

Policy Research in the U.S. and Mexico: Design of the Study

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Organizational Performance and Policy Decisions in the U.S. and Mexico



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Contents

About the AIHEPS Project	iv
Introduction.....	1
Overview of the Problem	1
Research Perspective	2
Research Methods and Products	5
Data Analysis	6
Products.....	7
Conclusion	8
Notes	9

About the AIHEPS Project

The Alliance for International Higher Education Policy Studies (AIHEPS), a collaboration between New York University and the Centro de Investigacion y Estudios Avanzados (CINVESTAV) in Mexico City, was funded in September 1999 by The Ford Foundation to conduct policy research in Mexico and the United States over a three-year period with two primary objectives: (1) to improve comparative understanding of how changes in higher education policies (rules of the game) alter the nature of higher education services produced as well as the conditions under which they are provided; and (2) to serve as a vehicle for training a small cadre of younger policy scholars in both nations. The project is also aimed at building capacity at New York University and CINVESTAV for conducting further policy studies, and making the information available to appropriate policy audiences.

The following questions reflect some of the lines of inquiry the project has pursued:

- Higher education systems operate in very different policy environments as measured by such attributes as constitutional status, federal/state influence, political culture, and executive powers. Are there aspects of the policy environment that seem to be associated with particular performance patterns? Have states attempted to alter their policy environments? Are there particular combinations within policy environments that seem either to facilitate or constrain the capacity of a state to adapt to changes in the external environment?
- Starting from quite different points, states appear to be changing their system designs, their arrangements for collaboration, communication and accountability, and their fiscal policies to incorporate greater emphasis on market mechanisms. How have these changes influenced performance as measured by the indicators conceptualized by the National Center for Public Policy and Higher Education in the U.S. and comparable indicators in Mexican settings? Can aspects of performance be traced to particular configurations of these “rules of the game?”
- Federal governments may play the defining role in a national system of higher education (as in Mexico), or the role of change agent, consumer advocate, and research contractor (as in the U.S.). How are federal roles changing? To what extent are federal roles complementary to those enacted by states? Are there discernible differences in system performance patterns that can reasonably be

related to differences in the “rules of the game” as these are defined and implemented at the federal level?

The AIHEPS project has produced several products, all of which are or soon will be available in Spanish and English on our web site: <http://www.nyu.edu/iesp/aiheps/>. Links to these products are also available through the National Center for Public Policy and Higher Education (National Center) and through several sites that are regularly visited by the Mexican audience for these products. Products are written according to a mutually agreed upon framework that facilitates comparative analysis. These products are described on page 7 of this report.

A proposal is pending to refine the model, add Canada to the national profiles, and increase from four to twelve the number of state and provincial profiles constructed around the model. Profiles will individually and collectively expand our understanding of the linkages between policy environments, rules of the game, and higher education performance in the U.S., Mexico and Canada. The addition of Canada will focus attention on the variation in federal involvement in higher education systems and provide a contrast between a system that is entirely “public” and systems that are mixed between public and private institutions. It will also make possible some comparison of the policies within different higher education systems for improving access and opportunity, including provisions for indigenous/aboriginal peoples.



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Introduction

Between 1999 and 2001, the Alliance for International Higher Education Policy Studies (AIHEPS) conducted policy research in Mexico and the United States with two primary objectives: (1) to improve comparative understanding of how changes in higher education policies (rules of the game) alter the nature of higher education services produced as well as the conditions under which they are provided; and (2) to serve as a vehicle for training a small cadre of younger policy scholars in both nations. The purpose of this report is to describe the emerging conceptual framework developed from our field data and to summarize progress toward our objectives as of December 2001.

Overview of the Problem

Contemporary literature on higher education is dominated by discussions of change, reform, purposeful transformation, and the adaptation of higher education institutions to rapidly changing environments. For at least a decade now, governments in many nations have been experimenting with regulatory and market mechanisms to improve the performance of their higher education systems. Key issues that governments, including Mexico and the U.S., have tried to grapple with include quality, productivity, cost effectiveness, and economic development.

Efforts to alter the relationships between government and higher education have been reported in Australia, Chile, New Zealand, South Africa, and the United Kingdom as well as other nations. Such global trends have helped to define the question central to this study: *how do changes in public policy affect higher education programs and services?* This question concerns policymakers and political leaders as well as leaders in higher education because it cuts both in the direction of relationships with the state as well as in the direction of higher education reform.¹

Policy leaders hope that through purposeful change colleges and universities can become more productive.

Policy leaders hope that through purposeful change colleges and universities can become more productive while concurrently improving the quantity and quality of outcomes most essential to public priorities. While no one argues against improved performance and lower costs, there are widespread differences of opinion about the nature of policies most likely to contribute to these ends. Further, the interactions among higher education institutions and government at central and local levels have become more complex and diversified, partly as a result of the very changes policymakers have

wrought and partly because of internal growth, diversification, and the maturation of higher education as an enterprise. The actual role of public policy in effecting purposeful change in higher education remains a matter of controversy.

The purpose of this study is to improve understanding of the *process* through which changes in public policy affect such higher education indicators as preparation, participation and choice, affordability, completion, and benefits in selected states in Mexico and the U.S.² In working with these two countries, our comparative research design has had to take into account the differing levels of economic development and structural configurations both in government and higher education. We conducted case studies of higher education policies and practices in two states in Mexico and two in the U.S. using a common protocol. We then used the case study data to try to explain differences in performance indicators at state levels in both nations. From this analysis, we generated a model to organize data, provide a common terminology and unlock the potential of comparative analysis. We believe this model simplifies and focuses our effort to understand the linkages between policy and performance in higher education systems operating in different national contexts.

The process of pursuing organizational advantage may create adverse consequences for public priorities.

The scholarly literature on these issues has generally focused on national or local cases, although the number of reports on international experiences with higher education policy changes is on the rise as evidenced by articles in such journals as *Higher Education Policy* and *Higher Education*. Research on reforms in other public sectors (such as health care systems and environmental regulation) borrows widely from the growing research in political science, political economy and other social sciences. To achieve its comparative intent, this study will draw upon findings from this broader literature to examine changes in the evolving institutional frameworks in higher education in two countries with different state/society relationships, the United States and Mexico.

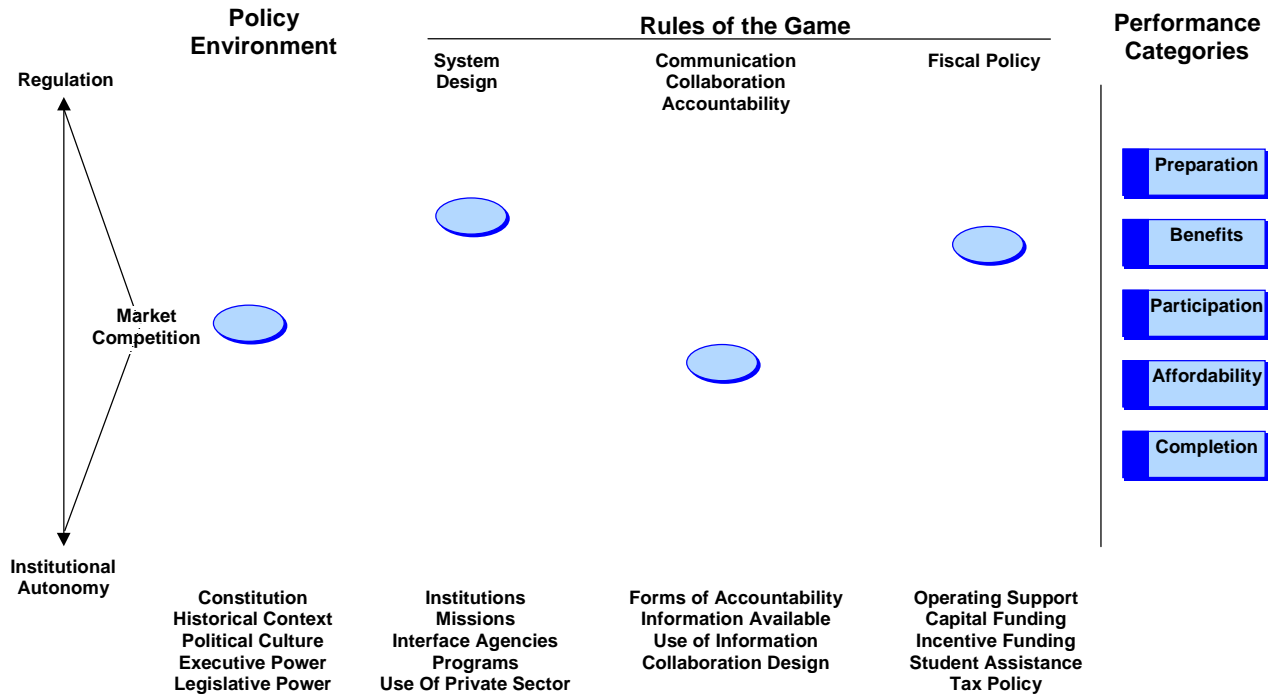
Research Perspective

Colleges and universities are purposive organizations designed by their creators to maximize opportunities in the policy environments in which they operate. The process of pursuing organizational advantage may create adverse consequences for public priorities defined by elected leaders. We understand policy decisions as efforts to alter “the written or unwritten rules of the game or, more formally ... the humanly devised constraints that shape human interaction.”³ Rules are created and revised through a political process that, depending on the issue, brings together a shifting array of actors representing federal and state governments, the higher education community and special interest groups. Rules of the game help to define the ways in which higher education goods and services are

developed and exchanged, altering the relative strength of market forces, state regulation, and institutional autonomy.⁴

Figure 1 provides a way of thinking about the relationships we observed during our study. We organized our data around three general categories: policy environments, rules of the game, and performance. These categories help to understand the information drawn from multiple sources, including case reports, documents, and archived data.

FIGURE 1: How Rules of the Game Influence Performance



Policy environments reflect the web of federal and state decisions that over time create the mix of regulation, market-competition and institutional autonomy within which a particular system of higher education must operate. Policy decisions reflect a political culture and traditions that jointly determine whether elected officials believe they can and should influence higher education performance. These traditions also establish the relative authority of federal and state governments and within each, the role of the executive and legislative branches and the constitutional status of institutions. Policy environments are set in specific social, geographic, economic and demographic contexts. The political culture affects all government agencies and service providers.

We grouped policy decisions specifically focused on higher education under the heading “rules of the game.” While policy environments are not immune to change, we believe that the rules of the game are the principal means governments typically use to influence processes and outcomes in higher education. We disaggregated rules of the

game into three components: system design; communication, collaboration and accountability; and fiscal policy. These categories are similar to those suggested by Grindle in her studies of crisis and innovation in Latin America and Africa,⁵ as well as our own work on the design of state higher education systems in the U.S.⁶

- *System Design* includes the number and type of colleges and universities; the missions assigned to each; the characteristics and powers of agencies in the interface between government and institutions; the numeric capacity and diversity of academic programs; and the use that is made of the private sector.
- *Communication, Collaboration, and Accountability* refer to information availability and dissemination; the use of information by elected or appointed officials in policy decisions and in rendering institutions accountable; and the incentives that exist for collaboration across institutional, sector, and system boundaries.
- *Fiscal Policy* includes educational operating support, capital funding, incentive funding, student assistance, and tax policy.

While we pay particular attention in our case reports to changes in the rules of the game that occurred during the past decade, we also discuss earlier changes when these are essential to understanding current performance. Focusing on how changes in the rules of the game influence higher education performance suggests a rich array of questions for a comparative study.

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| <ul style="list-style-type: none"> • Do the rules of the game differ systematically in the two countries? If so, what is the effect on performance? • Are the rules of the game, as well as the interventions aimed at changing them at federal and state levels, complementary or conflicting? Do they tend more toward market mechanisms, providing high competition among providers and high choice for consumers; toward greater state control with correspondingly less choice and competition; or do they leave institutions essentially free to pursue their own priorities under the assumption that resulting choices will reflect the public interest? • How do differences in policy environments, system designs; information, collaboration and accountability; and fiscal policies influence institutional behaviors? • What performance patterns emerge in relation to the rules of the game each state has created? What possibilities are suggested for alternative rules that might produce more preferred alternatives? | <p>Are the rules of the game complementary or conflicting?</p> |
|--|--|

While our study was in progress, the National Center for Public Policy and Higher Education in the U.S. published *Measuring Up 2000: The State-by-State Report Card for*

Higher Education. This report gave each U.S. state A–F grades in five categories: preparation, participation, affordability, completion, and benefits. We have chosen to use these five categories with slight modifications as the performance indicators in our study. Definitions for this study are generally consistent with those used by the National Center.

- *Preparation* involves student readiness for postsecondary education based on high school completion, K–12 course taking, and K–12 student achievement.
- *Participation* is the extent to which young adults and working-age adults have the opportunity to enroll in higher education programs in their state.
- *Affordability* refers to the ability of families to pay for higher education, state strategies to promote affordability, and the degree to which students rely on loans to finance their education.
- *Completion* has to do with the number of first-year college and university students who return for their second year and the number who complete their certificate or degree program in a timely manner.
- *Benefits* relate to the economic and civic advantages of having a highly educated population, including the educational attainment of the population, the economic benefits that accrue from having a bachelor’s degree, the civic benefits to the state, and the skill level of adults. It also involves the research and development contributions institutions make to economic development.

Estimates of the performance of Mexican systems of higher education were derived, albeit with less confidence and precision than for the U.S. under the rationale that governments should be concerned about these criteria, and that available data for Mexico spoke to all five of these criteria. Performance data for Mexico was organized in the same format as for the U.S.

Research Methods and Products

We conducted interviews and collected documents at the federal level in both the United States and Mexico. We also conducted embedded case studies in four states, two in the U.S. and two in Mexico. In each state, we interviewed a wide range of elected and appointed officials, including legislative and executive staff members, elected representatives, state higher education staff, state and institutional board members, and senior executives at colleges and universities. In addition, we collected documents, reports, and data both in electronic and paper formats.

Researchers took notes during interviews and transcribed them as promptly as possible using software that transforms spoken words directly into text. This approach preserved richness and detail without imposing either the costs of tape transcriptions or the tedium of manual entry. In some instances, interviews were recorded when team

members judged this would not affect candor. To improve reliability and to achieve the training mission of the project, we used two or three participant/recorders in many of the interviews and compared their respective transcriptions. We promised no attribution. Whenever possible, we secured electronic versions of documents so that the text could be coded and organized in the same way as transcriptions of the interviews.

Data Analysis

All text, including electronic documents, was imported into a software program for development, support, and management of qualitative data analysis.⁷ The program also permitted the importation of external documents. Based on a preliminary model of the linkages between policy and performance, we created a coding scheme for organizing the data. Researchers in both the U.S. and Mexico used this coding scheme to organize the information presented in the case narratives. Members of the two U.S. teams met regularly to discuss data as these were collected. Minutes of meetings were shared with other teams. The Mexican team organized two data analysis meetings: a one-day meeting to examine and organize federal-level data and a two-day meeting for data on the two states. Data from documents and interviews were examined exhaustively to produce draft reports for each state and the two federal settings. These reports were the focus of a two-day binational meeting at the end of the second year of the project during which the preliminary model was revised to take into account what researchers had learned. The draft reports were then revised as part of an iterative strategy to take into account changes in the emerging model.

Draft reports were shared with system participants in each state to be sure they were accurate and complete.

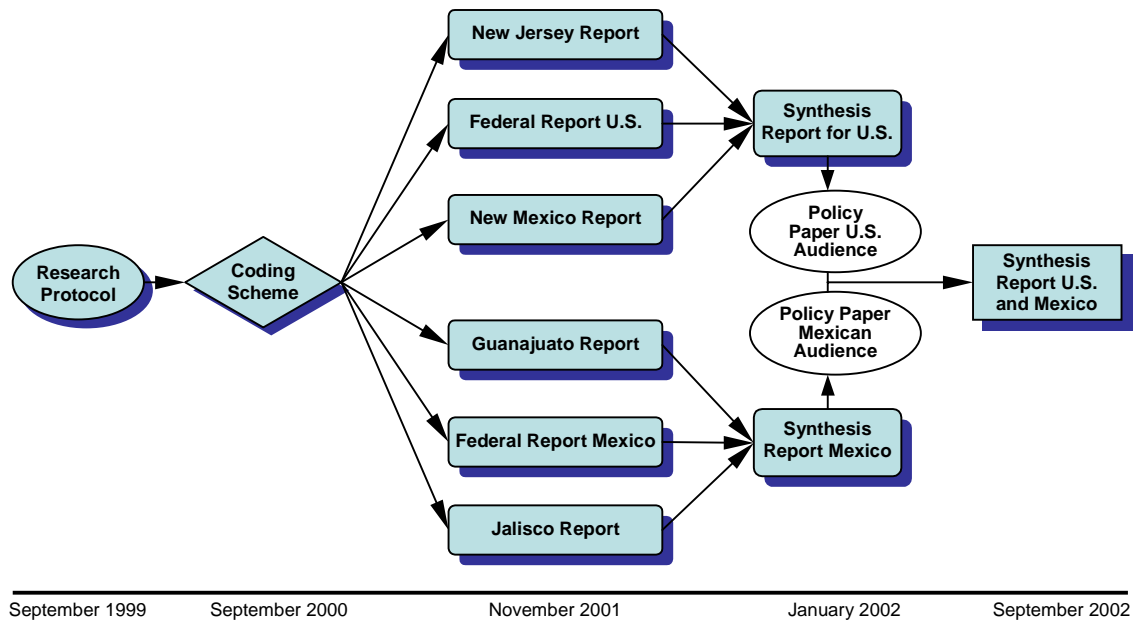
Draft reports were shared with system participants in each state to be sure they were accurate and complete.⁸ Those who read the reports were also asked to verify placement of the state system in relation to the scheme presented in Figure 1. This stage of the project produced six narrative reports, each introduced by a profile describing the combination of regulation, market forces, and institutional autonomy that contributed to the incentives and disincentives characterizing the “rules of the game.” Each report provided available evidence for the system’s placement with respect to policy environment, rules of the game, and performance. Hypothesized linkages between rules of the game and performance were advanced in a conclusion to each report.

The first step in the comparative analysis involved developing a set of propositions that best explained how policy decisions in each state influenced performance of its higher education systems. Explanations for a single state in one nation will be tested on the other state and modified as necessary so that the resulting set of propositions apply to both states and to the federal context. A report will summarize

results of this comparative synthesis. Case reports and the comparative synthesis will be shared with elected and appointed policy leaders in both states and a representative group will be invited in each nation to convene for a roundtable⁹ whose agenda will be aimed at developing a better understanding of how policy has contributed to performance in their higher education systems. The outcomes of this meeting will be captured in a paper that synthesizes the key points of the discussion without attempting to report a consensus. A small number of representatives from Mexico will attend the U.S. meeting. Similarly, U.S. representatives will attend the meeting in Mexico.

Following the two meetings, co-principal investigators for the project will meet and develop a synthesis report for the project summarizing outcomes for both nations. Figure 2 depicts the documents developed to report each stage of the research with a time-line reflecting completion dates for the major activities.

FIGURE 2: Research Tasks, Reports and Timelines



Products

The project has produced the following products, all of which are or soon will be available in Spanish and English on our web site: <http://www.nyu.edu/iesp/aiheps/>. Links to these products are also available through the National Center for Public Policy and Higher Education (National Center) and through several sites that are regularly visited by the Mexican audience for these products.

- Case reports for the states of Guanajuato, Jalisco, New Jersey, and New Mexico.
- Federal reports for the U.S. and Mexico.

- This conceptual overview describing the model for understanding linkages between policy and performance as developed to this stage of the project as well as graphic and textual representations of the remaining work.
- A summary report of the younger scholars who have been involved with the project and their contributions.¹⁰

The following products are planned for the third year of the project and will be available on the web site.

- A synthesis report for the U.S. that incorporates insights from the federal report, and the two state reports. The intent here is to suggest propositions about the linkages between policy and performance that can be inferred from the data collected in the U.S. studies. This report will provide a “jumping off” point for the discussion involving policy leaders to be held in Jersey City, New Jersey, on June 21, 2002.
- A similar synthesis report for Mexico that serves as the “jumping off” point for the policy discussion to be held in Guanajuato in April 2002 (tentative).
- A policy paper reporting the conclusions from the U.S. meeting written in a format designed for wide distribution to a policy audience. The National Center will assist in the development and distribution of this paper.
- A policy paper reporting the conclusions from the Mexico meeting designed for wide distribution in that nation.
- A synthesis report that incorporates the results of the cross-national analysis of data from the two countries by the project co-directors.
- A revised report of the grounded model for understanding how policy can constructively contribute to the attainment of public priorities.

Conclusion

This conceptual overview is an evolving document that will be revised periodically throughout the project. Its purpose is to document where we have been, to forecast where we are headed, and to establish timelines to ensure activities are completed in a sequence that allows the entire project to be accomplished within a mutually established schedule.

Notes

¹ The World Bank, *The State in a Changing Society*, World Development Report (Washington, D.C.: World Bank, 1997).

² In this report as in others in the series, we draw heavily on the work of the National Center for Public Policy and Higher Education, *Measuring Up 2000: The State-by-State Report Card for Higher Education* (San Jose, CA: 2000). We believe the performance indicators they define and measure represent the outcomes policy makers *should* be concerned with attaining in all nations.

³ D. C. North, *Institutions, Institutional Change, and Economic Performance* (New York: Cambridge University Press, 1990).

⁴ Following the “triangle of coordination” of higher education systems in Burton R. Clark, *The Higher Education System* (Berkeley, CA: University of California Press, 1983).

⁵ M. S. Grindle, *Challenging the State: Crisis and Innovation in Latin America and Africa* (Cambridge; New York: Cambridge University Press, 1996).

⁶ R. C. Richardson, K. R. Bracco, P. M. Callan, and J. E. Finney, *Designing State Higher Education Systems for a New Century* (Phoenix: Oryx Press, 1999).

⁷ C. Gahan and M. Hannibal, *Doing Qualitative Research Using QSR NUD*IST* (London: Sage Publications Ltd., 1998).

⁸ Also known as a “member check.”

⁹ The roundtable was patterned after the Pew format developed by Robert Zemzky at the University of Pennsylvania.

¹⁰ Since inception of the project, ten younger scholars have contributed to the research.