

**TITLE:** Academic Program Review Project Results

**RECOMMENDATION:** Staff will present the results of the Statewide Academic Program Review project undertaken by Gray Associates from 2019-21. Staff will also discuss proposed changes to the academic program review policy moving forward.

**PRESENTERS:** Melissa Bell, Vice President of Academic Affairs and Student Success

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## **STATUTORY AUTHORITY**

KRS 164.020 (16) outlines four criteria for statewide academic program review to determine:

- Consistency with the institution's mission;
- Alignment with the state's strategic postsecondary agenda and implementation plan.
- Elimination of unnecessary duplication of programs within and among institutions.
- Efforts to create cooperative programs with other institutions through traditional means, or by use of distance learning technology and electronic resources, to achieve effective and efficient program delivery.

## **KENTUCKY STATEWIDE PROGRAM REVIEW – AY 2017-2021**

The academic program review process is a key responsibility of state coordinating boards like the Council on Postsecondary Education (CPE). The process ensures that academic programs are consistent with state priorities and that public resources are used efficiently for the greater good of the Commonwealth.

### Purpose of Program Review

There are two types of program review – institutional and statewide. The statewide process is designed to complement and enhance, not supplant, institutional-level program reviews.

Institutional program reviews serve several purposes. They are undertaken to promote continuous improvement. Because there are limited resources, programs must fit with the institution's mission and strategic direction and must be economically viable. Institutional program reviews also focus on academic quality issues, specifically attainment of student learning outcomes as well as distinction of faculty research. And institutional program reviews must meet all the requirements of both institutional and programmatic accreditation.

There is some overlap in purpose between institutional and statewide review. Both focus on continuous improvement and alignment with mission and strategic direction. While institutional review focuses on the viability of individual programs, statewide review looks at efficiency from a broader perspective. In Kentucky, statewide review also focuses on the concept of unnecessary duplication of programs.

In short, institutional program review is an intensive, micro-level evaluation of programs while statewide review focuses on the macro view, looking across institutional reviews for data patterns, outliers, and opportunities for efficiencies. The combination of these two levels of evaluation – institutional and statewide – provide a thorough framework for academic program review in Kentucky.

### **Academic Program Review Process AY 2017-21**

While CPE issued a RFP for a firm to assist in statewide program review, institutions continued their institutional program reviews. In 2019, CPE contracted with Gray Associates to work with universities to review all baccalaureate programs. Gray Associates was selected partly based on their expertise in productivity and efficiency metrics. The firm also has access to multiple data sources, which assists the sophisticated analyses needed to guide the statewide program review.

Gray Associates assisted Council staff to create a methodology that provides campuses with consistent, detailed information to help guide decisions about program needs and improvement. In particular, Gray's methodology and data sources provide information about program financial contributions and employer needs, information that many institutions have struggled to provide in past program reviews cycles.

#### **Data Analysis**

Through its Program Evaluation System (PES), Gray Associates used multiple data sources to identify student and market demand. Student demand was measured by student inquiries about programs as well as Google search trends. Market demand used job postings from Burning Glass, employment and wage data from the Bureau of

Labor Statistics and other sources, and placement rates using Gray's own methodology. Gray also incorporated data on similar programs in the state.

Gray Associates tracked more than 50 metrics related to student demand, employment, and competition and then compiled a summary scorecard for each program. This methodology helped institutions identify programs that need further evaluation, but it also helped them identify programs to start based on lack of market saturation and strong demand.

Through its Program Economics Platform (PEP) system, Gray Associates calculated the marginal financial contribution of each program at the comprehensive universities. Gray worked with each institution to define and calculate revenue and direct instructional costs for each program. Then the marginal contribution of each program to campus finances was calculated. This analysis did not include overhead costs because those are not changed by program decisions (i.e. the president's salary is not cut when a program is cut). The PEP system identified the revenue (minus institutional grants and scholarships) for each student and assigned that to the courses the student takes. Gray Associates worked with institutions to assign faculty wages, benefits, and other instructional costs to courses. In the end, the revenue per student credit hour minus the cost per student credit hour was used to calculate the contribution per student credit hour for each program.

Because UK and UofL had or was pursuing a contract with EAB, another consulting firm, those two universities requested to use the EAB financial methodology to calculate program-level costs, rather than Gray's contribution analysis.

Using data from CPE's comprehensive database and Gray's PEP and PES systems, unnecessary duplication, a criterion for program review, was defined as a program offered at multiple institutions that has low and declining enrollment, low student demand, low market demand, and low or negative contribution margin. More specifically, programs offered at more than one institution with enrollment of 40 or fewer students and has been trending downward for three years, student demand in the 40<sup>th</sup> percentile or lower, market demand in the 40<sup>th</sup> percentile or lower, and low or negative contribution margins were identified for further analysis.

Seven programs at five universities met these criteria. They were asked to submit plans to address all of the following elements – 1) ways to increase student demand and enrollment, 2) ways to better align with market demand, and 3) a process for improving the financial contribution of the program.

## Workshops

Using data from PES, Gray Associates facilitated a workshop with each institution. Faculty and staff participants agreed on a scoring rubric, and institutional teams evaluated all undergraduate programs and identified programs to Start, Sunset, Fix/Grow or Sustain.

As part of the workshop discussions, faculty and “Sunset, Fix/Grow or Sustain” administrators discussed each program’s objectives and how they aligned with the institution’s mission and strategic plans, another criterion for statewide program review. This discussion was part of the decision-making process as campus representatives made program recommendations. The institutional teams also highlighted possibilities for efficiencies within their program portfolios, which is another criterion for statewide program review.

Some workshops were scheduled in the Spring 2020 semester, but the COVID-19 pandemic forced those to be cancelled. Gray Associates rescheduled those remaining workshops for Fall 2020, which were conducted virtually.

Institutions then incorporated these data analyses and preliminary recommendations into their institutional review processes.

## Institutional Reports

Each public university was required to submit a program review report with the following information:

- Institutional program review efforts, including a description of the process and data sources the institution engaged in over the past three years.
- Analyses and discussions from the campus workshop with a summary of the most important discussion topics and lessons learned from the data analyses.
- Programs identified potential programs to start and categorized existing programs into those to sunset, fix/grow or sustain.
- Next Steps, including the use of tools provided by Gray Associates, going forward.

Each program was required to have an accompanying rationale for the decision. The rationale summarized all data sources and any supplementary information used to arrive at the stated conclusion. CPE staff carefully reviewed the reports. If there were any questions about any rationales, staff followed up with institutions and requested additional information.

## Results

CPE has approved 29 baccalaureate programs over the last three years. During the same time frame, 157 baccalaureate programs have been suspended or closed. Following the Gray Associates process, 12 additional programs were identified to sunset, 218 were classified as programs to fix/grow, and 328 were identified as programs to sustain.

As expected, most programs fell into the Sustain category, meaning that institutions carefully analyze data before starting programs, evaluate them regularly to ensure viability, and that the metrics are favorable for sustainability.

During the campus workshops, institutions also identified possible programs to start. Note that institutions are not required or expected to implement any of these programs. This is simply a list of programs that have favorable student demand and market conditions that institutions can then be evaluated by additional institutional criteria. If institutions determine that they have the resources and that these programs should be prioritized, then they may pursue these opportunities.

## Summary

As we move forward with statewide program review, there are several important ideas to keep in mind:

- Institutional and statewide program reviews are two separate but interrelated processes with some overlapping purposes. Kentucky public institutions have undertaken rigorous institutional program reviews over the past three years in addition to the extensive statewide process in partnership with Gray Associates.
- As a result of the statewide process, campuses have access to new analytical tools to help them evaluate both existing and potential new programs.
- The statewide process was not only about data analysis. The two-day workshops held at each institution involved a wide selection of faculty, staff, and administrators from across the institution. The workshops allowed deep conversation about programs, increased participants' knowledge of the institution's program portfolio, and allowed for conversations about collaborative opportunities.