

UT System Outperforms National Benchmarks On Degree Productivity

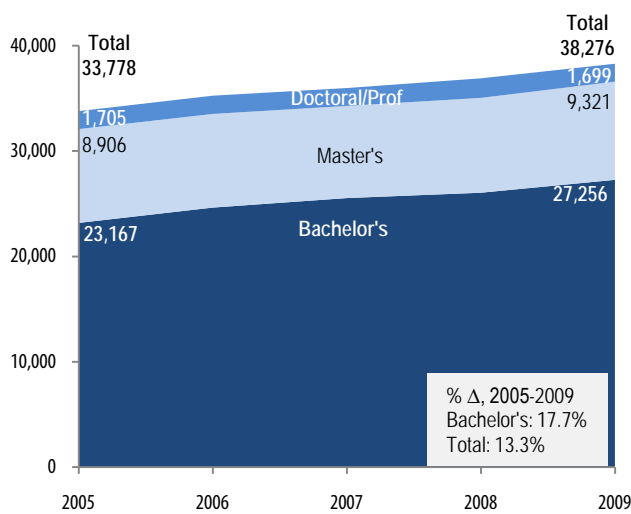
The Delta Project has been nationally recognized as a leader in understanding and measuring higher education costs, productivity, and accountability. They are “focused on the spending part of the college cost problem—how spending relates to access and success, and ways that costs can be controlled without compromising quality.” (www.deltacostproject.org)

One very important component of this work over the past decade has been the development of a widely-accepted methodology for calculating what it costs to produce a degree by isolating the specific education and related expenses appropriate for this metric. When compared to similar universities, the cost per degree metric for the UT academic institutions provides a meaningful way to track the degree productivity and to benchmark our performance nationally.

Key Points on Degree Productivity:

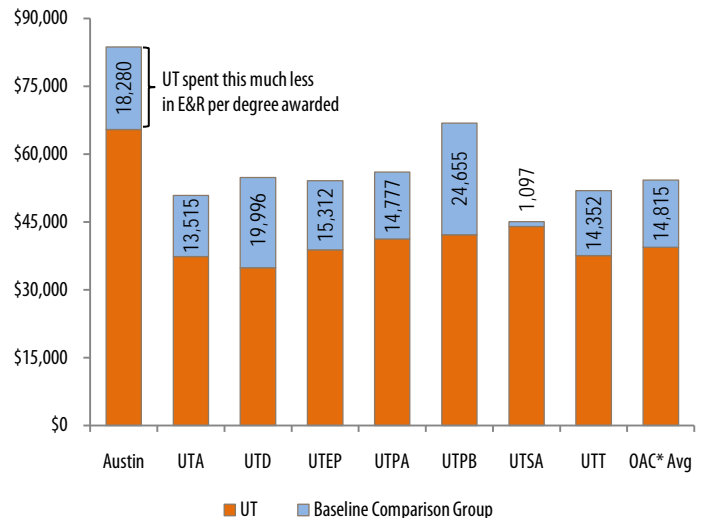
- Impressive 17.7% increase in baccalaureate degree production since 2005; 13.3% overall increase (Figure 1).
- All UT universities produce degrees at a lower cost than their statistically determined national benchmarks. The blue bars in Figure 2 indicate how much less UT institutions spend per degree. For example, UT Austin spent \$18,280 less per degree than their national comparison.
- On average UT universities are 37% more efficient at producing degrees using nationally acclaimed Delta Cost methodology when compared to statistical benchmarks (Figure 2).

Fig 1
Total Degrees Awarded, 2005-2009
UT Academic Institutions



Source: THECB

Fig 2
Education & Related Expenses per Degree Produced, FY 2009
Compared to Baseline, FY 2009



*OAC includes all UT System academic institutions, excluding UT Austin, and UT Brownsville.
Source: IPEDS data

Why is it important to compare to statistical benchmarks?

When assessing productivity comparisons in degree production, it is important to account for differences in program mix and institutional mission that ultimately impact costs. In order to produce meaningful comparisons, the Office of Strategic Initiatives developed a methodology to compare degree costs by identifying a statistical match of similar universities. These are the national comparisons used in Figure 2 for the Baseline Comparison Group. The statistical methodology is detailed on the back of this page.

To view the full research brief on Degree Productivity please see (www.utsystem.edu/osm/reports.htm).

The UT System has been collecting, analyzing, and reporting data on institutional performance for a variety of metrics. When possible, this data has also been presented for institutionally selected peers and for state and/or national averages in order to provide some comparison and context for performance. Recently, the question, “Performance compared to what?” has become increasingly important, leading to an intensified focus on benchmarking.

What is Benchmarking?

Benchmarking is the process where policymakers compare the performance, practices, and policies of institutions or groups of institutions to gain insight.

Why is Benchmarking Important?

So that policymakers can more accurately answer a question such as, “All else being equal – why do some institutions outperform others?”

What is a Baseline Comparison Group?

A set of institutions which are similar to each other in baseline characteristics such as size, student/faculty characteristics, academic programs, and research emphases. The Office of Strategic Initiatives used nationally recognized best-practice statistical methodology to identify a baseline group of similar institutions for our nine academic universities. These baseline comparisons groups will be used to benchmark performance nationally.

Why are Baseline Comparison Groups Important for Benchmarking?

Accounting properly for differences in missions, programs, and student/faculty characteristics is required for meaningful benchmarking. These more specific baseline comparisons allow for the objective evaluation of performance relative to other statistically similar institutions and to isolate differences in performance that each institution has the ability to impact.

How were the Baseline Comparison Groups Chosen?

The statistical technique for selecting the baseline comparison group involves a “similarity score” which is calculated for each potential peer or comparison institution. The score measures how closely a potential peer institution resembles each UT institution based on the factors in the model. The baseline comparison groups for each UT institution were selected based on the 10 public institutions most similar in enrollment size, percentage of undergraduates, student income and preparation levels, degree program mix, and research intensiveness. The factors in the model are summarized below.

Model Factors for the Baseline Comparison Group

Institutional Size

- Total Headcount **Enrollment**
- Total Full-time **Instructional Faculty** Count

Student Population

- Percent **Pell Eligible**
- Percent in **25th Percentile SAT**
- Percent in **75th Percentile SAT**
- **Undergraduate Enrollment** as Percentage of Total Headcount Enrollment
- **Full-Time Headcount Enrollment** as Percentage of Total Headcount Enrollment

Research Focus

- **Research Expenditures as a Percentage** of Total Expenditures
- **Research Expenditures**
- Ratio of **Research to Instructional Expenditures**
- **Federally Funded Research**
- **Doctoral Degrees** Awarded
- **Federally Funded Research/Faculty FTE**
- **Doctoral Degrees Awarded/Faculty FTE**

Program Mix

- **Associates Degrees** as Percentage of Total Degrees Awarded
- **Bachelor’s Degrees** as Percentage of Total Degrees Awarded
- **Graduate Degrees** as Percentage of Total Degrees Awarded
- First **Professional Degrees** as Percentage of Total Degrees Awarded
- Degrees in **Humanities and Social Sciences** as Percentage of Total Degrees Awarded (by level: bachelor’s and graduate)
- Degrees in **Education** as Percentage of Total Degrees Awarded (by level: bachelor’s and graduate)
- Degrees in **Agriculture, Science, Engineering, and Architecture** as Percentage of Total Degrees Awarded (by level: bachelor’s and graduate)
- Degrees in **Business and Public Administration** as Percentage of Total Degrees Awarded (by level: bachelor’s and graduate)
- Degrees in **Visual and Performing Arts** as Percentage of Total Degrees Awarded (by level: bachelor’s and graduate)
- Degrees in **Health Professions** as a Percentage of Total Degrees Awarded (by level: bachelor’s, graduate, and first professional)
- Degrees in **Law** (first professional) as a Percentage of Total Degrees Awarded