The Spellings Commission Report:
An attempt at policy determining standards of quality for American universities

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Introduction

While Scholtes (1999) has proposed *interdependence and interaction* as a fifth element to Deming's (1994) system of profound knowledge (SPK) because of the importance of these notions by themselves, this author has been arguing that *public policy* should be added as another element (a sixth one) in because policy either directly or indirectly shapes institutional notions of quality (Padró, 2006). The gist of the argument is that, in the field of education, public policy is used to advance achievement by the imposition of external standards directly or by encouraging and facilitating professional bodies as well as institutions themselves to identify, set, and meet standards that achieve the expectation criteria driving policy enactment. Public policy concerns are therefore more than merely those of regulatory compliance in the name of maintaining the public good (see Aman & Mayton, 1993). Delegation of legislative power to agencies may be more to defend activities from the sweep of differing political winds or to maintain flexibility in an environment of rapid change rather than a self-imposed limitation on defining public expectation of performance from social entities, including organizations in any legitimate enterprise or activity. "'Political power and institutional capability is less and less derived from formal constitutional powers accorded the state but more from a capacity to wield and coordinate resources from public and private actors and interests." (Peters & Pierre, 2001, p. 131)

In 2006, the U.S. Department of Education sponsored what is termed the *Spellings Commission Report*, named after the serving Secretary of Education Margaret Spellings. In a speech given in September 2005, Secretary Spellings stated that the purpose of this Commission is to launch a national dialogue about higher education in the USA and to provide leadership in shaping this dialogue because "as taxpayers, we all have a stake in the higher education system." The desired effect, however, is to crate an agenda whose basis it is to change the definition of quality in American higher education. According to the American Association of University Professors (2006):

> What emerges from the report is a vision of higher education as a marketplace that should increasingly rely on uniform standards to measure outcomes and technological means to provide training in skills necessary for global economic competition. The

process and quality of the educational experience, so central to the formation of a love of learning, civic virtues and social capital, are marginalized to the point of irrelevance.

This purpose of this paper is to continue to argue the importance of adding policy as a fifth element in Deming's SPK by studying the dynamics surrounding the Spellings Commission Report and the attempts at reframing notions of quality and quality assurance at institutions of higher education in the USA. The first part of this paper continues the discussions as to the merits of including public policy as part of SPK while the second part of this paper uses the hoped for impact of the Spellings Commission Report to illustrate how public policy does shape institutional definitions of quality at a strategic as well as compliance levels of institutional actions.

Deming's System of Profound Knowledge and the role of public policy within it

The four points of SPK – appreciation for a system, knowledge about variation, theory of knowledge, and psychology – provide a philosophical framework to look at how tools and techniques work to improve the quality of organizations. Deming (1994) observed that an absence of defects does not build or keep a business open. One of the challenges he talks about is identifying the boundaries of a system to determine how effectiveness can be achieved.

The four points that make up SPK are really focused on internal knowledge rather than on external influences on internal knowledge as the drivers behind institutional transformation. Deming emphasizes the interconnectedness (or the interdependence and interaction) of these parts in relation to performance based on individual and systems-based causality links. His earlier (1986) 14-point management model emphasizes the simultaneous creation of a cooperative and learning organization based on process-management practices that support customer satisfaction, sustained employee fulfillment, and the continued improvement of processes, products, and services (Anderson, Rungtusanatham, & Schroeder, 1994).

"The theoretical link between quality management practices and firm performance has not been clearly understood." (Linderman, Schroeder, Zaheer, Liedke, & Choo, 2004, p. 604). A knowledge-based view seems to help, but even in Linderman et al. the boundary for knowledge creation is still found within the institution without much discussion as to external mandates. Bringing public policy into SPK is to allow an external element into the creation of internal knowledge, in a manner suggested by Nonaka's (1994) knowledge creation model. Public policy is difficult to understand because it can have either output or throughout impacts on the institution, or both. It may be discernible or not because it depends on overtness or subtlety of language and approach used. The throughput impact is the easier one to take into account because that takes the form of regulatory compliance (specific programmatic/product concerns). Public policy as an evaluator of worth has strategic implications (at the codex level). It is not enough to provide a particular benefit, product, or service. There are times when these must meet an additional layer of values that have to be embedded within the benefit, product, or service provided because what the institution provides relates to a public interest regardless of whether it is direct or indirect. Policy, therefore, provides tacit rather than explicit knowledge. Dooley (2000) asserts that quality of goods and services have always been a social concern, and that the future of quality paradigms to increase their scopes to include the "industry" as a whole and even the community. The idea is to shed insight to the traditional question of whether public or

private provision yields the best outcome because the boundary itself between the public and the private is blurred (see Andersen, 2005).

The argument behind adding public policy to Deming's SPK is analogous with Luhmann's (1997) view on limitations that modern circumstances present the self-steering of systems. What public policy represents is the hope to find those who can pay the price of mandated outcomes (cf. Wildavsky, 1972). The idea is the reduction of a difference between institutional action and public preference. At issue is how one system tries to impact another system. It is also a question of how closed and impervious systems are to external environments. The extent of *autopoiesis* – the ability to reproduce one's own elements – systems can perform is dependent on contributions from other systems and thus influenced by them (Andersen, 2005). Luhmann (1997) does not think in terms of inputs or outputs and, in this sense, public policy once enacted takes on different forms which are simply there; they just have to be taken into account and made part of the institution's steering process. While systems should not let themselves be controlled by the political process, Luhmann nevertheless is of the view that:

> The political system is thus only able to steer itself by a specific political construction of the difference between system and environment. That this happens and how it happens has without doubt tremendous effects on the society because the other functional systems must orient themselves along the differences thus produced. *But this effect is certainly not steering and it is not possible to steer it* because it depends on the construction of differences in the context of other systems and because it falls under the steering programmes operating in these systems. (pp. 47-48)

The Spellings Commission Report and its proposed impact on higher education in the USA

Brooks (2005) writes that universities have been performing numerous types of assessments to measure the quality of research and teaching over the last eight decades, with data collection becoming a regular practice due to increases in information technology. She asks the question "does the higher education community have a better sense of what university quality is?" (p. 1) While her overall answer is a "qualified somewhat," Dickeson (2006) in his issue paper to the Spellings Commissions believes that, from the perspective of accreditation (the most common form of quality assurance in the USA) the answer is no because "accreditation as it is currently practiced results in the unmistakable conclusion that institutional purposes, rather than public purposes, predominate." (p. 3) To him, traditional approaches to accreditation do not meet current needs: distance education and electronic delivery of educational content across borders makes a jurisdictional approach to accreditation obsolete; accreditation settles for meeting minimal standards while being conferred for a ten-year period; and the public's need for critical information is not being met due to a reluctance for transparency and sharing relevant data about college access, costs, attainment success and the extent to which standards were enforced.

According to The National Commission on Accountability in Higher Education (2005):

> The nation has not fully come to grips with the fundamental changes required to realize this agenda for higher education. Educators and policymakers must recognize and accept their individual responsibility to confront performance gaps, reorder priorities, change policies, and undertake long-term initiatives to achieve America's goals. (p. 10)

The Spellings Commission Reports (2006) links higher education to the national well-being, more than implying that universities have an obligation to meet societal expectations of national pre-eminence (Wellman, 2001). The Report gives credence to notions stated and accepted elsewhere in the world (particularly OECD countries) that institutions of higher education are under a new paradigm which sees higher education in terms of a *knowledge industry*, where *vocationalism* is more pronounced as a means to improve individual rates of return on their investment, and a need to *commercialize* research and other activities in order to increase social benefit (Scott, 2003). The Report talks about how universities are a source of *intellectual capital* "needed to increase workforce productivity and growth." (p. 7) Its underlying premise is analogous to Machlup's (1962) rationale for coining the term *knowledge industry*: focus on output where the acquisition and dissemination of knowledge are investments that allow for future economic growth.

Notions of institutional quality are now – more than ever – influenced by sociopolitical systems (McLendon, Hearn, & Deaton 2006). The increasing amount of legislation is designed to clearly define who has the legitimate authority to exert control in delineating the extent of participatory rights universities can maintain in setting performance parameters. Recently, "federal and state policy-makers have called for accreditation to require accredited higher education institutions and programs to report valid and reliable information on their performance to the general public." (Schray, 2006, p. 6) The Report is nothing short of a call for universities to re-examine institutional practices, values, and beliefs as well as existing curriculum, teaching practices, and rewards systems. The values the Spelling Commission supports are those espoused by the National Center for Public Policy and Higher Education's *Measuring Up* Report card (2004) on higher education – preparation, participation, completion, affordability, benefits, and learning – rather than on traditional notions of academic excellence. Ostensibly, "accountability will be serious about improving performance, while respecting legitimate boundaries between federal, state, and institutional roles, and between policy and educational administration." (National Commission on Accountability in Higher Education, 2005, p. 7). The bottom line is that there is a need for an external review process that, in effect, focuses not only on individual learning but on social issues (Howie, 2002).

The National Commission on Accountability in Higher Education's (2005) report suggests that there should be no recriminations, just a dedication to improve. It also recognized that accountability in higher education is a battleground between educators and policymakers because it is an easy way for both sides to play the *blame game* and that an atmosphere of resentment and mistrust is not one to engender desired outcomes for either academics or politicians. However, the Spellings Commission Report (2006) and some of the issue papers it commissioned take universities and accrediting agencies to task (see Table I below). The Commission also takes exception to accrediting agencies, as already stated previously, stating that globalization makes transformation of the process inevitable. It is seen as possibly impeding innovation (along with government over-regulation), and playing too much of an

internal role by not making their findings public. What the Commission wants to see is more timely action in accrediting new institutions and programs and to focus "on results and quality rather than dictating, for example, process, inputs, and governance, which perpetuates current models…" (p. 21) More to the point, Higher education institutions should make aggregate summary results of all postsecondary learning measures, e.g., test scores, certification and licensure attainment, time to degree, graduation rates, and other relevant measures, publicly available in a consumer-friendly form as a condition of accreditation." (p. 24) The desired aim is for transparency so that students, potential students, parents, employers, and policy makers can make informed decisions about the institution's performance and the quality of its graduates *vis a vis* employability and contributions to the employer and the community.

Table I. Findings within the Spellings Commission Report that seem to blame institutions for inappropriate results or inadequate processes or metrics.

Access	Cost & Affordability	Financial Aid
Insufficient alignment between higher education and lower levels	Inadequate attention to cost measurement and cost management	Students graduate with too much debt (median for students from four-year institutions were $15,500 for publics and $19,400 for private, nonprofits)
Needing to provide too many remediation courses that take away resources from elsewhere on campus	Lacking incentives to contain costs "because prestige is often measured by resources"	

By age 25–29:
    ca. 34% of whites obtain bachelor's degrees
    ca. 17% of blacks obtain bachelor's degrees
    ca. 11% of Latinos obtain bachelor's degrees
 	
81% high-income students complete degrees within 8.5 years
 	
Only 36% of college-qualified low-income students complete degrees within 8.5 years
	Large growth of administrative costs for improvement in student services	

Universities not expanding capacity across higher education to meet demands for education (in 2005, > 12 million adults age 25 and older participated in credential or degree-granting programs)		

Learning	Transparency & Accountability	Innovation
The National Assessment of Adult Literacy rates between 1992 and 2003 for average prose literacy decreased among those attending or graduating from universities	Measuring primarily through financial inputs and resources no longer appropriate Focus is on student learning	Results of scholarly research on teaching and learning are rarely translated into practice, especially in fields such as teacher preparation and math and science education
Employers complain that graduates are not prepared for the workplace and lack skills necessary for successful employment and continuous career development	Parents and students have no solid evidence that is comparable across institutions of how much students learn in or whether they learn more at one institution than another.	Traditional academic calendars and schedules often result in inefficient use of physical plant and learning programs that are less than optimal
66% full-time four-year students complete a baccalaureate degree within six years Significant attainment gaps between white and Asian students and black and Hispanic students remain	Institutiuons do not do enough benchmarking	There are barriers to transfer credits poses barriers that lead to unnecessary repetition and confusion

Discussion and concluding remarks

> The problem is not the absence of accountability or the amount of accountability. Our colleges and universities are accountable to the student market, to trustees, to private financial supporters, to accreditors, and to the states and federal government. The problem is a failure to develop and implement accountability approaches that help improve performance in a complex, decentralized system of higher education. (p. 11)

Quality in higher education is not the result of inspections and examinations (Lewis & Smith, 1994). Quality eventually is equated with trust. "In its broadest terms, accountability in higher education refers, first to the relations of colleges and universities to the people, groups, and institutions in the society that support them and, second, to the relations of the members of a particular college or university to one another." (Trow, 1998, p. 15) The challenge universities face is precisely the redefinition of quality beginning by identifying which elements are essential in meeting expected accomplishments and which aspects are non-essential, particular features of academic life that only make sense in the original environment but not necessarily elsewhere (Lemaitre, 2002).

Clearly, the Spellings Commission Report is an attempt to steer higher education through the imposition of a discussion that can lead to significant external activities which will result in either changing the system to meet the expectations of a consumeristic and vocational approach to higher education or to impose standards. The gravamen of the discussion is that there is a crisis based on benign neglect. As Luhmann (1997) points out, the political process is sufficiently unwieldy that it has problems of balancing the environment which it wants to control. Regulations and legislations are imposed and superimposed on one another to the point that much is left on the books that creates problems of follow-through later on (see Andersen, 2005). While there is no discussion that American higher education has an obligation to its stakeholders, but at the same time, does that obligation require universities to shed their traditional identity? The courts in the USA have traditionally been deferential to universities because of their unique nature based on the four essential freedoms of determining for themselves on academic grounds who may teach, what may be taught, how it shall be taught, and who may be admitted to study (*Sweezy v. New Hampshire*, 354 U.S. 234

(1957)). The discussion will eventually result in a clash of wills as already demonstrated by the Council on Higher Education Accreditation's (CHEA) reluctance to embrace all of the suggestions provided by the Spellings Commission. The point of reference will be trust. Right now the public seems satisfied with higher education in the USA, it is the Spellings Commission who is endorsing the view of those who believe that changes have to be made in order to keep up with changing times or because they see higher education serving the more constrained purpose of economic development. This discussion, in effect, is to provide trust and legitimacy to one side or another. Changes in the Higher Education Amendments of 1992 and 1998 began to create a tide toward a renewed look at university quality assurance in the USA; however, the reauthorization of the Higher Education Act is already delayed in part because of the issues raised over institutional accountability and quality assurance requirements.

What the Spellings Commission does do is to legitimize the framework of looking at education from the utilitarian perspective of a *knowledge industry*. It is emphasizing training and development as a means of maintaining economic superiority. Because it is talking about knowledge as an industry and intelligence as an asset (*intellectual capital*), what it is doing is forcing more than a reassessment of higher education's goals and missions, it is making institutions change their capacity to perform *autopoiesis* in a way that is more businesslike (hence less academic) although less interested in inputs as measures of performance. What is happening is that the policy argument is actually driving higher education as a system to strategically rethink its definitions of quality and how it provides assurance that quality is being maintained. The discussion behind the creation of public policy is impacting all aspects of Deming's SPK, creating a link and, therefore, an example of how public policy fits within the SPK framework.

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