

TEXAS PUBLIC POLICY FOUNDATION

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**LEGISLATOR'S
GUIDE**
to the issues



TEXAS PUBLIC POLICY
FOUNDATION

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The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

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Restoring Standards in Higher Education

The Issue

Texas higher education faces a crisis in standards. Students receive higher grades now than ever before, even though studies show that too many students (36%) learn little during their four years invested in college. Yet, in spite of inflated grades and a diluted, intellectually aimless curriculum, nearly 40% of students at Texas' public four-year colleges fail to graduate within *six years of enrollment*. The fact that the higher education establishment now focuses on six-year rather than four-year graduation rates is another troubling sign.

While this is a Texas problem, it is far from Texas' alone. The academic world was rocked by the 2011 publication of the landmark study of collegiate learning, *Academically Adrift*. *Adrift* tracked a national cohort of college students for four years, measuring their fundamental academic skills—critical thinking, complex reasoning, and clear writing—in both their freshman and senior years, using the Collegiate Learning Assessment (CLA). The results are alarming: *Adrift* found that 36% of college students nationally show little to no increase in fundamental academic skills *after four years invested in college*.

Feeding on and fostering the student-learning crisis is the problem of college grade inflation. Research reveals that, in the early 1960s, 15% of all college grades awarded nationally were A's. But today, 45% of all grades are A's. *In fact, an A is the most common grade given in college today*. Moreover, nearly 80% of all grades today are A's or B's, meaning that a majority of college transcripts now provide little context into how well the students in question performed relative to their peers. College grades are in danger of becoming equivalent to Monopoly money.

As monetary inflation devalues the dollar, so grade inflation debases the currency of higher education—student transcripts. Before grade inflation, the college transcript served as a useful tool for employers looking to assess potential hires. A recent survey commissioned by the American Association of Colleges and Universities reveals that this is no longer the case, with two-thirds of the employers surveyed indicating that college transcripts are of either “limited use” or “no use” in determining whether a job applicant will succeed on the job.

The crisis in college standards threatens democratic citizenship. In addition, diminished rigor in higher education also tangibly affects the economy. A rudderless curriculum and inflated transcripts increasingly pass the costs of evaluating and training new employees onto the business community. Low graduation rates, in particular, have a negative fiscal impact on the state—and, more importantly, on the students themselves, as well as their families. The two million Texans who have acquired some college credits but no degree are in even worse shape—having accumulated debt, but with little additional earning power from their time spent in school.

Most of the higher education debate will remain focused on affordability, but issues of academic rigor must not remain unaddressed. Even if Texas public higher education were to become significantly more affordable, bachelor's degrees will continue to cost more than their actual value—until colleges and universities improve student graduation rates and better demonstrate the added intellectual value that a degree from their institution is meant to signify.

The Facts

- 57% of students believe a college degree costs more than it is worth.
- 36% of college students nationally demonstrate little to no increase in fundamental academic skills after four years in college.
- Grade inflation is real and measurable: college grade point averages have increased at a rate of approximately 0.15 points per decade since the 1960s.
- 67% of employers consider college transcripts of either limited use or no use in determining whether a job applicant will succeed at the company.

Recommendations

- Encourage university regents to institute measurements of learning outcomes at the freshman and senior years, such as the updated Collegiate Learning Assessment (CLA+) or the Collegiate Assessment of Academic Proficiency.
- Reform existing funding formulas for four-year universities so that a percentage of formula funding is outcomes-based. Use this outcomes-based funding to incentivize student completion, positive learning outcomes, and employment outcomes that promote the Texas Higher Education Coordinating Board's TX60x30 goals.
- Pass legislation requiring contextualized grading, which provides, alongside the grade each student received for his/her class, the average grade given by the professor for the entire class.
- Improve transparency by making accessible data on student academic performance, graduation rates, average post-graduate debt burden, and average post-graduate earnings.

Resources

Academically Adrift: Limited Learning on College Campuses by Richard Arum and Josipa Roksa, University of Chicago Press (2011).

["Graduation Rates of Texas Colleges"](#) by Jolyn Brand, Brand College Consulting (April 12, 2015).

[Combating the "Other" Inflation: Arresting the Cancer of College Grade Inflation](#) by Thomas Lindsay, Texas Public Policy Foundation (Aug. 2014).

[\(Not\) Cheaper by the Dozen: 12 Myths about Higher Education's Cost and Value](#) by Thomas Lindsay, Texas Public Policy Foundation (Dec. 2013).

[Toward Strengthening Texas Public Higher Education: Ten Areas of Suggested Reform](#) by Thomas Lindsay, Texas Public Policy Foundation (Dec. 2012).

[How Should Colleges Assess and Improve Student Learning? Employers' Views on the Accountability Challenge](#) by Peter D. Hart Research Associates (Jan. 2008).

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