\\_id=155](http://www.wlu.ca/page.php?grp_id=158&s_id=155).

<sup>25</sup> University of Windsor, “Senate Membership 2005-2006”, accessed online at <http://www.uwindsor.ca/units/senate/main.nsf/inToc/90CECB6E06867D0C852568B60053F069>.

<sup>26</sup> University of Waterloo, “Current Senate Members”, accessed online at <http://secretariat.uwaterloo.ca/governance/senatemembership.htm>.

<sup>27</sup> Queen’s University, “Senate Membership”, accessed online at <http://www.queensu.ca/secretariat/senate/members.html>.

As there has been a significant need for quality assessment indicators at the institutional level, non-government sources have attempted to fill the information gap. In particular, Common University Data Ontario (CUDO), which is administered by the Council of Ontario Universities (COU), provides a wealth of data related to teaching and learning indicators.<sup>28</sup> This is a commendable initiative that plays a valuable role in ensuring data is available for institutional planning and benchmarking. However, the COU chooses which data to report, which limits the information to that which is usable by only selected stakeholders.

Moreover, the Canadian Association of University Business Officers (CAUBO) collect and report input data with no oversight; the G-13 data exchange has no oversight and does not report data publically; and the Canadian University Survey Consortium offers data that is only semi-public with no oversight. These non-governmental sources of data may serve institutional decision making, however, they violate the principles of openly accessible quality data for the public and students.

## Recommendations

**Recommendation One: The provincial government must choose an ‘open access model’ for reporting quality indicator data and must task the Higher Education Quality Council of Ontario with administering the dataset.**

In order to ensure that quality assessment indicators serve the needs of all stakeholders, the provincial government must choose HEQCO’s ‘open access model’, which aims to provide data useable for all purposes.<sup>29</sup> Such a model involves consultations with all stakeholders and accessible data based on all needs. While the government plays a regulatory role in ensuring that the data is collected and provided to the public, its goal is not limited to accountability. Instead, its goal is to develop a comprehensive collection of data for the benefit of institutions, students, the public, and other consumers of information.

As HEQCO plays an arms-length role in ensuring the post-secondary system in Ontario is one of high-quality, they are in an appropriate position to administer such model for the benefit of all stakeholders.

**Recommendation Two: Quality assessment indicators used in accountability agreements between the government and institutions must take into account all dimensions of a student’s educational experience.**

In order to accurately measure quality at an institution, quality assessment must take into account the full spectrum of the university experience.

Such a spectrum would include input indicators, which including student input indicators, institutional income indicators, and instructor numbers; teaching and learning indicators that measure cognitive development, learning environments (in class, and ‘student experience’ outside of class), teaching evaluations, and teaching resources and environments; internal service function indicators, such as student satisfaction measures, spending indicators, and library indicators; output indicators, such as completion and continuation rates, graduate satisfaction, employer satisfaction, and student employment indicators.

For a more complete description of indicators, please read the recent Higher Education Quality Council of Ontario report *Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data*. (Usher, 2008)

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<sup>28</sup> Council of Ontario Universities, *Common University Data Ontario*. Accessed online at [http://www.cou.on.ca/\\_bin/relatedSites/cudo.cfm](http://www.cou.on.ca/_bin/relatedSites/cudo.cfm).

<sup>29</sup> Educational Policy Institute, “Producing Indicators of Institutional Quality in Ontario Universities and Colleges: Options for Producing, Managing and Displaying Comparative Data”, Toronto: Higher Education Quality Council of Ontario, 2008.

**Recommendation Three: The provincial government must abolish the current key performance indicator (KPI) framework and reallocate the associated funding into operating grants.**

Government funding incentives tied to performance are not inherently bad, but the current system is ineffective at rewarding institutions for the quality of the education they provide.

There are a number of concerns with the current key performance indicator (KPI) framework. First, it is evident that the program does not reward improvement, but the attainment of benchmarks relative to other institutions. Ideally, improvement would be achieved in the context of a fund that targets performance.

Second, there is not a great deal of variance among institutions in performance, particularly when examining employment rates. For example, aside from one or two outliers, the vast majority of institutions have between 92 and 98 per cent employment rates two years following graduation.

Third, the efficacy of these indicators to gauge quality or performance is limited in scope. These indicators focus greatly on one outcome of higher education – employment. This is clearly a limited view that excludes other factors including skill acquisition, engagement and student satisfaction.

Finally, there was limited stakeholder involvement in the development and review of the key performance indicators. This is particularly true for students and student organizations. Students are, however, notably involved in their development and review in the college sector in Ontario through the College KPI Steering Committee.

If a set of quality indicators can be developed that effectively measure institutional performance, then a KPI system could be revisited – but in its current form, the system is highly ineffective.

**Recommendation Four: Quality assessment indicators used in accountability agreements between the government and institutions must not be used to negatively impact the affordability and quality of a post-secondary education.**

In establishing accountability agreements with institutions, the province must take care to ensure institutions are not punished for missing their performance goals in such a way that will negatively affect students and their education. Punishing institutions by clawing back funding for poor performance will only work to exacerbate the quality challenge, and will ultimately hurt students.

Ideally, positive incentives should be used as a means of improving performance rather than using harsh measures to punish failure; this could include envelopes of incentive-based funding, available to institutions that meet their goals. In these types of incentives, institutions should be measured according to a baseline level of their previous performance on their self-defined quality improvement goals, rather than absolute and arbitrary comparisons to other institutions. If institutions are having difficulty meeting their goals, the province must take great care to understand what is happening on the ground, and must take steps to assist the university correct course; the province should approach such situations as a caring partner, not as a strict disciplinarian – always keeping in mind that the end goal is to support the institution in continuously improving their performance, and ultimately strengthen the educational experience provided to students.

Care must also be taken to ensure incentives for performance do not impact the affordability of an institution's education. For example, in the State of Florida institutions were rewarded for meeting goals by allowing them to deregulate tuition fees.<sup>30</sup>

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<sup>30</sup> Centre for Education Policy, Research and Improvement, "The Benefits of Multi-Year Contracts Between the State and Public Universities: Linking Performance, Funding and Mission", November 2003, p.4.

**Recommendation Five: The provincial government and institutions must work together to ensure that the data collection process yields high quality results while remaining efficient and cost-effective.**

Reporting data to the province, public, internal decision-makers, and students can be an onerous process – many institutions have entire departments dedicated to this task. As such, any new external reporting requirements placed on institutions must be carefully weighed to determine if the value of information is necessary outweighs the administrative cost. Also, if new reporting requirements are required, every effort should be made to eliminate indicators that are no longer necessary.

**Recommendation Six: The Higher Education Quality Council of Ontario must continue to formally consult representatives from all stakeholder groups including students as it designs a framework to collect and report quality indicator data.**

HEQCO is currently in the process of developing a data reporting framework for the province, and OUSA is routinely consulted in a formal way regarding the framework. Students must continue to have input into the design to ensure the final framework is a comprehensive measure of quality; once the data collection system is up and running students must be engaged on an ongoing basis to review and comment on results.

**Recommendation Seven: The provincial government must mandate broader student involvement in quality management at the institutional level.**

Students are the end users of the higher education system, and have a valuable perspective to offer regarding the quality of their educational experience. As such, universities must be mandated to involve more students on formal governing bodies such as senates and boards of governors, and also internal quality control functions such as program reviews.

Students should also have a deeper involvement during the negotiation of institutional multi-year agreements, to ensure the indicators chosen by institutions take into account the needs of students.

Scotland has mandated higher involvement of students in ‘managing quality’ at institutions, and the government even appointed a student to chair their national review of quality assessment. As such, Ontario could take lessons from Scotland regarding ways to better involve students in defining, measuring, and reporting quality.<sup>31</sup>

**Recommendation Eight: Quality assessment indicators used in accountability agreements between the government and institutions must work to foster a process of continual improvement.**

Arbitrary ranking systems or frameworks that are based on meeting a minimum set of prescriptive standards are ‘one size fits all’ approach to quality, and do not provide incentives for improvement.<sup>32</sup>

As such, our preference would be for agreements that balance the public’s desire for transparent benchmarks with providing institutions with incentives to view quality improvement as a continual process. In such a system institutions would be responsible for setting individual quality improvement objectives, and would be rewarded for their progress towards their goals. They would also report a common set of indicators, but would be largely rewarded

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<sup>31</sup> David C. Smith, “How will I know if there is quality? Report on Quality Indicators and Quality Enhancement in Universities: Issues and Experiences”, (Toronto: Council of Ontario Universities, March 2000), p.24.

<sup>32</sup> Based on Ross Finnie and Alex Usher, “Measuring the Quality of Post-Secondary Education: Concepts, Current Practices and Strategic Plan”, *Canadian Policy Research Networks Inc.*, April 2005, accessed online at [http://www.cprm.org/documents/35998\\_en.pdf](http://www.cprm.org/documents/35998_en.pdf).

for improvement at the micro-institutional level rather than punished for not meeting arbitrary benchmarks at the macro-system level.

## **Conclusion**

While it is doubtless that all stakeholders in the higher education system want universities to offer the highest quality education, in practice this goal is much more difficult to achieve. The Higher Education Quality Council of Ontario is a positive step towards ensuring a high-quality post-secondary education system. However, in order for HEQCO to provide the necessary next steps towards achieving this goal, OUSA has established a number of strategies that must guide any framework for quality assessment. It must serve all needs for quality assessment, be accessible, involve all stakeholders, foster continuous improvement, and be responsive to both individual institutional mandate and broader socio-economic needs. As HEQCO fulfills its mandate, we hope that the recommendations here will be implemented to ensure that such a framework allows for quality assessment that serves all stakeholders in the system effectively.

## Quality Metrics and Accountability Policy Statement

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**WHEREAS** quality assessment indicators must serve the diverse needs of students, the public and internal governance bodies of institutions.

**WHEREAS** quality assessment must focus on a broad range of indicators that measure all dimensions of a student's educational experience.

**WHEREAS** quality assessment indicators must be equally accessible to students, the public and internal governance bodies of institutions.

**WHEREAS** quality assessment indicators used for public accountability purposes must allow for differing institutional mandates, while being accountable to the broader public for comparative results.

**WHEREAS** students must be directly involved in the process of managing quality at post-secondary institutions.

**WHEREAS** quality assessment indicators used for public accountability purposes must foster a process of continual improvement.

**WHEREAS** quality assessment analysis must take into account supplemental assessments.

**WHEREAS** there isn't a single source of publically available data measuring all dimensions of a quality educational experience.

**WHEREAS** quality metrics currently tied to government funding offer an overly narrow perspective of what a quality educational experience entails.

**WHEREAS** quality assurance frameworks in some peer jurisdictions have negatively impacted the affordability and quality of a post-secondary education for students.

**WHEREAS** quality assurance frameworks in peer jurisdictions have created an onerous and ineffective bureaucracy.

**WHEREAS** students are not adequately engaged in managing the quality of their educational experience.

**WHEREAS** the majority of quality assessment indicators are collected and administered by non-governmental sources, with no arms-length oversight over which indicators must be publically reported.

**BIRT** the provincial government must choose an 'open access model' for reporting quality indicator data, and must task the Higher Education Quality Council of Ontario with administering the dataset.

**BIFRT** quality assessment indicators used in accountability agreements between the government and institutions must take into account all dimensions of a student's educational experience.

**BIFRT** the provincial government must abolish the current key performance indicator (KPI) framework and reallocate the associated funding into operating grants.

**BIFRT** quality assessment indicators used in accountability agreements between the government and institutions must not be used to negatively impact the affordability and quality of a post-secondary education.

**BIFRT** the provincial government and institutions must work together to ensure that the data collection process yields high quality results while remaining efficient and cost-effective.

**BIFRT** the Higher Education Quality Council of Ontario must continue to formally consult representatives from all stakeholder groups, including students, as it designs a framework to collect and report quality indicator data.

**BIFRT** the provincial government must mandate broader student involvement in quality management at the institutional level.

**BIFRT** quality assessment indicators used in accountability agreements between the government and institutions must work to foster a process of continual improvement.