

Towards an Accountability Framework for Ontario PSE

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Higher Education
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Conseil ontarien
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An agency of the Government of Ontario

Objective

- To set out a conceptual design for a new accountability framework for Ontario PSE
- Framework intended as part of HEQCO's advice on new multi-year accountability agreements
- Complements other HEQCO work on this topic



What an accountability framework is

1. An instrument for the Ministry and HEQCO to use to report to the public on the performance of the PSE system relative to expectations
2. An instrument for the Ministry and colleges and universities to use to record institutional priorities and to report on performances relative to expectations
3. An instrument to guide a collaborative planning process



Thus the accountability framework will have three components

System
Accountability

Institution
Accountability

Planning



The challenge is to design a framework that

- Takes full advantage of institutional autonomy
 - Delivery of PSE activities by those with expertise and experience
 - Scope for experimentation and innovation
 - Provides diversity in student choices
- Supports an appropriate degree of Ministry interaction with colleges and universities on individual institutional priorities
- Ensures that system-wide PSE objectives are met
- Provides clear direction how change, where required, is to be achieved



For greater clarity, what an accountability framework is not

- A source of information for students making PSE decisions
 - Important to have this information available, but this framework is not the appropriate instrument
- A device for ranking colleges and universities



SYSTEM ACCOUNTABILITY



Overview

- The accountability framework is an instrument for the Ministry and HEQCO to use to report to the public on the performance of the PSE system relative to expectations
- **Design question:** what information about the PSE system does the public need to judge if it is meeting expectations?



Steps in designing the system accountability component

1. Define broad objectives for the PSE system
2. Choose appropriate indicators and targets
 - Henceforth, referred to as **core** indicators
3. Devise a process for evaluating performance against targets
 - These results feed into the planning process
4. Develop a procedure for reporting to the public in a clear and transparent fashion



Ontario's PSE system goals are clearly defined

1. Ensuring that the province has the human capital required to compete and prosper in a global, knowledge-based economy
 2. Ensuring that the knowledge and skills embodied in the human capital are appropriately aligned with the province's economic and social needs
 3. Making PSE accessible to all qualified Ontarians
 4. Ensuring that PSE programs are of high quality
 5. Enhancing research and innovation capacity
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- From *Reaching Higher* and subsequent documents such as Knowledge and Skills Strategy



Thus the system accountability component will have five sets of core performance indicators

Human Capital

Knowledge and Skills

Accessibility

Educational Quality

Research and Innovation



Choosing core indicators and targets

- What not to choose as performance indicators
 - Inputs and processes
 - Example: student-faculty ratios
 - Input and process indicators are not meaningful to general public
- What to choose as performance indicators
 - Outputs
- Note: may have to use select input indicators in a transition period, until appropriate output indicators can be developed



Further guidelines for choosing core indicators and targets

- Indicators
 - Limited in number
 - Clearly defined
 - Based on reliable data
 - Change only infrequently over time
- Targets
 - Realistic
 - Take inter-relationships among goals into account, particularly when trade-offs exist
 - Multi-year
 - Adjusted over time as appropriate



Example: Choosing indicators and targets for human capital supply

- Equate human capital supply with the educational attainment of the population of working age
- Focus on the rate at which Ontario will add to its supply of human capital
- Additions to the supply will come in three ways
 1. The PSE attainment rate of Ontarians newly entering the labour force
 2. Educational upgrading by Ontarians already in the labour force
 3. PSE embodied in new in-migrants and immigrants



Thus, three sets of human capital supply indicators

PSE Attainment Rate
of Ontarians Newly
Entering the Labour
Force

- PSE participation rate
- PSE completion rate

Educational
Upgrading of Current
Labour Force

- Participation rate
- Completion rate

PSE Attainment
Embodied in Migrants
and Immigrants

- Percent of migrants and immigrants with completed PSE



Example: choosing targets for Ontarians newly entering the labour force

- Target is for the PSE attainment rate of Ontarians aged 18-24
- Benchmark PSE attainment rate
 - Percent of the Ontario population aged 25-34 with PSE credential (68%)
- Targets
 - Highest PSE attainment rate among provinces
 - Attainment rate that compares favourably to those in OECD nations
 - Equal to estimated proportion of new jobs requiring PSE
- Suggested PSE attainment rate target: 70%
 - Express in terms of targets for participation and completion rates
- Repeat for educational upgrading of current labour force and PSE attainment of in-migrants and immigrants



Follow same procedure for other core accountability indicators

- Knowledge and skills mix
- Accessibility
- Educational quality
- Research and Innovation



Evaluating PSE system performance

- Evaluation of PSE system performance against targets in all cases will be quantitative but must also be qualitative
 - Exceeding targets
 - Generally meeting targets
 - Falling short of targets
 - Falling seriously short of targets
- PSE system is too complex for small quantitative variations to be meaningful



Reporting to the public

- Metrics and targets for five sets of system indicators are set annually by the Ministry in consultation with HEQCO and institutions
- Institutions are assigned a target for each system indicator
 - After consultation
 - Targets will vary among institutions to reflect unique missions and visions
 - Individual targets must add up to system targets
- Institutions assemble their data for the system indicators and make them available to HEQCO and the Ministry
- **Output:** HEQCO publishes an annual evaluation of PSE system performance relative to the goals
- The Ministry reports publicly on performance indicators as per government policy
- The Ministry uses the information, HEQCO's evaluation and institutional feedback to revise PSE system goals, targets and policies as appropriate
 - i.e. feeds into ex ante planning component



INSTITUTION ACCOUNTABILITY



Overview

- The accountability framework is an instrument for the Ministry and colleges and universities to use to record institutional priorities and to report on performances relative to expectations
- Reporting for two purposes
 - Are institutions meeting expected contributions to system-wide goals and targets?
 - As indicated by reported values for core indicators
 - Are they meeting individual goals and targets?
 - As indicated by reported values for mission-specific indicators
- **Design question:** what information do colleges and universities need to make available to meet these reporting requirements?



Each institution will report two sets of indicators

Core Indicators

- Human capital
- Knowledge and skills mix
- Accessibility
- Educational quality
- Research and Innovation

Mission-Specific Indicators

- Drawn from institution's strategic plan
- Type and number will vary



Core Indicators

- All colleges and universities would report results for the 5 sets of core indicators
 - Common definitions, clearly specified
- Targets for each would vary among institutions to reflect unique missions and strategic plans
- Collectively, individual results must add up to system targets



Mission-specific indicators

- Designed to take full advantage of institutional diversity and autonomy
- Goals, indicators and targets taken from the institution's strategic plan
 - Products of much effort and resources
 - Approved by appropriate governing bodies
- Type and number of indicators will vary among institutions, reflecting diversity in institutional missions



Evaluating institutional performance

- Evaluation of performance against targets will be quantitative but must also be qualitative
 - Exceeding targets
 - Meeting targets
 - Falling short of targets
 - Falling seriously short of targets
- PSE activities are too complex for small quantitative variations to be meaningful



Reporting

- The institution submits a report to the Ministry each year outlining performance relative to goals
 - Report to be concise and transparent
 - Contains a self evaluation
 - Perhaps consider a standard reporting template
- **Output:** The completed report is posted on the institution's website, with any further reporting left to the discretion of the institution
- The Ministry uses the information to discuss future goals, strategies and activities with the institution
 - i.e feeds into the planning framework



PLANNING



Overview

- The accountability framework is an instrument for the Ministry and institutions to use to bring about change in the PSE system or in activities of individual institutions as appropriate
- **Design question:** what planning processes will bring about the requisite change most effectively?



Some preliminary thoughts

- Annual consultation process to establish what sector-wide change is desirable and feasible
 - Follows annual reporting by HEQCO and others on PSE system performance relative to expectations
- Consultations with each college and university on how the institution can contribute to achieving sector-wide change
 - Exploit opportunities for change inherent in differentiated missions of colleges and universities
- Annual consultation as well on performance on institution-specific goals relative to objectives
 - Evaluation to be qualitative as well as quantitative
- Use incentives rather than fiat or explicit direction wherever possible
- Clear, predictable and credible links between performance and funding or regulations
- Credible commitments by Ministry as well as by institutions



SUMMARY

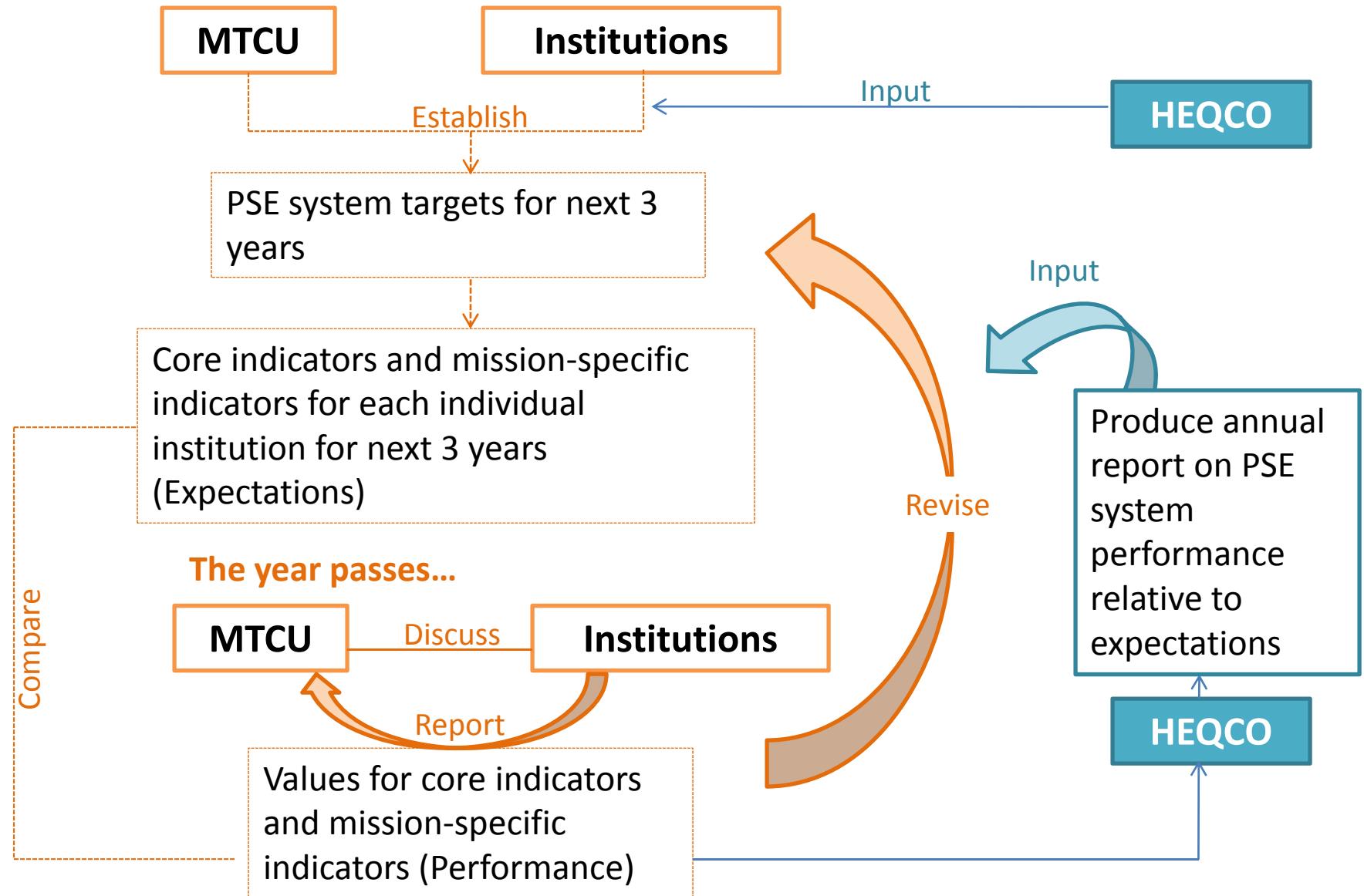


The annual accountability process

1. Ministry and institutions, with HEQCO input, establish PSE system targets for next 3 years
2. Ministry meets with colleges and universities individually to establish targets for core indicators and goals and targets for mission-specific indicators for next 3 years
3. The year passes
4. Institution reports values for core indicators and mission-specific indicators for past year
5. HEQCO uses the information on core indicators along with other information to produce its annual report on PSE system performance relative to expectations
6. Ministry meets with institutions individually to discuss performance relative to expectations for core indicators and mission-specific indicators
7. Ministry and institutions, with HEQCO input, revise system targets for next 3 years as appropriate
8. Ministry and institutions revise targets for core indicators and mission-specific indicators for next 3 years as appropriate
9. Process repeats



The annual accountability process



Significant differences from current MYAAs

- Explicit targets for PSE system goals
- Consultative process to establish system targets (Ministry, institutions, HEQCO)
- HEQCO to report annually on system performance relative to targets
- Distinct two-part reporting framework for institutions
 - Core indicators
 - Mission-specific indicators
- Individual targets for core indicators, to vary with institutional missions
- Consistent definitions and data for core performance indicators
- Explicit attention to “adding up” issue for core indicators
- One-on-one discussions between Ministry and institutions
 - Prior to academic year to establish targets for core indicators, and goals and targets for mission-specific indicators
 - After academic year to discuss results and plans
- Mission-specific goals and indicators drawn directly from institutions’ strategic plans
- Qualitative as well as quantitative evaluation of performance relative to targets
- Institutions to post summary template on mission-specific performance relative to expectations
- Explicit link from accountability components to planning component

