

President Mark G. Yudof
Report to Committee on Long-Range Planning
Thursday, July 17, 2008

I welcome the opportunity to make this report on a proposed university accountability framework. What I want to see is that this will be a routine publication that sets forth measures of performance in many areas, and we can talk about that, in terms of access and affordability, in terms of student success, in terms of research impact and funding, in terms of faculty diversity and staff diversity. In other words, this is a report that will be presented to the Board of Regents, and we'll hopefully have the first iteration in September, that really sets forth the total accountability metrics for the 10 campuses and the Office of the President.

Now you might ask why we would do this. I know this Board has thought about it, and there is a national trend which I'll talk about. But I think there are a number of reasons to do it. The first reason is simply transparency and public accountability. Everyone ought to be able to go to our Website. If they want to know how many Latinos are in our Chemistry department, it ought to be there. If they want to know what the graduation rate is for one of our campuses, it ought to be there. It is a way of securing that sort of public accountability.

Second, if the Board is to do its job and take up what you discussed yesterday, strategic planning, you have to have the data to rely upon to engage in that strategic planning process. You need to know where you are and where as a Board you would like to be, and then set out the strategic plan. If you don't think the graduation rates are high enough, or you think the faculty could do more in securing sponsored research, or whatever your view is, we have to know where we are today and then what are the reasonable measures to get you where you want to go.

Third, it will help us in budgeting. Regent Gould has been very strong about this. Every decision you make has some consequence in terms of the overall budgetary picture. It will, I hope, give you a better idea of what the tradeoffs are. You'll never be able to do everything; you'll have to pick your priorities. And finally, I think it's a good way for management accountability. What I want to say is that an accountability system, in my view, is about institutional accountability. It is not whether Professor Jones is a good lecturer. It's not whether Mary Smith should have studied harder. It's not about blame or fault in any individual sense. It is designed to say: How well is the institution serving its constituents?

In my mind, this comes in the light of a very deep and strong accountability revolution in America. When you think about Enron, when you think about Sarbanes-Oxley, when you think about the meltdown in subprime mortgages and the actions that the SEC has taken over the last few days, the public, the taxpayers, the legislature, the parents, the students, the employees, they have a right to know what is going on in the institution. And this is not limited to private institutions. This has lapsed over into public institutions. And I, for one, think it's healthy. I don't resist that at all.

There's also a growing demand for customer information. I'm using "customer" loosely in a way that the faculty probably wouldn't like, but we do have people we serve. They can rely upon *U.S. News and World Report*; they can rely upon lots of data sources. We ought to have measures of how well we serve them and how well

we serve the different constituent groups. Nationally, there's a lot of progress on this. Regent Kozberg, I won't bore you with all the details. There's the Spelling Commission report that came out in 2006. There is the Voluntary System of Accountability that many universities have signed up on, which is very similar to what you will see in September, the type of metrics that are used. In Europe and around the world, you'll see there's a Bologna process that has more accountability built into it. Europe has the Organization of Economic Cooperation and Development, which has developed its own accountability measures, now are various countries doing in delivering higher educational services. This is not a new concept – this is what I want to tell the Board – this is really not a revolution. If anything, California is coming a little bit late to this. It's been done elsewhere. It is not threatening. I've talked this over with the faculty; this is good for faculty. We have a lot that we can build on. I'm calling it a sort of statistical accountability.

There are some other issues out there that we can talk about which have to do student assessment, how well are our students doing, and that's more controversial in the Senate. I believe that Professor Brown told me there are two committees that are looking at this, and they will get back to us and tell us what they think. Professor Brown, one of the footnotes that I'd like the Academic Senate to pay attention to is that accrediting organizations are increasingly giving problems, if I can put it that way, to some of the universities in the re-accreditation process if they do not have some student learning assessment. We can talk about what that means, but it basically means some test instrument of a random sample of students, and you don't disclose the names of the students. I just read two letters from the Western Association [of Schools and Colleges] to two of our university chancellors noting that they would be looking for something like a learning assessment. I hope the Senate will look at what's being required by the accreditors and how we deal with that.

We have some reports. I'm not saying there's no accountability at the University of California in any of these areas. We file federal reports; we have to report the crime rates; we have various health and safety and privacy measures. We have accreditation reports. As part of the compact with the Governor, there are certain reports. But it's chaotic. It's not organized. It's not repetitive. It's not annual the way I would like to have it. We need some standard definitions of data. And this is the good news, I think that the staff of the Office of the President has already done some very good work, and I've sort of taken a hands-on attitude. We can build upon what they've already done. We're not starting at ground level zero. And I should tell you that a lot of this data is already collected. I won't go into the technical details, but the campuses collect this data. They have reporting requirements. It's a question of putting it in the right framework. This is not some huge new bureaucratic requirement. The data is basically there, although we can choose, the Board and the President, to supplement it and ask for other data sets if that's what you want to do.

I guess my position on this is that the University of California needs to be a leader and not a follower. We are basically viewed today nationally as a non-participant in accountability. It will not be perfect the first year. A lot of the measures will be input and process variables and not outcome variables necessarily. So we will get it better year by year. It's very important that we start the process, we get a report, and the Board responds to it, and other constituencies respond to it, and then we'll improve it year by year. I think that's where we need to be headed. If we don't start now, I mean, it's just important, the longer you put this off, the worse, I think, that it gets.

The other thing I want to say is that I'm very anxious to get the Board focused on serious policy issues and away from the minutiae of 11 percent raises and \$200,000 settlements. I know I'm probably stepping on some toes here. But we've got to get some rules established, we've got to delegate, and then we have to enforce the rules and take action if you don't think that I or anyone in the administration is doing the job you want us to. We need to do the policy. I'd like this to crystallize around accountability, so you have a general report that comes in once a year and you can have subreports across the year. How well are we doing in development? Are we raising a lot of money or not? We might not have raised a lot last year, but compared to our comparable institutions, we may have done a very good job. In diversity, how well are we doing in terms of, as some have suggested, in terms of the population of California, in terms of whatever, high school graduation rates and so forth. How are we doing compared to our peers? What's the context in terms of how well we're doing? We can have individual reports on that. And then the Regents can weigh in and say, "These are our feelings about the STEM subjects and whether we need more science, technology, and engineering. Here is the percentage of our graduates who get those sorts of degrees. Here is how we're doing on gender in the sciences and engineering, and what departments are improving in terms of making hires of female faculty members." We can schedule these subreports, and they can be the catalyst for serious policy discussions in the Board of Regents of what you see as being the future of the University of California.

To me, that is very important. And it must be normalized. If someone comes in and says, "We had a great year in Development, we're up 4 percent," you need to know whether your competition is up 14 percent. I mean, no money manager could get away with that. It's compared to whom, compared to what? Marie [Berggren] may have gone down 2 percent in our investments, and she may be spectacularly outperforming the rest of the market. We need to have metrics and benchmarks by which we can assess all this, and that's what an accountability report can do for you.

And so we will do these subreports, and I'll talk to the Chairman and the various committees. It also, I think, will make some of your requests for information, I hope, Regent Kozberg, less ad hoc. When someone says, "How are we doing on small classes?" or "How are we doing on faculty compensation?" or "How are we doing on diversity?", I can say, "We have a schedule. At our meeting in November or January, that's on the agenda." If the Board wants an earlier report, that's obviously within your prerogative. But it's less ad hoc, it's annual, and it's longitudinal in the jargon of institutional studies: how well did we do five years ago, three years ago, how well are we doing today, where do we think we'll be in two or three years.

The responsibility for this will be in a unit headed by Dan Greenstein, who's done very good work, current Vice Provost for Academic Affairs. I will be working directly with Dan because I think it's so important. I think it's a predicate of some of the things you talked about yesterday for strategic planning. We have to have a group that is in charge of accountability and strategic planning. If it isn't reflected in our organizational chart, that tells you that we're marginalizing that aspect of what we're doing. It will not be a large office. You know me, I'm cheap, I don't believe in large offices. We will staff it through savings in other parts of the Office of the President. But we have to get this done right, and I think we will.

The last thing I want to say, and it is important, and I've said this on – I want to say two things. Every campus is in some sense alike, and in another sense, every campus is like a butterfly, it is different. So eventually part of this has to be some

institution-specific profile where Davis or Santa Cruz or Berkeley or San Diego or wherever can brag on and describe, I won't say idiosyncratic, but special characteristics of that campus that may not be captured immediately in some quantitative sense. And we will work towards that. And I think that's good. It lets the chancellors really tell their story and the Board say, "What's the strategic direction of this campus?"

And the final thing I want to say is: I'm not taking a savage view of higher education. I mean, I really do understand, I was a political science major, and I remember taking the history of music, I remember taking astronomy because I couldn't figure out how far the stars were, and it turned out they didn't know. I really value that. I couldn't give you chapter and verse about, you know, how that increased my income levels or my sensibility to law school or any of that. So there is a qualitative dimension, a cultural dimension, and all that, and we don't want to leave that aside. But we simply cannot take the position at the University of California that we are not accountable, we are so special that we deserve a pass. No one else gets a pass. No arm of government gets a pass. Prisons don't get a pass. The public schools don't get a pass. The corporations don't get a pass. We cannot take a complete pass on the accountability issue. We need to measure what we can, but we need to be aware that there are qualitative factors, quality of faculty, quality of students, outcomes that we can't quite capture in some graph.

So, Madam Chair, that's what I'm planning, and we'll try to get this to you in September. It won't be perfect. Please cut us a little slack. We'll improve it over time.