

Differentiation Policy Framework for Postsecondary Education

OCUFA Analysis

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Ontario Confederation of University Faculty Associations
Union des Associations des Professeurs des Universités de l'Ontario

OCUFA Analysis of the Ontario Differentiation Policy Framework for Postsecondary Education

The Ministry of Training, Colleges and Universities released a final version of its Differentiation Policy Framework on November 29, 2013. This version is the latest iteration of a draft framework that was leaked and then publicly released in September of this year.

OCUFA has been concerned about the process behind the development of this policy framework from the outset. Faculty have not been sufficiently consulted, and in many cases the timelines for providing feedback have been very short, making meaningful discussion difficult. In our view, students and faculty have not had an appropriate amount of input into the final framework.

What does the Differentiation Policy Framework say?

The Differentiation Policy Framework outlines the financial context and priorities or goals of differentiation as well as six components of differentiation, each with corresponding metrics.

The government priorities for higher education outlined in the policy framework are:

1. Social and economic development
2. High quality educational experience
3. Financial sustainability and accountability
4. Access for all qualified learners
5. World-class research
6. Innovation, collaboration and pathways for students. These remain the same as in the earlier draft.

The components of differentiation – which can be understood as the different areas where the government would like to see the post-secondary education sector differentiate – specify areas under which institutions can specialize or focus their efforts. The components of differentiation also remain the same as in the previous draft:

1. Jobs, innovation and economic development
2. Teaching and learning
3. Student population
4. Research and graduate education
5. Program offerings
6. Institutional collaboration to support student mobility.

In the previous draft, strategic enrolment and financial sustainability were identified as components. These areas have now been given special standing as “key directions that help support the differentiation process.” This suggests that enrolment management and financial accountability will be used to evaluate the differentiation plans of each institution as expressed in the SMAs. However, it appears that the government itself has not yet decided how to measure and ensure financial sustainability. The policy framework indicates that the metrics around financial sustainability will be finalized after the SMA process, in consultation with the sector.

There have been some slight modifications to the metrics that will be used to assess progress within each component. Many of the metrics have been fleshed out, including for example, the details relating to underrepresented groups under student population and the specific metrics for research capacity. In some cases, such as the metrics for commercialization and entrepreneurial activity under the jobs, innovation and economic development component, the details of the metrics will be worked out in the coming months. Across the board, the details, definitions and methodologies for the proposed metrics are outlined in a technical addendum.

Some of the more problematic metrics that were listed in the draft framework, including the number of teaching-only positions to measure teaching and learning, have been removed. However, some questionable metrics, including an aggregate of international rankings to measure international competitiveness for research and graduate education, have been added. In an apparent acknowledgment of institutional autonomy and difference, the framework document invites institutions to develop up to three institution-specific metrics for each component.

OCUFA has longstanding concerns with the use of performance-based metrics, notably their tendency to elevate measurable outcomes (such as graduation rates) over more complicated aspects of quality education, such as actual student learning.

How will the Differentiation Policy Framework be used?

The day the updated Differentiation Policy Framework was released, OCUFA met with Paul Genest, the Ministry’s Special Advisor on Strategic Mandate Agreements (SMAs), who has been tasked with negotiating SMAs with each institution on behalf of the government. In this meeting, Genest clarified several elements of the Differentiation Policy Framework:

- 1) The Differentiation Policy Framework will be used to guide the SMA negotiation process.
- 2) The metrics outlined in the Differentiation Policy Framework will not be used in a uniform capacity to evaluate all institutions on the same set of indicators, held to the same standards. Rather, these metrics are intended to provide institutions with the vocabulary the Ministry would like them to use in their SMA proposals when describing their areas of strength and desired areas of growth looking forward.

For example, if an institution chooses to submit an SMA proposal that describes its strengths in co-op education and education for francophone students in a comprehensive range of programs and majors and proposes further growth in that area, then the institution will need to demonstrate that strength using some of the metrics for teaching and learning, student population and program offerings (including up to three institution-specific metrics for each component). The metrics relating to jobs and innovation, research and graduate education and institutional collaboration would therefore not be as relevant for this particular institution.

- 3) The principles, components, and metrics outlined in the policy document will be used in future efforts to modify the existing funding formula. The negotiated SMAs will also be used to adjust the funding model, and the government has signaled its interest in moving towards a more outcomes-based funding formula. That being said, it was made explicitly clear in our meeting with Paul Genest that the Ministry does not yet have a clear idea of what a modified funding formula would look like, and there is no complete model currently being considered.

What does the Differentiation Policy Framework mean for faculty?

Overall, the policy framework contains no prescriptions for government action. Rather, it articulates some high-level principles and preferences that will guide the SMA negotiation process and future government policy-making. Implementation of the differentiation policy will ultimately determine its impact on faculty, and OCUFA will continue to monitor the roll-out of the framework to ensure faculty interests are met, and will intervene when they are not.

Taken individually, none of the priorities or components of differentiation is especially problematic – particularly when you consider that it will be up to institutions to determine which areas it wants to focus on and specialize in and will be given the opportunity to develop metrics for each of those areas that makes sense for them. With that in mind, the challenge for faculty associations will be to ensure that the SMA proposals and the accompanying institution-specific metrics are developed and approved through appropriate academic governance structures and reflect the values and character of the local academic community.

While the content of the policy document has not changed significantly from the previous iteration that was released in September, the tone seems to be more inclined toward collaboration with the sector. The government also appears to have softened its approach slightly, moving away from a more rigidly prescriptive top-down model towards an approach that will allow for greater institutional input. In particular, in our meeting Paul Genest suggested that the metrics will be used in a more thoughtful and selective capacity than initially appeared to be the case. However, it remains to be seen how much institutional nuance and autonomy will be preserved in the SMAs.

The tension between competing goals of the framework, and the confusion within the underlying logic of differentiation, however, remain. On the one hand, the government insists that one of the central goals of differentiation is to ensure that higher education in Ontario maintains and enhances quality. On

the other hand, the entire exercise is proposed against the backdrop of fiscal uncertainty and the pressing need for institutions to contain costs and “financial sustainability and accountability” are presented as a key priority for differentiation.

The government also articulates accessibility as an important principle, but again, the logic of differentiation and “avoiding unnecessary duplication” may work against this goal. If “avoiding unnecessary duplication” in fact means an end to academic comprehensiveness across Ontario ‘s regions students from rural or northern areas may be unable to access the academic program of their choice close to their communities.

While cost cutting is never explicitly articulated as the overriding motivation, it is clear that the constrained fiscal context is driving the entire exercise. While government is sensitive to the importance of preserving quality and ensuring access, if a choice needs to be made, cost containment will trump those other factors – if only because operating grants are not scheduled to keep pace with inflation and enrolment growth in the coming years. Using the SMAs and the Differentiation Policy Framework as a guide then, it will fall to institutions to make the difficult decisions about where to reduce spending.

The continuing uncertainty around how the negotiated SMAs will be used to modify the funding formula is also disconcerting. It will be challenging for institutions to negotiate the details of an agreement when it is unclear what tools or mechanisms will be used to enforce it. OCUFA will continue to work closely with the Ministry to advocate against the adoption of a funding formula that would penalize institutions for unsatisfactory performance against the metrics agreed upon in their SMA. A funding model that reduces funding when institutions fail to meet certain benchmarks or targets deprives those institutions of the very resources they would require in order to stand a chance of meeting those benchmarks in the future and must be avoided. A new outcomes-based funding formula would also allow for the distribution of funding according to politicized government priorities, rather than according to an objective distribution mechanism, as is currently the case.

How does the Differentiation Policy Framework relate to other differentiation initiatives?

Program Prioritization and Course Redesign – initiatives that were promoted by the Ministry and funded under the Productivity and Innovation Fund – do not appear in the list of metrics and are not mentioned elsewhere in the Differentiation Policy Framework. Nonetheless, these cost containment exercises continue as initiatives promoted by the Ministry that are gaining traction on local campuses. The government has articulated principles and metrics to guide funding decisions going forward, while the process of program rationalization – with the cutbacks this implies – are left to individual administrations.

Program Prioritization is likely to feature prominently in the discussions around financial sustainability as metrics are developed through a separate process following the conclusion of the SMA negotiations.