The Impact Of Environmental Issues And Stakeholder Expectations On U.S. Institutional And Programmatic Accreditation

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THE IMPACT OF ENVIRONMENTAL ISSUES
AND
STAKEHOLDER EXPECTATIONS
ON
U.S. INSTITUTIONAL AND PROGRAMMATIC ACCREDITATION

BY

BARBARA L. TEDESCO

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Submitted in Partial Fulfillment
Of the Requirements for the Degree
Doctor of Philosophy
2000
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Abstract

Using an Analytic Framework of Adaptation developed by Dr. Paul Lawrence and Dr. Davis Dyer to study organizational adaptation, this dissertation analyzes changes in environmental conditions and stakeholder expectations as they relate to the higher education accreditation community and accreditation policy. A history of accreditation within the context of changing social, political, economic, and technological conditions is presented to place into historical context the issues that had a significant bearing on the decade of the 1990’s. The fragile equilibrium of the quality assurance “triad” of state licensing and oversight, federal regulation, and accreditation was significantly during this period when the U.S. House of Representatives proposed a version of the Higher Education Act that sought to eliminate institutional accreditation as the gatekeeper for federal financial student aid. The focal point of this shift in federal policy, massive default rates on federally guaranteed student loans, masks the real problem, unreconciled stakeholder expectations with respect to accreditation purposes and processes. Using integrative research, a model of research proposed by Ernst L. Boyer, a comprehensive literature search was conducted to synthesize multidisciplinary literature and identify the environmental issues that have critically impacted accreditation and stakeholder expectations with respect to those issues. This study fills a gap in the literature on accreditation, as no single volume currently exists that addresses the crisis of the 1990’s and the impact of that crisis on recent changes in the nation’s system of accreditation.
CHAPTER I

Introduction

Chapter Overview

This introductory chapter provides an overview of the current state of quality assurance across the globe and briefly discusses the relevance of worldwide activities to U.S. accreditation. Some basic concepts with respect to U.S. accreditation are presented, and a brief description of the crisis that occurred in the 1990's is provided. A problem statement and the research questions to be addressed precede a section in which terms used throughout this dissertation are defined. The problem of precisely defining accreditation is presented through a discussion of the purposes of quality assurance. The conceptual model, which is fully described in Chapter III, is presented and is followed by a description of the method of analysis and the contribution this dissertation will make to the field.

Introductory Analysis of Current Situation

In the United States, debate over quality assurance in general and accreditation in particular has been pervasive, incessant, and passionate; moreover, the U.S. is not alone in this debate. How to assess, assure, and improve quality in higher education is at the forefront of policy discussions among the world's leaders. While the methods as well as the reasons for this growing emphasis on quality assessment vary from country to country, one thing is abundantly clear — discussions, debates, and negotiation over the nature, scope, and responsibility for quality assessment are occurring in all nations regardless of political orientation, stage of economic development, strength of the
primary and secondary systems, or geographical location. At the same time that leaders
in the developing countries look to the Organisation for Economic Co-Operation and
Development (OECD) countries for models that may be applicable to their higher
education systems, the OECD countries are piloting new models, debating the issue of
higher education autonomy, and developing new methods of assessing quality. For the
developing world, relevant and effective systems of quality assurance are imperative for
eligibility for World Bank assistance, for such assistance will be predicated on "national
strategies that give explicit priority to improving the quality of instruction and research"
(The World Bank, 1994:14). As such, financial assistance will be targeted to support
national and regional programs of excellence, will be allocated on a competitive basis,
and will increasingly support "the establishment of accreditation and performance
assessment systems" (World Bank, 1994:14).

As the rest of the world looks to the U.S. and Europe for models of assessment, it
is important to recognize that while the two continents are gravitating toward models of
assessment with some strikingly similar characteristics, they are moving there from very
different traditions. Higher education in the United States has historically been
decentralized, diverse, and autonomous; European higher education, on the other hand,
has not traditionally been characterized by self-regulation but has been controlled by
centralized ministries of education. In the last quarter of the twentieth century, European
higher education has moved into a more autonomous (albeit accountable) position, while
in the United States higher education has increasingly been subjected to intervention at
both the state and federal government levels.
These changes in institutional autonomy on both continents can be attributed to finance-related issues. Within the U.S., increased accountability (and the diminishing of traditional autonomy that grew out of those accountability activities) emerged during the years of lagging productivity (1973-1994), at which time there was great concern over U.S. global competitiveness. Within Europe constraints on traditional government funding sources brought to bear a heightened need for institutions to diversify their funding sources. To do so, European institutions needed a more market driven approach as well as the ability to respond more rapidly to changes in external environmental conditions. In an effort to provide institutions with this increased flexibility, European governments bestowed upon their higher education sectors increased autonomy accompanied by increased accountability demands (Bollag, 11/7/97).

Hence, while all roads may be leading to quality assessment, they are converging from diverse traditions. Nevertheless, all countries concerned with quality assurance issues have much to learn from each other and are well advised by some of the world’s leading experts on assessment to look off-shore and consider “best practices” from abroad (Dill, 1996).

These debates and the assessment methods they have spawned have relevance to U.S. higher education as it faces the challenge of sustaining an accreditation system that addresses the needs of all stakeholders. As the U.S. systems of higher education and accreditation move forward in the twenty-first century, they do so within a context very different from that which characterized the twentieth century. The development and sustainability of quality assurance systems, both within the U.S. and abroad, must
embrace and address changed circumstances that include transformations in students, institutions, curriculum, and instruction.

U.S. accreditation was born at the turn of the century because of changes in the higher education community. While new academic disciplines, a new diversity of institutions, the elective system, and the breakdown of the classical curriculum all contributed to a sense of confusion (Harford, 1980); two unmet needs became primary contributing factors in the rise of accreditation. The first, a need to make clear distinctions between secondary and postsecondary education grew out of the expansion of those two levels of education and gave rise to the regional accrediting associations with their focus at the institutional level. The second, a need to set guidelines for the education of professionals, gave rise to specialized accreditation with its focus at the programmatic level. While federal financial aid is tied to the institutional accrediting agencies (which, in addition to the regional agencies include national agencies), state licensing in many professions is coupled with the specialized agencies. The expansion in the number of accrediting agencies (both regional and specialized) in the early part of the century can be linked to the nation’s growing industrial base and the need for a more educated workforce. At that time, growing enrollment, an absence of federal government regulation, and limited state oversight presented a clear need for a quality assurance mechanism. Whereas, the early regional agencies served as a forum for exchange of information as well as a mechanism by which a shared vocabulary could be developed in areas such as admissions, grading, semester hours, etc., the specialized agencies first assumed a consumer protection function by eliminating some uncontrolled abuses that
occurred predominately in the professional proprietary sector. Hence, the two major roles that accreditation would play emerged early in the twentieth century. The first was the detection, elimination and prevention of fraud and abuse; the second, certification of credit—“assessing adequate standardization of what an academic credit represents in order to facilitate transfer of credit from one institution to another” (Glidden, 1996:2). With the massive government support of higher education in the aftermath of the Second World War, a third role was added—public accountability—and the use of accreditation expanded even further. By the late 1970’s, however, as the nation’s economy began to shift from a domestic to a global orientation in which technology played an increasingly important role, new needs emerged that some constituencies perceived to be less than adequately addressed.

Today, the process of assuring educational quality in the United States takes place through a delicate balance of state licensure and oversight, federal regulation, and accreditation commonly referred to as the “triad.” Harrebro (1980) describes the roles of the members, “States monitor and sanction educational institutions within their borders; regional, disciplinary, and other associations ‘approve’ programs at colleges and universities; and the federal government makes determinations of institutional ‘eligibility’ for federal moles based on information supplied by independent accrediting agencies as well as states” (p. i). The history of accreditation presented in Chapters IV and V, and the crisis of the 1990’s discussed in Chapter VI are illustrative of the ways in which changing social, political, economic, and technological conditions have altered the roles within this triad throughout the twentieth century. Most significantly, in September
1991 its equilibrium was severely disrupted when a House of Representatives' proposed version of the Higher Education Act Reauthorization (HEA 92) sought to eliminate regional accreditation as the gatekeeper for federal student financial aid.

The circumstances surrounding the crisis of the 1990's confirm the importance of viewing accreditation within the context of environmental conditions, for while the student loan default became the focal point for debate, underlying environmental conditions contributed much to the crisis. Debate over whether voluntary accreditation should remain the criteria by which institutions would be eligible for federal financial aid erupted because of the $2 billion annual default on federally backed student loans; however, it is important to note that the loan default occurred largely among graduates of proprietary trade and vocational schools, not among the graduates of four-year institutions (DeLoughry, 9/20/90). Hence, the problem could have been contained without including the entire postsecondary community in the solution. Understanding that Congressional focus on student default occurred as part of a general cost containment strategy on the part of the federal government and that the effort to contain costs was predicated on the need to address a growing budget deficit resulting from declining U.S. productivity helps to place the crisis into an appropriate context. Moreover, it is important to understand that these general economic conditions contributed to a perception among the country's opinion leaders that the ability of the U.S. to compete in a global economy was in jeopardy. Hence, while the default rate was indeed a serious matter, it alone does not provide adequate explanation for the crisis that befell the accrediting community in the 1990's. Rather, the uncertainty wrought by a sustained
period of lagging productivity heightened frustration levels among opinion leaders and influenced a perception that the massive public support of the higher education system was not producing a workforce capable of maintaining U.S. accreditation. To those legislators debating the 1992 Reauthorization of the Higher Education Act, the accrediting system had not only failed to protect federal funds; it also failed to provide adequate evidence that students were being effectively prepared for participation in the workforce. Despite the large default rate among the proprietary vocational and trade schools, the entire postsecondary education system faced the wrath of the government, and the default rate became the focal point for the U.S. Congress to consider changing the way in which the U.S. government would assess the efficacy of its massive investment of public funds.

The proposal to remove accreditation from the quality assurance triad created an unprecedented crisis for higher education. Had this indeed occurred, the autonomy of U.S. institutions of higher education and the system of accreditation, as we know it today, would have been significantly altered. As discussed in Chapter VI compromises ultimately arose from the considerable negotiation that followed the proposal, and a role for voluntary accreditation in the federal student financial aid process was maintained. Nevertheless, from the early 1990's until the reauthorization of the Higher Education Act in 1998 (HEA 98), that role remained tenuous at best. Hence, the self-regulation and institutional autonomy ensured by the accreditation system was in considerable jeopardy for a period of time. While some have hailed HEA 98 as demonstration that government opinion vis-à-vis accreditation has been restored to a favorable position, the
fact that the U.S. economy has seen sustained, healthy productivity increases since 1994 may have done as much to regain public confidence in accreditation as have the efforts of the higher education community to address the crisis. Renewed confidence in the U.S. economy and a growing literature on the virtues of a “new economy” predicated on knowledge workers has done much to strengthen the accreditation side of the “triad.”

Problem Statement

The reauthorization of the Higher Education Act in 1992 (HEA 92) made clear that if a voluntary system of accreditation were to survive, the immediate concerns of its key stakeholders, together with long-term plans for change, had to be addressed. It is most important to note, however, that those stakeholders, particularly those within the higher education community, had conflicting views on some key issues impacting accreditation. The Washington-based national associations, whose membership is comprised of college and university presidents (i.e., American Council on Education, American Association of Universities, etc.), sought to make the process less costly and more efficient by “curbing excessive visits and demands and unwarranted proliferation of specialized accreditors” (Bioland, 1999:364). The regional agencies thought the specialized agencies had too much power; the specialized agencies thought the regionals had too much power. The national agencies felt not only that the regionals had too much power, but also that their needs were marginalized. Those agencies serving the non-degree granting institutions justifiably felt vulnerable and deserted because of their high student loan default rates (Bioland, 1999). The Council on Postsecondary Accreditation (COPA), the central monitoring agency responsible for addressing the needs of all of
these disparate groups, was embroiled in a "maelstrom of differing and contested
demands and desires" (Bioland, 1999:364) which it was unable to reconcile. In the
aftermath of HEA 92, COPA's inability to reconcile those differences led to the agency's
collapse thereby creating a void which placed the system of accreditation in further
jeopardy.

The process of creating a new central monitoring agency created a focal point
whereby the expectations of all stakeholders were considered and debated. While the
differences were not reconciled, a consensus, grounded in the majority opinion that a
national presence for accreditation was absolutely essential, was reached. After several
years of discussion and debate which led to that consensus, a new agency, stronger and
different in organizational structure, was formed — the Council on Higher Education
Accreditation (CHEA). On the surface, it appears that the changes that occurred in the
aftermath of HEA 92 have heightened opinions regarding accreditation, and CHEA was
certainly a key player in affecting that shift. That changing view is reflected in the 1998
reauthorization of the Higher Education Act. "For voluntary accreditation, the most
important development of HEA 98 was that it 'turned the corner' on federal accreditation
policy by reversing the direction of the 1992 HEA amendments (Fusco, 1998:2). Despite
that reversal, accreditation in the United States is "at a crossroads" (Glidden, 1996); its
purposes and processes need to be reviewed and revised in relationship to changes in the
macro-environment as well as changes in stakeholder expectations. In so doing, systems
that have worked elsewhere (e.g. Europe) must be considered for application within the
context of U.S. higher education. Indeed, that is beginning to occur and, as will be
discussed in Chapter VIII, the activities of some accrediting agencies (e.g. Western Association of Colleges and Schools) have already moved beyond the investigatory stage and have begun to pilot assessment methods that have proven effective elsewhere.

Although the U.S. system of accreditation has been the subject of considerable criticism, one thing is abundantly clear, it has made a tremendous contribution to U.S. higher education by enabling a diversity of autonomous institutions, each with a distinct mission. At a time when knowledge workers are a key factor in the nation's competitiveness, it is in the interest of all to maintain the strength of the U.S. higher education system. And, there is indisputable evidence that the United States is a world leader in the field of higher education; 490,933 foreign students studying in the United States contributed approximately $13 billion to the U.S. economy (Institute for International Education, 1999). Leaders in the higher education community (Atwell, Glidden, Eaton, among others) contend that to maintain this world-class system of higher education, autonomy and self-regulation must remain a viable component of the higher education system, and accreditation must remain a significant part of that system. Yet, as Altbach notes, “at present no general agreement exists concerning the appropriate level of governmental involvement in higher education...The challenge will be to ensure that the traditional—and valuable—patterns of faculty control over governance and basic academic decisions are maintained in a complex and bureaucratic environment” (Altbach, 1999:29). Nonetheless, the crisis of the 1990's clearly demonstrates that the system of accreditation that was instrumental in enabling self-regulation and autonomy throughout the twentieth century may not be well positioned to continue to do so in the next
millennium. The question remains unanswered as to whether accreditation, both institutional and programmatic, can survive as a viable member of the quality assurance system. To do so, the system, like the higher education institutions it represents, must adapt to environment changes that impact its constituencies; moreover, the differing expectations of its stakeholders must continue to be reconciled.

Research Questions:

This dissertation will address the question of whether a voluntary system of accreditation can remain a viable participant in the U.S. higher education quality assurance process. It will do so by using a model of industry/organization adaptation developed by Paul Lawrence and Davis Dyer in 1983 to answer the following subsidiary questions:

What are the historical issues that had significant bearing on the crisis that occurred during the 1990’s?

How have those issues impacted the current state of higher education, the accreditation community, and accreditation policy?

What are the expectations of key stakeholders with respect to those issues?

How might the conflicting goals of innovation and efficiency be reconciled?

Definitions and Terms

Accreditation: Before providing a formal definition of accreditation, it is necessary to describe the problems involved with attempts to precisely define accreditation (and, therefore, the concepts of quality assurance and quality improvement).
Those problems derive from the multiplicity of purposes associated with the term and are described below.

The Problem of Defining Purpose: John Brennan (1997), viewing quality assurance/improvement from an international perspective, characterizes the current issues and controversies as a debate about language, power, and change: language because the term quality itself is all pervasive, meaning different things to different people; power because a good deal of the debates about quality are about who should ‘own’ the process—governments or the institutions themselves; and change because the need for quality assurance is reflective of the changes that have occurred and are continuing to occur within higher education. While his remarks are global in their orientation, they have relevance to the debates occurring within the U.S. context about the purpose and meaning of accreditation.

Generally within the context of higher education, the term quality refers to “fitness for purpose” (Ball, 1985). However, judging quality can be an illusive concept (Young, 1983); it means different things to different people and its interpretation depends on who sets the objectives (Vroejenvestijn, 1990). “Quality is a very complex system...we cannot speak of The Quality...but we have to speak about different aspects of quality...we can make a distinction in quality requirements set by the student, the university/discipline, and by the labor/market....with regard to quality assessment we have to take into account all these dimensions” (Vroeijenestijn, 1990:24). Selden’s seminal work on accreditation makes the same point; he cites Pinkham’s early 1950 statement that the term accreditation is “an illusive, nebulous jellyfish term that means different things to different people and
different things to the same people. In trying to bring representatives of various points of view together, it has been most difficult to mediate differences among people who do not agree on what it is on what they do not agree, and, I might add, on which they disagree violently, emotionally and dogmatically” (Selden, 1960:6).

In its 1982 report, the Carnegie Foundation for the Advancement of Teaching acknowledged that there is an inherent tension in “the twin obligations of institutional integrity and public accountability” (p. 3) and concluded that if the balance between these two is to be maintained, “the academy must maintain more responsibility for regulating itself” (p. 4). Both Van Vught and Westerhuijsen (1994) and Selden (1960) add an historical dimension to the these competing purposes by noting that in Medieval higher education a distinction could be made between two extreme models of quality assessment and serving two distinct purposes. The first is the French model where quality is defined and controlled by an external authority and can be thought of as the archetype of quality assessment as it relates to accountability. The second is the English model which is the archetype for peer review and is characterized by self-governance. Van Vught and Westerhuijsen (1994) illustrate by describing the struggle between members of the University of Paris and the Chancellor of the Cathedral of Notre Dame in the 13th century where the members of the university asserted their claim to autonomy and the Chancellor claimed authority over such matters as curriculum content and licensing of teachers. The English model, on the other hand, originates from the founding of Oxford and Cambridge which were self-governing communities of fellows who used assessment to improve education. While the external stakeholders have changed from papacy and crown to state
and private forces, the Medieval heritage of today's colleges and universities includes not only the spirit of inquiry but also the problem of control over standards (Selden, 1960). American quality assurance incorporates both the Medieval French and English models, for it has an extrinsic mission that requires accountability and an intrinsic mission that is the object of continuous peer evaluation (Tobin, 1994).

This historical distinction helps illustrate the differences between quality assurance in which the primary purpose is for accountability or external assessment and quality assurance in which the primary purpose is improvement or internal assessment. The former addresses commitments to those outside the institution, while the latter refers to commitments to those within the institution. Vrooman (1990) helps by identifying the constituency which generally is responsible for conducting each type of assessment and provides the following definitions:

Internal Quality Assessment — "All activities with regard to quality improvement and assurance of quality, carried out by the faculties and universities themselves" (p. 25)

External Quality Assessment — "All activities with regard to quality improvement and assurance of quality carried out by experts from outside" (p. 25).

Andris Barbian (1997) adds to that definition by characterizing external assessment as efforts to assess efficiency; while internal assessment is to support institutional development. Graham, Lyman, Trow, & Fusco (1995) characterize the essence of internal evaluation as discovery (what is going on and how can it be improved) while the essence of external evaluation is persuasion (convincing outsiders that the institution deserves support). Tarla Shab (1997) adds a further point: at the
macro or external level quality assessment is about power and control, while at the micro- or internal level it is about student experience and achievement. She further notes that until the post-World War II expansion of higher education systems, exclusiveness of entry to higher education had been the traditional form of quality assurance.

Hence, accreditation serves multiple purposes. Its uses are both internal and external; it fulfills a societal purpose serving as an integral part of the balance of forces exerting control over postsecondary education (Selden, 1960); and it serves a professional function by establishing criteria for entry into a profession. Samrow (1992) notes that throughout the twentieth century the role of accrediting agencies have spanned the purposes of all four classifications of formal organizations defined by Blau and Scott (1962). Initially the agencies served as a mutual benefit society; later their roles became blurred as they assumed the functions of a commonwealth agency — assuming a quasi-public role. Today, in addition to these two roles, they also function as a service agency — serving the membership interests — and a business concern — addressing management and fiscal issues for the higher education industry they serve.

In the context of the United States accreditation system, the idea of accepting peer evaluation as more palatable alternative to government control was certainly present throughout the evolution of the system. The Carnegie Foundation (1982), for example, notes that as early as 1908 Edmund J. James, President of the University of Illinois, made the following observation, “standardization of colleges was going on apace by agencies not wholly in sympathy with them...If the educators desired to have a hand in that matter, it behooved them to act promptly and courageously (p. 24). That statement has even
more relevance as the higher education system enters the twenty-first century because higher education is more visible than ever before. The twentieth century was witness to a dramatic increase in public support consistent with growing public expectations that continue to include accessibility, reasonable costs, a practical orientation, and convenience. Those criteria can be expected to intensify in the twenty-first century as the nation becomes increasingly dependent on knowledge workers to fuel the employment sector.

Clearly, it has become increasingly difficult to draw the line between the evaluative function of accreditation and its provision of advice and counsel (Selden, 1960). The public has demanded and will continue to demand evidence that institutions of higher education are efficiently and effectively providing value in return for the resources which have been allocated to them. At the same time, a balance needs to be maintained between this accountability and the traditional role of the academy as an autonomous entity, a place of free inquiry, where a divergence of opinion and spirit of inquiry can prevail.

Because accreditation has multiple purposes, defining it is not a straightforward task. As Orleans (1975) argues, "a clear definition requires a clear subject; but accrediting is anything but that (p. 2)." In its simplest terms, it is "a collegial process based on self and peer assessment for public accountability and improvement of academic quality" (CHEA, http://www.chea.org/about/index.html). Young (1983) describes it as, "A process by which an institution of postsecondary education evaluates its educational activities, in whole or in part and seeks an independent judgment to confirm that it
substantially achieves its objectives and is generally equal in quality to comparable institutions or specialized units" (p. 21). Perrin (1995) calls it, "A rigorous, periodic self-study utilizing national standards, followed by an intensive site visit conducted by well-schooled peers" (p. 21).

A more complex definition (developed by Kenneth E. Young and cited in Harleroad, 1980) acknowledges the multiplicity of purpose by defining it as a concept, a process, and a status.

"...a concept...unique to the United States by which institutions of postsecondary education or professional associations form voluntary, non-governmental organizations to encourage and assist institutions in the evaluation and improvement of their educational quality and to publicly acknowledge those institutions, or units within institutions, that meet or exceed commonly agreed to minimum expectations of educational quality.

...a process by which an institution of postsecondary education formally evaluates its educational activities, in whole or in part, and seeks an independent judgment that it substantially achieves its own objectives and is generally equal in quality to comparable institutions or specialized units. Essential elements of the process are: (1) a clear statement of educational objectives, (2) a directed self-study focused on these objectives, (3) an on-site evaluation by a selected group of peers, and (4) a decision by an independent commission that the institution or specialized unit is worthy of accreditation.

...a status of affiliation given an institution or specialized unit within an institution which has gone through the accreditation process and has been judged to meet
or exceed general expectations of educational quality (Harrold, 1980:12). In that regard, Orleans (1975) notes that “to be ‘accredited’ is a good thing; it betokens a commendable and meritorious, not opprobrious, status and the status is assigned by some other party or parties; it is not self-assumed” (p. 2).

Selden (1960) defines the outcome, “Through this process an agency or organization evaluates and recognizes an institution or program of study as meeting certain predetermined qualifications or standards and issues a public statement to this effect (p. 1). Eaton (1999) expands on that idea by noting that accreditation practice must be viewed as an examination of three key aspects of institutional quality: resources invested, processes followed, and results achieved.

The accreditation process generally consists of a self-evaluation, peer review of the self-study, a site visit by the peer review committee, and an evaluation. However, as Orleans (1975) notes, “form can be similar while substance varies, as is apparent from the marked differences in the importance, scale, resources, public standing, influence, and sophistication of different accrediting agencies (p. 3). Peer review refers to, “a practice of calling upon persons from similar institutions to review or examine the qualifications of another institution” (Semrow, 1992:159). The self-study is an assessment of the institution or program prepared by the institution which serves a variety of purposes, the predominant of which is to attest to the way in which the institution or program meets the accreditation standards. It also serves as a report for the on-site evaluation team. Evaluation can be either formative or summative; the former being “designed to reshape the institution’s program as the evaluation proceeds.” (Semrow, 1992:197); the latter
"determining how well the program meets certain established criteria" (Semrow, 1992:297).

Young defines the accrediting associations as "a loose federation of institutions, associations, and public representatives that also involve a variety of approaches and styles and have different forms of sponsorship. What brings them together is a commitment to the concept of accreditation as a voluntary, nongovernmental process of self-evaluation focused on evaluating and improving educational quality" (Young, 1983:10). Its prevailing characteristics are voluntarism, self-regulation, reliance of evaluation, and concern for quality.

Other relevant terms used throughout this dissertation are defined as follows:

**Higher Education Institutions**: "Degree granting institutions" (Boland, 1999:386). This includes two-year degree granting institutions as well as four-year colleges and universities but specifically excludes non-degree granting, proprietary institutions.

**Postsecondary Education Institutions**: "Education institutions (both degree granting and nondegree-granting) beyond secondary schools" (Boland, 1999:386). This includes all institutions beyond the high school level including proprietary institutions.

**Quality Improvement**: Activities designed "to improve institutions and programs." (Glidden, 1998:2).

**Quality Assurance or Accountability**: "Determining a standard of quality and performance for minimal acceptability in the interest of the public" (Glidden 1998:2).
Regional Accreditation: Accreditation focused at the institutional level. Regional accreditation refers to one of the six regional accrediting agencies.

Specialized Accreditation: Accreditation focused at the programmatic level. Specialized accrediting standards define what constitutes acceptable preparation for entry into one of the professions.

Institutional Accreditation: Accreditation focused at an institution-wide level which assesses overall institutional effectiveness as opposed to assessment of specific programs. Institutional accreditation is the focus of both regional and national accrediting agencies.

National Accreditation: Accreditation focused at the institutional level. Unlike the regional accrediting agencies, the national agencies are not geographically based but rather are organized to provide institutional accreditation to a particular classification of colleges and universities that wish to be evaluated as a member institution of a special purpose group. Examples include the American Association of Bible Colleges and the National Association of Trade and Technical Schools.

Accreditation Stakeholders: Those stakeholder groups whose members impact or are impacted by accreditation. For purposes of this study, key stakeholder groups include U.S. federal government, state governments, employers, college and university upper level administration, and faculty.

Information Complexity: Those variables in the “organization’s immediate environment which directly influence its choice of which goods and services to supply” (Lawrence & Dyer, 1983:5). For purposes of this dissertation, the most relevant
dimensions of information complexity are issues related to the technological, social and political environments particularly as they relate to advances in technology and globalization.

**Resource Scarcity:** "The difficulty organizations experience in securing the resources it needs to survive and grow" (Lawrence & Dyer, 1983:5). For purposes of this dissertation the dimensions of resource scarcity impacting the accreditation community and accreditation policy are those related to funding sources.

**Efficiency:** Refers to "rigidity of control" (Lawrence & Dyer, 1983:8) and the effective utilization of resources. Efficiency addresses the question of whether the "quality of output, its value to the ultimate consumer, [is] commensurate with the costs of production?" (Lawrence & Dyer, 1983:8).

**Innovation:** Refers to "looseness of creativity" (Lawrence & Dyer, 1983:8) and addresses the need for a "stream of new ideas" an organization or industry must develop when faced with a changing environment.

**Conceptual Framework**

Lawrence and Dyer's (1983) *Analytic Framework of Adaptation* provides a useful model for analyzing the long-term viability of an organization or industry and is a useful tool for developing adaptation strategies. The model, as shown graphically on page 74, distinguishes among nine types of environments by ranking an organization or industry on the basis of two intersecting axes. The vertical axis, information complexity (IC), addresses the variations in an organization/industry's immediate environment. The horizontal axis, resource scarcity (RS), addresses the degree of difficulty the
organization/industry experiences in securing the resources it needs to survive and grow. Lawrence and Dyer (1983) argue that the difficulty organizations/industries experience in coping with their resource and information domains depends on uncertainty within these two dimensions. The greater the changes in external environmental conditions such as competition, technology, customers, social values, philosophical perspectives of political leaders, public policy, government regulation, and the general commercial infrastructure, the more information complexity increases. Similarly, changes in economic conditions such as national productivity and wealth impact the degree of resource scarcity.

In viewing long-term organizational viability, an historical analysis of an industry within the context of the variables in the information complexity and resource scarcity dimensions is helpful in developing, implementing, and evaluating adaptation strategies. To Lawrence and Dyer (1983) this is a necessary first diagnostic step that requires an assessment of the external environment as well as a review of the industry’s form, strategy, and performance. The authors contend, “answers to these inquiries are not easy, and they cannot be precise...Still, a pattern should emerge...[that] ought to be evaluated in relation to the organizational features we found associated with re-adaptation in Area Five...The differences between the model and the descriptive pattern identify the features that need to be changed” (Lawrence & Dyer, 1983:270). Hence, the historical analysis enables classification of an industry or organization within the nine areas in the Analytic Framework of Adaptation and provides an historical view of movement within the framework. Through that analysis adaptation strategies that appropriately balance efficiency and innovation can be developed.
Lawrence and Dyer (1983) maintain that for the sake of long-term organizational/industrial survival, adaptation to changes in the information complexity and resource scarcity dimensions must occur. However, adaptation that ensures long-term survival cannot occur unless the industry or organization constantly strives to be both efficient and innovative – two concepts that exist in a constant state of tension and are difficult to reconcile. The authors contend that while efficient utilization of resources is more self-evident for organizational/industrial viability, innovative action is equally necessary when an organization is faced with a changing environment. This tension is described by Lawrence and Dyer (1983) as “a struggle between short-term and long-term policy, between the necessary looseness of creativity and the necessary rigidity of control” (p. 8). Some American industries have been criticized for their focus on short-term issues surrounding efficiency (e.g. quarterly profit and loss) and their unwillingness to develop appropriate strategies for long-term viability. Moreover, the culture of an industry often dictates the degree of skewedness between these two concepts. For example, organizations that market and sell commodities (e.g. utilities) compete largely on the basis of price; hence, are deeply focused on adaptation strategies based on efficiency as opposed to innovation; here the rigidity of control (efficiency) limits creativity (innovation). On the other hand, organizations that are based on breakthrough technologies (e.g. the dot-coms) focus on innovation often with little regard for efficiency. While in the short-term such skewed strategies may seem appropriate, Lawrence and Dyer argue that for the sake of long-term organization/industry survival, both efficiency and innovation must be present in adaptation strategies. Hence, the
Analytic Framework of Adaptation is a useful tool for analyzing adaptation strategies that can help to ensure long-term viability.

Application of the Lawrence and Dyer Model to Accreditation

While accrediting agencies are, in fact, a subset of the higher education industry, the close relationship between them and the higher education institutions they serve and support, makes applicable a model designed to analyze the forces that impact adaptation within an organization or industry. While accrediting agencies are organizations that are designed to be separate from any particular institution of higher education, and they are, indeed, autonomous entities with independent boards and independent budgets, they have developed with a participatory governance structure in which representatives from the institutions and professions served greatly participate in establishing policies and standards. The composition of the boards of directors of the regional agencies, for example, consists predominantly of individuals who are current or former chief executive officers of higher education institutions -- the men and women who experience on a day-to-day basis the variables within the resource scarcity and information complexity dimensions that impact their institutions. Hence, although they are autonomous and separate from any individual institution, institutional accrediting standards reflect the consensus of all institutions as to the ideal of how an institution should carry out its mission, and programmatic accrediting standards reflect the consensus of the profession as to what constitutes acceptable preparation for entry into the profession. The decision making process for accrediting agencies, therefore, directly involves those who are experiencing the pressures impacting higher education and the professions.
Moreover, although accreditation is in theory voluntary, it is in reality required. In the case of institutional accreditation, it provides an institution with access to government funding; in the case of programmatic accreditation, it provides graduates of an accredited program with access to state licensing. However, accrediting agencies cannot operate without the support of the higher education community they serve. Their budgets are directly derived from the institutions that they accredit, and therefore, their continued support is predicated on the ability to satisfy the needs of the higher education industry and to protect the institutional autonomy of their membership. This reciprocal relationship between higher education and accrediting agencies makes relevant the application of the model developed by Lawrence and Dyer to a subset of the higher education industry, accreditation.

Method of Analysis

Data was obtained through a comprehensive literature search. Analysis of that literature was conducted utilizing the scholarship method defined by Ernest L. Boyer (1990) in Scholarship Reconsidered as the scholarship of integration. Meaning was derived by taking existing literature and bringing new interpretation to that literature by placing it into a larger context of the environmental factors that both impacted and were impacted by higher education and its system of accreditation.

Boyer (1990) posits that there are four separate but overlapping types of scholarship, all serving different functions: scholarship of discovery, scholarship of integration, scholarship of application, and scholarship of teaching. The difference between scholarship of discovery and scholarship of integration is described by Boyer as
the difference between two questions. Whereas scholarship of discovery seeks to answer, "What is to be known, what is yet to be found?" (Boyer, 1990:19), scholarship of integration seeks to synthesize what exists and answer the question, "What do these findings mean?" (Boyer, 1990:19).

Michael Gibbons (1998) argues that this type of research has become central to modern knowledge industries. In making a distinction between "knowledge-based" and "knowledge" industries, he differentiates between the creation and configuration of knowledge and argues that the configuration of knowledge is of key importance to "knowledge" industries. To the knowledge-based industries of the first three-quarters of the twentieth century, the knowledge of discovery was of primary importance; they placed product at the core as they attempted to understand and improve operations. In knowledge industries, however, product is no longer the focus; rather, the knowledge itself is central. He explains, "In knowledge industries, value is added by the reiterated use of knowledge, reconfiguring it with other forms of knowledge to solve a problem or to meet a need" (p. 79). Hence, according to Gibbons, the scholarship of integration becomes so critical to success in today's knowledge industries that "universities need to take a further step and begin training the cadres of knowledge workers whose principal skills and creativity may be associated less with producing new knowledge than with the configuring of knowledge gathered by others" (Gibbons, 1998:80). Similarly, Carlsen (1991) argues that novel and valuable ideas can be born by making new connections and bringing together unrelated ideas, objects, or events.
This study will use such an approach in interpreting the literature on accreditation. It will do so by using a model of analysis developed by Paul Lawrence and Davis Dyer (1983) to view the historical dimensions of information complexity and resource scarcity and their impact on U.S. accreditation as well as the problems that have historical precedence within the current accreditation system. The impact of environmental changes on stakeholder needs and expectations will also be addressed as an important consideration with respect to the long-term viability of accreditation as a participant in the U.S. higher education quality assurance process.

The historical analysis is presented within the context of four distinct periods; each is characterized by a major shift in at least one external environmental variable; that is, one or more variables within the information complexity and resource scarcity dimensions had significantly changed. During the first period, 1870-1930, the nation's economic infrastructure changed from its agricultural base to an industrial base. That shift heightened information complexity and created much uncertainty for the nation's social structures (i.e., education, public health, social welfare) as they adjusted to a very different economic infrastructure. This change in commercial infrastructure gave rise to additional complexity manifested by large population migrations from rural to urban areas as well as an influx of new immigrants.

The unique circumstances of the Depression and World War II constitute a second period, 1930-1950. While a dramatic increase in resource scarcity brought to bear great uncertainty at the beginning of the period, the technological advances of the 1870-1930 period proved successful in fueling the war engine and hence verified the efficacy of the
many changes brought forth during that period. Hence, while the period is characterized by uncertainty associated with increased resource scarcity during Depression, as the war progressed information complexity for some industries (i.e. manufacturing, education, health care) actually decreased from the high levels experienced at the turn of the twentieth century. This decrease occurred because the various components of the nation’s economic infrastructure had already adjusted to the shift to an industrially-based economy and uncertainty within those variables diminished. For accreditation few changes took place during this period; however, much discussion occurred vis-à-vis changes that would be implemented during the post-war period.

While changes in the technological, social, and political environments occurred during the 1950-1970 period, the success of the war effort and the decrease in resource scarcity (as evidenced by the period of post-war prosperity) further confirmed the efficacy of the structural changes that occurred during the 1870-1930 period. Information complexity, therefore, remained stable during the 1950-1970 and the social values and economic philosophy ushered in during that period became further entrenched. The impact of those entrenched interests is discussed in the historical analysis presented in the 1970-1990 period; a period in which another paradigm shift occurred and in which both resource scarcity and information complexity increased. This historical analysis is critical to understanding the accreditation crisis of the 1990's, for that crisis occurred largely because changes within the information complexity dimension were not adequately addressed and heightened resource scarcity was treated as a temporary, cyclical problem rather than one requiring structural change. The
convergence of issues present throughout the twentieth century and new challenges brought to bear by the new economy called for a balanced adaptation strategy that encompassed both efficiency and innovation. However, adaptation was stalled by the organizational problems that crippled COPA. As higher education enters the twenty-first century, its system of accreditation must change in response to the "new economy." This dissertation concludes with a discussion of that new economy and the role of higher education and accreditation within this changed context. New models of accreditation that address unresolved historical problems as well as the challenges of this paradigm shift are presented and analyzed with respect to Lawrence and Dyer's (1993) contention that long-term survival is predicated on adaptation strategies that include methods by which organizations can operate with an appropriate balance of efficiency and innovation. Without a continued effort to promote these goals within the higher education system and within the purposes and processes of accreditation, the needs and expectations of all stakeholder groups cannot be met.

Contribution to the Field

At present, no single volume synthesizes the literature related to the various dimensions of recent importance to the quality assurance system in the United States. This dissertation will fill that gap in the literature. Much of the pivotal research on accreditation was written prior to the period of crisis in the 1990's. Perhaps the most widely cited is a volume published in 1983 and edited by Kenneth B. Young, Charles M. Chambers, and H.R. Kelis, Understanding Accreditation. It is an excellent compilation of information on accreditation with chapters written by many of the leading scholars in
the field. Another important volume is that published in 1992 by Joseph I. Semurow, Joseph A. Barney, Marcel Fredericksa, Janet Fredericks, Patricia Robinson, and Allan O. Pnister, In Search of Quality: The Development, Status and Forecast of Standards in Postsecondary Accreditation. This volume, while focused on the history of the North Central Association, approaches the topic in the context of social movements and addresses the history of accreditation within the dialectical framework of thesis/antithesis/synthesis. While it views the development of accreditation purposes and processes within the macro-environmental context, that analysis does not consider the events of the 1990's.

Several recent publications address quality assurance from an international perspective. A volume published in 1997 edited by John Brennan, Peter de Vries, and Ruth Williams, Standards and Quality in Higher Education, provides an excellent overview of the many models of quality assurance used throughout the developed world. While the volume includes an excellent chapter on the evolution of academic assurance policies in the United States, including a brief discussion of some of the issues that led to the creation of CHEA, the book largely addresses quality assurance outside the United States. John Deupree and Marjorie Pace Leen's book, Ambassadors of U.S. Higher Education: Quality Credit-Bearing Programs Abroad, published in 1997, also devotes several chapters to the issue of quality assurance and American accreditation, but is specific in its focus, relating the topic to the internationalization of educational activities.

and International Perspectives, provides an excellent overview of quality assurance activities in a wide variety of countries but does not include a chapter on quality assurance in the United States. M. Fourie, A.H. Strydom, and J. Stear (1999) in Reconsidering Quality Assurance in Higher Education: Perspectives on Programme Assessment and Accreditation, devote a chapter to U.S. accreditation among those on quality assurance in a number of countries. Again, the perspective of the latter two volumes is predominately international.

There is much information on accreditation and the issues impacting accreditation policy and procedures in professional journals such as The Chronicle of Higher Education, Academe, Community College Journal, Change, Journal of Higher Education, The College Review Board, Trustees, North Central Association Quarterly, Career Training Journal of College and University Law, Studies in Higher Education. In addition to these professional journals, there is quite a lot of information available from higher education and accreditation sites on the Internet and on the websites of professional organizations. Existing information is scattered among a wide variety of academic journals, trade publications, the popular press, and websites; no single source exists in which the information contained in those various sources is synthesized and there is no analysis that integrates the implications of the wide array of information about U.S. accreditation.

This dissertation utilized these multiple sources of information to provide an analysis of the current state of accreditation in the United States and grounded that analysis in the historical dimensions that have impacted accreditation throughout the twentieth century.
CHAPTER II

Stakeholder Analysis

Chapter Overview

This chapter provides an overview of stakeholder expectations. A table summarizing stakeholder dimensions is followed by an analysis of each stakeholder group. The chapter concludes with a discussion of stakeholder conflict.

Introductory Comments

The momentous broadening of access to higher education that followed the Second World War, and most significantly the massive public investment that supported that change, altered forever the relationship of higher education to the society it serves. Higher education now competes in a public debate about funding; challenging other spending priorities. As such, the public is entitled to reasonable justification for why a significant share of public funding should be dedicated to higher education; moreover, it is not unreasonable for the public to expect that funding will be utilized in an efficient and innovative manner. Further, higher education has a wider social accountability for what it does – the creation of skilled workers who compete in world markets. Because these factors are critical to a nation’s and region’s living standards, the system must demonstrate that it is indeed carrying out this function well and properly. A different perspective comes from within the academy where the university is viewed as a place of free inquiry in which discovery and dissemination of knowledge can take place without restraint.
Debate about accreditation becomes heated because of these two divergent perspectives. There is not only a blurring of purpose endemic in the system but also assessment, particularly external assessment, impacts control of the higher education process. Hence, control and governance of the higher education system becomes a complex matrix in which the needs and end-goals of each constituency must be represented.

The following table provides a summary of stakeholders, stakeholder objectives, stakeholder performance indicators, and indicators universities use to demonstrate efficacy to stakeholders. This is followed by a detailed discussion of each group.

### Table 1: Stakeholder Dimensions

<table>
<thead>
<tr>
<th>Constituency</th>
<th>Objective</th>
<th>Performance Indicator as Used in Decision Making via-via Constituency Objectives</th>
<th>University Indicators Used to Demonstrate Efficacy to Constituents</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Government</td>
<td>(4) Accountability (5) Standardization</td>
<td>ROI - Return on investment as related to higher education spending - National competitiveness - Per capita income - National unemployment rate</td>
<td>(4) Graduation rate of students (5) Time to completion (6) Student loan repayment (7) New business start-up (8) Patents (9) Rate of technology transfer (10) Urban renewal (11) Federal research expenditures (12) Publications</td>
</tr>
<tr>
<td>Node Government</td>
<td>(6) Accountability</td>
<td>ROI - Return on investment as related to higher education spending - Local economic development - Local per capita income - Local unemployment rate</td>
<td>(6) Graduation rate of students (7) Time to completion (8) Student loan repayment (9) New business start-up (10) Patents (11) Rate of technology transfer (12) Urban renewal</td>
</tr>
</tbody>
</table>
### Table 1 - Stakeholder Dimensions

<table>
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<th>Performance Indicator as Used in Decision Making vs.-vs. Constituency Objectives</th>
<th>University Indicators Used to Demonstrate Efficacy to Constituents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>(a) Autonomy</td>
<td>(6) Strength of tenure system</td>
<td>(c) Rate of tenure</td>
</tr>
<tr>
<td></td>
<td>(1) Preservation of Academic Freedom—Open Inquiry and Intellectual Freedom</td>
<td>(6) Ownership of curriculum</td>
<td>(g) Compensation packages</td>
</tr>
<tr>
<td></td>
<td>(2) Preservation of self-governance</td>
<td>(6) Participative decision making</td>
<td>(q) Research support</td>
</tr>
<tr>
<td>Students</td>
<td>(a) Personal development</td>
<td>(6) Relevant curriculum</td>
<td>(y) Adherence to AAUP standards—Compliance vs. compliance</td>
</tr>
<tr>
<td></td>
<td>(b) Professional development</td>
<td>(6) Knowledge retention</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Job placement</td>
<td>(6) Graduate education</td>
<td>(c) Publications</td>
</tr>
<tr>
<td>Employees</td>
<td>(a) Employees with appropriate skill base</td>
<td>(6) Market driven curriculum</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(d) Skill needs of graduates</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(e) Surveys of employer perceptions</td>
</tr>
<tr>
<td>University Administration</td>
<td>(a) Institutional integrity</td>
<td>(6) Financial health of institution</td>
<td>(c) Financial reports</td>
</tr>
<tr>
<td></td>
<td>(b) Preservation of academic freedom</td>
<td>(6) Institutional reputation</td>
<td>(f) Institutional rankings</td>
</tr>
<tr>
<td></td>
<td>(c) Institutional autonomy and self-regulation</td>
<td>(6) Strength of tenure system</td>
<td>(j) Student placement rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(6) Decision making free from external influence</td>
<td>(q) Research output</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(c) Rate of tenure</td>
</tr>
</tbody>
</table>

**Federal Government:**

The U.S. government has considerable interest in higher education and exercises significant power in the quality assurance process. Its interest in quality assurance rests in the variety of funding programs with which it supports the higher education system; support that is predicated on the need for an educated populace in order for the nation to remain competitive in the global environment. Directly related to that funding is concern that only reputable institutions with acceptable levels of quality participate in these programs (Chambers, 1983).
Ewell (1998) argues this fundamental shift in the federal government’s perspective of higher education as a strategic investment has driven a new kind of accountability, one that is based on demonstrable return on investment. He views traditional accountability concepts as resting on a model of public higher education as a public utility whose primary benefits were to individual citizens in the form of increased social mobility and quality of life. A different conception of higher education’s social role which has its basis in access and efficiency is at the heart of the most recent federal government accountability activities.

Until the passage of the Morrill Act, federal government involvement with higher education was almost nonexistent and remained minimal even with the passage of that act. It was not until the Second World War and the passage of the 1944 Veterans Readjustment Act (the GI Bill) that the relationship between higher education and the federal government changed significantly. Initially the bill allowed veterans to participate in any type of educational program with the federal government reimbursing institutions directly for those veterans attending their program. There existed no process within the Bill for a central mechanism by which the quality of either the institution or the program could be determined. Large numbers of veterans received benefits under the program; however, many attended proprietary technical schools of questionable quality. To remedy that situation, a means for addressing quality on a centralized basis was incorporated into the 1952 Korean GI Bill.

The language of the 1952 bill has been characterized as the birth of our current three-part structure in which the states and federal government “came to rely more and
more on the findings of voluntary, private associations for decisions about government activities” (Herskowitz, 1960:6). That relationship is clearly seen in the two major changes which became part of that bill: (1) the government would no longer reimburse the institution directly; rather, payment would be made directly to the individual and (2) the type of program and institution in which the veteran could attend was restricted.

As we will see in Chapter V, how the government would identify those institutions whose students would be eligible to receive veterans benefits would set the foundation for a tense relationship between accrediting agencies and the federal government. On the one hand the use of accreditation by the federal government added a new element of importance and prestige to the accreditation process; however, it also added a viability to the system and made it more vulnerable to external interference. As Beadle (1983) notes, “When Congress enacted the Servicemen’s Readjustment Assistance Act in 1952, the stage was set for both appropriate and inappropriate uses of accreditation....Congress in effect created a new use of accreditation” (p. 75).

It is critically important to recognize that it is the accrediting association, not the individual institution, which must be approved by the Department of Education. That is, the federal government accredits the accreditors. The relationship can be viewed as follows:
To receive federal funding an institution must first be accredited, but the government does not evaluate institutions. It does, however, evaluate the accrediting agencies, and without government approval, an agency’s value to the higher education community is severely diminished. Therefore, the federal government is able to promote its policies through the accrediting agencies. Thus through its ability to grant or deny access to federal funds, the U.S. government has a very strong position in the quality assurance triad, albeit indirect. The use of accreditation as the central mechanism by which the government ensures the quality of the institutions it supports places the procurement and maintenance of institutional accreditation high on the list of institutional priorities. “As long as accreditation is linked to determining institutional eligibility for federal funding programs, there will be an interest within both the government and accrediting bodies to have the relationship serve each other’s special interests.
Accrediting bodies can probably never return to an era when their sole mission was to assess educational quality. Like it or not, they have become a central source of information about postsecondary education that the federal government relies on" (Chambers, 1983:268).

Despite the fact that since the 1970's federal government support has been the largest source of direct assistance to individual students, federal expenditures have remained supplementary to state subsidies and private support and account for less than 15 percent of the total revenue for higher education institutions (Gladieux & King, 1999). That not to suggest that federal government subsidy is inconsequential, for, indeed, about one-third of the twenty-one million students attending postsecondary education receive some form of federal aid (Gladieux & King, 1999). The federal government, however, supports higher education in other areas as well as illustrated below.
Table 2

Federal Financial Assistance to Postsecondary Education
(In thousands of 1998 dollars)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Aid</td>
<td></td>
</tr>
<tr>
<td>Department of Education</td>
<td>$12,406,056</td>
</tr>
<tr>
<td>Department of Agriculture</td>
<td>41,878</td>
</tr>
<tr>
<td>Department of Commerce</td>
<td>3,429</td>
</tr>
<tr>
<td>Department of Defense</td>
<td>923,462</td>
</tr>
<tr>
<td>Department of Human and Health Services</td>
<td>793,072</td>
</tr>
<tr>
<td>Department of Interior</td>
<td>167,832</td>
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<td>Department of Transportation</td>
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<td>Department of Veterans Affairs</td>
<td>1,024,776</td>
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<tr>
<td>Research and Development</td>
<td>11,250,464</td>
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<tr>
<td>Other Institutional Support</td>
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<tr>
<td>Department of Education</td>
<td>11,250,464</td>
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<tr>
<td>Other</td>
<td>2,210,000</td>
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William H. Pickens (1993) makes the point that assessing the federal contribution to postsecondary education is difficult because rather than shouldering continuing responsibility for its basic operational costs, "the federal government intervenes periodically, albeit massively, to promote what officials consider to be the national interest, providing funding in specific areas" (p. 9). A recent example such action can be found in the HEA 98 regulations related to teacher education. Dissatisfied with the performance of graduates of teacher education programs on the state licensing and certification examinations, lawmakers linked funding for the improvement of teacher training and the recruitment of more teachers in underserved and urban areas to
accountability requirements. States, under HEA 98, are now required to submit to the U.S. Department of Education rankings of teacher education programs within their borders; those rankings are done on the basis of the percentage of graduates who passed certification examinations (Basinger, 2/15/00).

In summary, federal government power over higher education is indirect but power follows purse (Orlans, 1975), and as we will see in the history of accreditation, as that purse opened wider and wider, federal government power within the triad became greater and greater.

State Government

Unlike indirect federal control, state power and control over higher education is direct. "It is the power to create and, with due process, to disband and the power to charter or license and (within constitutional safeguards and political realities) to administer, regulate, and police schools and colleges that renders state education departments real or potential rivals of accreditation agencies" (Orlans, 1975:4).

State government is most concerned with issues related to the local economy. A major percentage of public higher education funding is contributed by the states. Most is direct to the institutions but some is in the form of tuition aid assistance to students. Berdahl and McConnell (1999) make the observation that governors may influence institutions via governing boards; however, state impact is greatest vis-à-vis the budget process. State financial support of a higher education system is predicated on the idea that such support will directly impact the economic development of the region through its research activities, education and training of the workforce, and business partnerships.
with higher education (Lazell & Lydon, 1990). Whereas the federal government provides substantial student financial aid and research support, state government is responsible for operational budgeting for the public higher education system (Lazell & Lydon, 1990). Hence, state government is concerned with the efficacy of its investment, and, while state funding practices promote universal access, efficiency and controlling escalating costs are considerable concerns. Return on Investment (ROI) becomes critical and general economic conditions (i.e., state unemployment rate and per capita income) not only measure ROI but also impact the ability of the state to fund its higher education system. Whereas the federal government is permitted to run a deficit, the state governments must balance expenditures with revenue; therefore, there is considerable pressure among the various funding needs (i.e., K-12 education, corrections, and welfare) for limited state resources. Moreover, as Lovell (2000) notes, “higher education is often perceived as the budget balancer as it is not a state or federally mandated program. To many legislatures trying to squeeze out every dollar available, it can unfortunately be viewed as a discretionary expenditure” (p. 112).

Like the federal government, state involvement with higher education was weak until the post-World War II expansion. During the colonial period many of the newly founded institutions were church sponsored, and the separation of church and state carried over to higher education (Bender, 1983). In the early nineteenth century, higher education autonomy was clearly established by the 1819 Dartmouth case, which firmly secured governing board independence from state control (Rudolph, 1965). Even after the passage of the Morrill Act and the establishment of normal schools, the role of the state
remained minimal, and institutions were generally allowed to self-regulate. Until the 1980's the role of the states was limited predominately to licensing and chartering institutions to operate within their borders and providing funding for public institutions. By the 1980's, however, the state role changed from that of "passive provider to concerned underwriter" (Bender, 1983:271) and accountability measures appeared.

At that time, strained economic conditions gave rise to decreasing state support and colleges and universities compensated by increasing tuition. Zusman (1999) argues that the U.S. recession of the early 1990's resulted in cuts to public higher education unequaled since World War II, and by 1992-93, overall state appropriations were lower than they had been two years earlier, despite increasing enrollment. While there was a rebound of approximately 8 percent between 1993-94 and 1995-96, that rebound is deceptive because controlled for inflation, total state appropriations in 95-96 were 8 percent below appropriations a full five years earlier (Zusman, 1999). Decreases in state support gave rise to increased tuition. From 1980 to 1992, the Consumer Price Index had risen by 75 percent, yet tuition at four-year public colleges increased by 211 percent; and while the cost of a year of education at a public university represented 9 percent of an average family's income in 1979, by 1994 that figure had risen to 15 percent (de Ruyt, 10/11/96). While tuition increases have slowed, they have not stopped; in 1998 tuition at private colleges increased by 5 percent and at public colleges by 4 percent; yet, the consumer price index rose by only 1.6 percent (Ikeberry, 1999). Public dissatisfaction over escalating tuition costs became an issue for public discourse, and state concerns over both their own investment and public concern over escalating costs rose. Interestingly,
despite rising costs, public perception of the value of higher education did not waiver and stayed firm as evidenced by the 82 percent of high school students who say they plan to attend college (Carnevale, Johnson & Edwards, 4/10/98).

Faced with demands for accessible and affordable public colleges, the traditional passive role of the state changed, and many began to implement student assessment programs. Initially a mechanism for improving instruction at the undergraduate level, by the 1990's these assessment programs had evolved into mechanisms for accountability (Dill, 1996). Lovell (2000) argues that this new kind of accountability was "firmly based on the premise that statewide return on investment was a legitimate focal point for the state" (p. 119). By the 1990's, with heightened budget constraints, some proposals for accountability became almost radical. For example, The Chronicle of Higher Education in 1992 reported that a legislative committee in Ohio recommended centralizing control over public colleges by shifting policy responsibility from institutional boards of trustees to the state Board of Regents (Lively, 9/2/92). An increasingly common practice was to tie funding, at least in part, to performance indicators. The first state to link appropriations to performance was Tennessee in 1979, and by 1996, eleven states tied part of their appropriations to performance measures, with at least fifteen more states in the process of doing so (Carnevale, Johnson & Edwards, 4/10/98). Currently, more than thirty-seven states have performance measures of some type in place (Lovell, 2000); at least thirty states have enacted some form of requirements for public colleges and universities to assess student learning (Katz, 11/16/94:A56); and twenty require some sort of student satisfaction outcomes (Lovell, 2000). The use of performance measures had
become so prevalent by 1995 that the American Association of State Colleges and Universities, the American Association of Community Colleges, and the National Association of State Universities and Land-Grant Colleges proposed criteria for comparing public colleges (Lively: 12/1/95:A40). Lovell reports that two-thirds of the governors and 50 percent of the state legislators indicate that "there is a favorable long-term future for accountability measures" (p. 119). Ewell's (1993) analysis of the role of the states in outcomes assessment concludes that "external requirements have proven a necessary condition for the majority of institutions to act on assessment in the first place" (p. 349). Arthur Levine (1997) attributes the increased questions about cost, efficiency, productivity, and effectiveness to the fact that higher education is a mature industry. Levine (1997) argues that as a growth industry, higher education could count on additional resources; today, however, resources are not likely to improve dramatically; even in good economic conditions, states will require that colleges find ways to present education more efficiently (p. A48).

In addition to financial support and accountability stipulations, states also have significant control over professional education through their ability to restrict the licensing of professionals to those who have graduated from accredited institutions. Most states require graduation from accredited programs for licensing or certification in optometry, landscape architecture, dental hygiene, engineering, nursing, pharmacy, physical therapy, teaching, dentistry, many allied health fields, and social work (Harcrosead 1980). The Carnegie Foundation for the Advancement of Teaching (1982) found this link between specialized accreditation and occupational licensure particularly
problematic noting that "through such arrangements they wield enormous power over higher education by controlling entry into the professions and giving states strong influence over academic matters" (p. 79). Orleans (1975) agrees and states, "the power to license is the power to regulate" (p. 4). Such a relationship makes the establishment of new schools difficult and raises constraint of trade concerns.

A good example of the problems inherent in this link can be seen in two cases: the University of Orlando and Massachusetts School of Law. The difficulties encountered when a new law school is established are exemplified in the University of Orlando case. Denied membership in the American Association of Law Schools (a division of the American Bar Association (ABA) that accredits law programs), the University of Orlando faced considerable start-up problems, including the loss of several deans, difficulties recruiting students, and the threat of law suits by existing students who became aware that they would not be eligible to take the bar examination (Mangan, 4/17/98). The most widely observed problem with respect to the relationship of state licence and accreditation occurred in the mid-1990's when the Massachusetts School of Law at Andover filed a $90 million federal law suit against the American Bar Association when it was denied accreditation. Denial of accreditation meant that graduates of Massachusetts School of Law would be ineligible to sit for the bar examination and therefore would not be licensed to practice law in that state. The school had the support of accredited law school deans, fourteen of whom signed a letter to 162 ABA accredited schools criticizing ABA standards as "overly intrusive, inflexible, and concerned with details not relevant to school quality." So heated was the controversy
that editors of the National Law Journal voted the President of Massachusetts School of
Law "Lawyer of the Year," stating that the "chief criterion isn't salaried, its impact"
(The Chronicle of Higher Education 1/12/96:A15). After considerable debate among
legal professionals, the suit was settled and the ABA agreed to change the way it
accredits law schools. The provisions of the consent decree filed in June 1995 have
significant implications for all accrediting agencies; and, indeed, the Justice Department
has advised accrediting agencies to carefully review their processes in light of antitrust
issues. ABA was prohibited from "collecting or distributing law school salary data; using
salary data in reviewing any school; in any way conditioning accreditation on salaries; or
requiring accredited schools to reject transfer credit for courses at nonaccredited, state-
licensed schools...ABA must also accept applications for accreditation from for-profit
law schools; reduce representation of deans and faculty on its accreditation bodies to at
most 50 percent (90 percent is now common)" (Orleans, 1995:8).

In summary, state power is predicated not only on the financial support it provides
to its higher education institutions but also through its licensing and certification
activities. Moreover, it is accountable to its citizens for the operational aspects of its
system of higher education; hence, when tuition levels within its public institutions
increase to untenable levels, it must answer citizen concerns. However, as Gladieux and
King (1999) argue, the role of the states in education reform has been more important
than the provision of financial support, noting that it is the governors through the
Education Commission of the States and the National Governors' Association that have
served as the primary vehicles for this reform.
Business and Industry and Students

Students and employers are discussed simultaneously, as the concern of both constituencies is the need for graduates from U.S. institutions of higher education to apply the knowledge and skills acquired to the needs of the professions. Higher education, as a social system which serves the needs of the public, is impacted by the needs of the organizations for which professionals are prepared. Employers are interested not only in the skill base of employees entering the job market but also in opportunities for continuing education. As will be seen in Chapter VII, as knowledge becomes more central to success in the twenty-first century, business and industry will become more concerned with lifelong learning opportunities. Increasingly, the professions need people with a skill base that does not remain a static entity but changes over time. Moreover, employers incur direct expenses for the training and retraining needs of their employees. Hence, employers exercise control over where and how those tuition dollars will be spent and as such have considerable indirect control. A 1996 survey conducted by the National University Continuing Education Association found that 90 percent of companies currently offer their employees continuing education benefits and 97 percent responded that they would either continue or begin to do so early in the next millennium. Moreover, tuition remission has become a very important fringe benefit; that same survey found that employees rank tuition aid benefits above child care, flextime, and family leave in popularity. These results are consistent with a similar survey conducted by the University of Pennsylvania (1997) which found that 75 percent of employers provide tuition benefits.
Accreditation standards, particularly curricula standards, are driven by the needs of the professions they serve. During periods in which environmental change is great, it is often from the professions themselves that demands for change first appear. During the 1980's, when the nation's ability to maintain its global competitiveness was questioned, concerns over the nation's educational and commercial philosophies heightened, and calls for educational reform appeared in the popular, trade, and professional presses of various disciplines. A brief description of the evolution of standard changes in the field of management education helps to illustrate the indirect impact the professions have on professional accreditation standards.

When businesses are satisfied with the performance of business school graduates, there is little call for changes in the preparation of management professionals, and accreditation standards remain largely unchanged. On the other hand when there is dissatisfaction, it will be expressed in the popular and business press and that public expression of dissatisfaction will drive change in the standards. Evidence for this exists in the history of the International Association for Management Education—AACSIB (AACSIB). Throughout the course of its eighty-year history, the AACSIB has (in addition to some minor changes) made two major changes to its standards; both changes were prompted by cries of dissatisfaction from the business community. The 1959 Gordon and Howell studies sponsored by the Ford Foundation together with the 1959 Pierson studies sponsored by the Carnegie Foundation ushered in the first major change in standards in the 1960's — changes that would have a profound affect on business schools for approximately thirty years. In the 1950's the cries of dissatisfaction from the business
community were loud but the reform articulated by these two studies and supported with sizable grants from the Ford Foundation, quickly remedied the situation. What followed those changes were unprecedented increases in the numbers of business schools and business school graduates resulting not only from the changing demographics, but also from the tremendous demand for business school graduates, whose preparation as a result of those changes in standards was a clear fit with the needs of the business community throughout the 1960’s.

The second major change to the standards was rooted in the cries of dissatisfaction emanating from the business community during the late 1970’s and early 1980’s. A study to evaluate the situation conducted by Porter and McKibben in 1988 ushered in the 1991 standard changes. Paradoxically, those cries of dissatisfaction had their roots in the 1960 standard changes, which produced a business school graduate appropriate for that period but inappropriate for the latter part of the century.

David Halberstam’s (1986) account of the decline of the U.S. automotive industry helps to illustrate the nature of the problem. The 1960’s were a time of great economic prosperity for the U.S. Share prices of large, bureaucratic organizations like IBM, General Motors, Ford Motor Company, and Exxon were driven up by enormous earning power. U.S. companies, led by a group of individuals who would later be characterized as the “whiz kids,” (Robert McNamara, J. Edward Lundy, Lee Iacocca), operated in a post-war economy with virtually no competition from the war-torn European and Asian countries. The war-year and post-war management philosophies were shaped by the overwhelming success of mass production techniques, techniques that embodied the
application of quantitative methods to management problems. The success of the Allied 
war effort was due to the ability of the Americans to mass produce and distribute war 
goods, the statistical techniques for so effectively accomplishing this derived from the 
application of mathematics and science to the practical problems of management and 
production. Perhaps the most widely recognized individual of this period was Charles 
"Tex" Thornton, who would serve as mentor and supporter of the "Whiz Kids." 
Educated at Texas Tech and later George Washington University, he brought this 
quantitative approach to management problems to the Department of the Interior and was 
soon recognized by Robert Lovett, then Assistant Secretary of War. "Lovett, a prime 
architect of American preparedness, immediately understood that Thornton had a new 
and special talent—he knew how to draw information from seemingly aimless and 
unconnected statistics" (Halberstam, 1986:204). Thornton, together with the "Whiz 
Kids" brought this style of management to American businesses during the period of 
post-war prosperity. The success of U.S. businesses during this period caused an 
unprecedented demand for professionals with a management background rich in this kind 
of quantitative and analytical skills that Halberstam attributes to the "Whiz Kids." With 
the goal of filling that need, the Ford foundation committed $30 million to implement the 
recommendations brought forth in the Gordon/Howell and Pierson reports (Porter & 
McKibben, 1988).

At the end of the Second World War businesses were calling for professionals 
with a management education appropriate for a business environment very different from 
that which existed in the pre-depression/pre-World War II era. What they were actually
getting was graduates of a proliferation of business programs (some accredited/some not), with a variety of curricula, most of which did not contain sufficient breadth to provide students with adequate backgrounds in mathematics and science, and many had a management education that was more vocational than analytical. The dissatisfaction of the business community was clear from its support of the Gordon and Howell (1959) and Pierson (1959) studies, whose recommendations would drive revisions to the AACSB standards. Implementation of those revisions was supported by Ford Foundation grants to schools that were thought to be influential and able to serve as an example to others. These standards which would remain largely unchanged for over thirty years and would drive management education until 1991 (Porter & McKibben, 1988).

The impact of these changed standards at the programmatic level was profound. Two inter-related areas that represented the greatest change were in the areas of curriculum design and faculty composition – two areas that would drive the cries of dissatisfaction that would emerge twenty years later. The post-1960 AACSB standards required that business school faculty be “doctorally qualified.” The definition of “doctorally qualified” was not only a terminal degree in the area of teaching responsibility but also active engagement in scholarly activities related to that field. This, of course, significantly impacted the pressure for the business school faculty to publish. The impact of such pressure was twofold: first, it affected the supply and cost of qualified faculty, and second, it kept the faculty narrowly focused on a specific functional area making it difficult to have a fully integrated curriculum. The former would be
Dean of the School of Management at Boston University noted in a Harvard Business Review article, "our post-World War II model of professional management education was adequate when most competitors were North American, but it is inadequate in a globally competitive environment. Our basic management ideas are functionally oriented. We manage each piece of an organization-design, research, product development, manufacturing, engineering, purchasing, sales, marketing, finance—as if optimizing the pieces optimizes the whole...All the inherent incentives work against operating as an integrated system...And, it is our business schools that have not taught how to manage across functions" (Harvard Business Review, 1991:129).

Because the term, "doctorally qualified," was generally defined as a publishing faculty, faculty focused their efforts on publishing in academic journals. This encouraged a specialized, narrow focus and also fostered a movement away from the practical to the theoretical. As Professor Young in a 1993 interview by Industry Week noted, "We had a narrow view of things, and there is very little incentive—in fact disincentive—to work outside your area or where your area might cut across another. As a result, students are short changed in that they don't see much integration across disciplines" (Sheridan, 1993:12).

This AACSB standard not only narrowed the focus of business school faculty, but it also had a significant impact on the supply of business school faculty. After the passage of the 1960 standard, it became incumbent upon institutions of higher education to hire research faculty if they wished to obtain or maintain AACSB accreditation. Therefore, institutions actively competed for a limited pool of "doctorally qualified"
new MBA's per year (Porter & McKibben, 1988), all of whom no longer fit the requirements of most companies.

Economic prosperity came to a grinding halt in the 1970's, and by the 1980's when it became clear that the problems of U.S. companies were not cyclical but rather structural, some of the assumptions about management education began to be questioned. In addressing the decline of the U.S. automotive industry, David Halberstam (1986) makes the following observation which speaks to the deficiencies of American management education in the post-war era. The "coming of the Whiz Kids, as they came to be known, was an important moment, for it reflected a major change about to take place in many American companies. These eager, able young men were not car men. They were not, like those who had gone before them, rooted in the business itself, lured to it by love of mechanical devices or by the excitement of making something. Nothing, indeed, could have been more alien to them. The Whiz Kids were the forerunner of the new class in American business. Their knowledge was not concrete, about a product, but abstract, about systems—systems that could, if used properly, govern any company. Their approach was largely theoretical, their language closer to that of the business school than the auto assembly line" (p. 207). Ford was not alone in this phenomenon. The conglomerate enterprises that emerged in the mid-1960's (Gulf & Western, LTV, Textron, Litton, United Technologies) were operating under the tenets of "paper entrepreneurialism" relying on "financial and legal virtuosity" (Reich, 1983:145) for their success. Reich (1983) describes the general operating circumstances of this business philosophy, "Conglomerate enterprises rarely, if ever, hire any relevant managerial,
technical, or marketing skills to the enterprises they acquire, for the simple reason that they have no direct knowledge of those unrelated businesses. Their expertise is in law and finance" (p. 146). Where the Gordon and Howell and Pierson reports had called for the tightening of control of management education, it now seemed that the AACSB's response to those studies (while appropriate at the time of their implementation) had now become detrimental to U. S. businesses.

Perhaps the major deficiency was a "cookie-cutter" management professional who graduated from any one of the many business programs, all of which were similar because so little diversity was permitted within business school curricula. In fact, post-war management education in the U.S. had produced quantitatively oriented professionals who lacked communication skills, the ability to work in interdisciplinary teams, and an international perspective. The success of the nation's business programs through the 1960's and early 1970's caused an inertia, in part influenced by the business enterprises which looked to the business schools for all of their potential future leaders, thereby perpetuating the use of quantitative techniques while largely ignoring other long-term more qualitative issues. David Halberstam (1986) describes the situation which permeated the automotive industry throughout the 1960's and early 1970's. "The financial people were cloning themselves. They were brilliant networkers. They were connected through professors they had at Harvard or Wharton, having been sent on to Ford by a particular professor. As they themselves became senior, they too became mentors. They took good care of their younger men, placing them in critical slots throughout the company, a practice that inevitably helped both protégé and sponsor..."
financial people built up the single most powerful faction of the Ford Motor Company. In fact, it was so strong, so finely tuned to its own values and to its own leadership at every level, that it was not really a faction but a cadre. As that cadre sought and accumulated power and redefined the company by its norms, winning battle after battle, it inevitably transformed both the company and its purpose" (p. 214). However, it was not only the automotive industry that this redefinition of norms was occurring, it was occurring throughout U.S. industry. The inability of schools of business to diversify their management offerings was indeed a factor in the economic decline which followed. Their myopic graduates, had been taught by faculty confined to narrow disciplines who were parochial in their thinking, were largely inattentive to a changing global environment, addressed short-term results such as quarterly dividends rather than long-term issues such as market share, and believed that all problems could be resolved through mathematical modeling.

Interviewed by Harvard Business Review in 1991, Henry Mintzberg, Professor of Management at McGill University, noted, "Business school education as it currently stands is undermining U. S. business. I am increasingly convinced that the more Harvard and similar business schools succeed, the more U.S. business fails. That is because these schools confer important advantages on the wrong people. They parachute inexperienced people with mercenary pretensions into important positions. For the most part, these people are committed to no company and no industry but only to personal success, which they pursue based on academic credentials that are almost exclusively analytic, devoid of

Other evidence of business dissatisfaction with the preparation of management professionals can be found in the results of a Wharton interview of 1,000 recruiters, alumni, and executives that found a growing sentiment that MBA’s lacked people skills, leadership, teamwork, creativity, negotiation skills, and communication skills (The Economist, 2/8/92). The Economist further reports that an unpublished survey conducted by the London Business School found that “firms do not want the sort of academic specialists that business schools tend to produce—they want graduates with a broad range of management skills who know how to apply them to real business problems” (The Economist, 2/8/92:66). Moreover, the head of one large European multinational (not wishing to be identified in an Economist interview said, “we’re looking for action-based learning, not just grinding through case studies” (The Economist, 2/8/92:65).

Deutschman (1992) reported that a growing number of MBAs were forced to find employment outside the corporate community not simply because of recessionary conditions but because their business preparation was irrelevant to business practice. Moreover, he blamed professors for graduates who lacked “creativity, people skills, aptitude for teamwork and ability to speak and write with clarity and conciseness” (p. 67) stating that faculty “seeking promotion churn out scholarly articles but somehow let pivotal management concepts of the 80s get past them” (p. 76).

Clearly, as the economy shifted in the 1970’s and 1980’s, the accreditation standards that had been based on those late 1950 reports became inappropriate, and
dissatisfaction poured out of the business community leading to a significant change in standards in 1991. This is illustrative of the influence the professions bring to the quality assurance process in the United States. Throughout the 1970's and 1980's American businesses were becoming quite vocal about their dissatisfaction with the graduates of business programs. Those cries of dissatisfaction, coupled with decreased demand for the business school graduate, exerted so much pressure within the profession that the standards of the AACSB were ultimately revised.

Management education was not the only profession in which cries of dissatisfaction were heard and to which accrediting agencies responded. In the field of engineering, for example, there was no absence of complaints that ABET standards were too restrictive and made it difficult for institutions to respond quickly to changing conditions. Several authors made some compelling arguments with respect to the role ABET played in impeding innovation in engineering education. A survey conducted by the National Society of Professional Engineers and reported by Deir (1993), for example, found that one-third of those surveyed said that the current baccalaureate programs did not produce graduates who could meet their basic needs and most agreed that a technical background was not enough. Evidence of this over-emphasis on the technical is found in the Institution of Civil Engineers chartered professional review results; an examination which requires two essays be written from a list of topics related to the engineer in society. That engineering educators were not preparing graduates to perform well on this type of assignment was clearly affirmed by poor performance on this section of the examination and has been cited as the largest single reason for failure (Deir, 1993).
Valenti (1996) commented on the situation, "Where once it was sufficient for universities to teach the basics of mechanical engineering, such things as statics dynamics, heat transfer and design, it is now vital for mechanical engineers to put these things in their societal context" (p. 64). Weick (1988) argued that technology challenges arise not only because of hardware/software problems but also because of "software" problems, that is "patterns of organizational management crucial to effective functioning" (p. 99). He cites the Challenger and Chernobyl problems as illustrative of technological failure which can be attributed largely to breakdowns in socialware and draws our attention to the civilian air transportation as an example of technology functioning effectively only if it is part of system (comprised of such things as airports, traffic control, maintenance facilities, baggage handling, etc.).

Within the engineering profession, advocacy for a more multidisciplinary approach increased and is evidenced in arguments for the inclusion of management and business education within the technical professions. Tarek Khalil (1993) wrote that the key to U.S. competitiveness was not simply the development of new technologies but also our ability to manage the technological enterprise. "We must develop engineers and managers who can do this by broadening the horizon of our engineers and changing the focus of business education" (p. 64). The Olin foundation not only concurred with this perspective but granted $200 million for the creation of a new engineering college in "partnership" with Babson College (Salingo, 1997). This is a clear affirmation of its belief that engineering programs had become too specialized and were not producing graduates with management skills. Bellinger's (1996) research gives further credence to
the belief that multidisciplinary approaches were needed, particularly those in which management and engineering were joined. He found that while the number of companies founded by engineers was substantial; many found that their educational backgrounds prepared them for technical aspects but did not teach them to function as independent managers and entrepreneurs. This is a critical issue with respect to the economic development of states with high technology firms. MIT graduates have founded over six hundred businesses in Massachusetts generating some $10 billion in income for workers; some have moved to Silicon Valley where they have founded over two hundred businesses, generating $20 billion in sales and some 90,000 jobs (Allman, 1991). Fletcher (1990) claimed that ABET had gone too far in the specification of detail with regard to general education as well as design, leaving little room for electives or a minor; Flenniken (1988) found the brief exposure to liberal education limiting and found fault with the fact that students had virtually no exposure to engineering at the lower level. The need for a more practical orientation was confirmed by Maul (1994) in a survey of engineers in U.S. manufacturing companies with over 6,500 employees (selected because it represented a "microcosm of U.S. industry"). Most were critical of their educational experiences and felt that the engineering programs they attended did not prepare them for what they actually did as engineers. In fact, in responding to the question of whether they believed their college education would become more or less valuable to them in the future, only approximately one-half felt their education would become more valuable. Most agreed that courses were disjointed (lacked integration), that more emphasis needed to be placed on creativity, and that the curriculum focus was to produce graduate students
not practicing engineers. Maul (1994) argued that the entire system of engineering education must be re-engineered. McMasters and Ford (1990) blamed industry, not engineering educators, for allowing an overspecialized, theoretical curricula to become the standard, claiming that by "contributing money and then leaving university administrators to figure out what to do with it, industry, has contributed to the drift toward science, at the expense of engineering education" (p. 526).

ABET, like AACSB, would find the solution in accreditation standards that no longer relied exclusively on inputs but would be measured by output—a shift from "what are you doing" to "what are your students becoming," from educational activities as an end to educational activities as a means to an end (www.ABET.edu). Indeed, as discussed in Chapter VII, by the turn of the twenty-first century, federal and state governments together with CHRA were pushing accrediting agencies as far and as fast as possible toward a focus on outcomes assessment.

In short, that the cries of dissatisfaction from professional communities can drive agencies to review and revise standards is testimony to the influence this constituency can have on higher education and its accreditation system. Moreover, because of the importance of knowledge workers to competitive advantage and because of synergies possible through collaborative research activities, business and higher education institutions are increasingly forming strategic alliances, giving businesses more direct influence. Zurman (1999) demonstrates how direct that influence can be by noting that during the 1980s, industry funding for university research and development in engineering and science grew more rapidly than any other research funding source, from
4 percent to 7 percent of total university research dollars. While this is a small percentage of total dollars, it played a significant role because it was concentrated in few fields; in engineering, for example, 79 percent of the faculty receive industry funding (Zusman, 1999). In fact, in the field of engineering federal funding agencies use industrial funding as one of their evaluation criteria. Moreover, such high levels of industry support of research could have some less than positive implications. Muller (1995), for example, warns that industry support may become less beneficial if incentives for applied research have a negative impact on basic research. As higher education efforts to procure alternate sources for funding increase and as business and industry look to higher education for lifelong learning opportunities for its employees, higher education will be influenced even more by the commercial sector.

As the U.S. economy entered its largest expansion in history during the mid-1990’s, questioning of the effectiveness of higher education declined precipitously. One might conclude that a society focuses on the ills and shortcomings of higher education when that society has more general doubts that it is “on-the-right-track” which most often means enjoying prosperity.

Faculty and University Administration

As we have seen, external constituencies have a good deal of power and control over higher education; however, the higher education community is not powerless; it has immense power as the gatekeeper for entry into many professions. As Altbach (1999) notes, “Not only do academic institutions provide training, they also test and provide certification for many occupations in contemporary society... a university degree is a
prerequisite for an increasing number of occupations in most societies... Indeed, academic certification is necessary for most positions of power, authority, and prestige, in modern society (p. 22).

Over the years, the higher education community has been the most ardent critics of its system of accreditation. Yet, there has been widespread recognition that the diversity of institutions and autonomy of those institutions is predicated on the U.S. system of self-regulation and peer review. Despite criticizm regarding accreditation, there is almost unanimous belief that self-regulation is preferable to government intrusion. Faculty and higher education administrators firmly believe that the collective expertise of those within the academy positions them to best determine and assess academic activities. In fact, Selden (1960) notes that one of the purposes of accreditation is to protect institutions against harmful external and internal pressures. Part of the difficulty is that accreditation is "a private exercise, carried out under assurances of confidentiality, not a public discourse" (National Policy Board, 1994:5). Its great weakness is that "beyond the boundaries of the campus, this process is difficult to describe in meaningful ways" (National Policy Board, 1994:5). That is, while faculty and higher education administrators are knowledgeable about accreditation, the public in general, and government officials in particular, are confused about what it is and there are divergent expectations about what it can accomplish.

In the aftermath of HEA 92, Benjamin (1994), representing the interests of the faculty on behalf of the AAUP and fearing further diminishing of faculty direction of curriculum and instruction notes, "Accreditation will, in the long run, be less intrusive
than regulation... Despite the deficiencies of accreditation, it is more likely to protect academic quality and faculty professionalism than any foreseeable system of regulation (p. 36). He further notes, “current radical changes in public policy and turmoil in our structure of self-assessment through voluntary accreditation will, unless we act quickly, erode the autonomy and diversity it permits... As faculty members we must fight to preserve accreditation and insist on participating fully in the evaluation of colleges and universities” (p. 36).

As Larry Braskamp (1997) noted, “we have a tension—a potential incompatibility between scholarship and social relevance, independence from and collaboration with the greater community, a critic of but also an accountable ally for society to help solve its ills and advance the private gain of the academy and service to a larger community” (Braskamp, September 1997:1). That tension continues to exist in a fragile equilibrium with faculty and university administration accepting accreditation as a better alternative than increased government regulation.

University administrators have long complained of the time consuming and costly nature of accreditation. As Glidden (1998) notes, “Some college/university people say that regional accreditation is a paper tiger and that specialized accreditation is a case of too many tigers” (p. 1). Conflict between institutional presidents and professional schools over control of standards and budgets is present throughout the history of accreditation. In fact, the first central monitoring agency, the National Commission on Accrediting, was formed by college presidents in 1949 “in an attempt to regain control of their institutions and to discipline, simplify, and rationalize whatever professional
accrediting could not be stamped out" (Orlans, 1975:1). The year, 1949, was one in which criticism of accrediting reached unprecedented heights; not only was the National Commission on Accrediting formed but a National Committee on Regional Accrediting Agencies was also formed to coordinate the activities of the regional agencies (Orlans, 1975). Critics had become so heated throughout the 1940's that university presidents were publicly calling accrediting "a cumbersome machinery which appears greatly in need of simplification and coordination" (Orlans, 1975:17). In fact, Orlans (1975) notes a resolution that was passed in 1924 at the annual meeting of the National Association of State Universities. "[T]hat in higher education...is assuming such a character as seriously to limit both local initiative and...freedom of experimentation...In a university having many schools and colleges, those units whose curricula are standardized by an outside agency...are in position to exert a disproportionate pressure upon the general university administration for funds. Therefore, all other units of the institution, not already so standardized are feeling the impulse to standardize through national organization. On this account, the movement is likely to grow so as to include practically all phases of higher education" (p. 17).

Within the academy are conflicted sentiments regarding accreditation. On the one hand, the merits of self-regulation and peer review are well received and certainly considered better than increased government intrusion. On the other hand, the accountability aspects of accreditation, together with the cost and time factors involved in the process have been the subject of considerable criticism throughout the century. Nevertheless, during the crisis of the 1990's, the higher education and accreditation
communities recognized the importance of accreditation to maintaining a diversity of institutions and autonomy within those institutions and put forth a united front to preserve the system. It is incumbent upon this group of stakeholders to make the changes necessary to ensure the system’s viability as a continuing member of the quality assurance process in the U.S. While the need for autonomy is clearly present and represented in the perspective of the faculty and university administration, the fact is that institutions of higher education are supported with funds from either public treasuries or tuition revenues paid by citizens. And, massive public expenditures coupled with the commercial sector’s need for an educated work force, gives rise to widespread belief that those constituencies should participate in the setting of direction and assessment.

Stakeholder Conflict

The analysis of stakeholder perspectives clearly points to conflict. However, conflict, in and of itself, is not necessarily a problem nor is it an indication that something is amiss. While the negative face of power is “exploitation and personal dominance” (Bolman & Deal, 1991:206), the positive face is “power as a means of creating visions and collective goals.” (Bolman & Deal, 1991:206). Pfeffer (1992) characterizes power as “an important social process that is often required to get things accomplished in interdependent social systems” (p. 16). Contemporary organization theory argues that conflict is inevitable and should be managed rather than eliminated because it is central to innovation and change (Luthans, 1995). Ultimately, “the goals, structure, and policies of an organization emerge from an ongoing process of bargaining and negotiating among the major interest groups” (Luthans, 1995:50).
Conflict among constituencies, each with differing goals and objectives, is particularly evident in higher education because it is an unbounded system where power is diffuse and the system is loosely controlled. Such unbounded systems are an "open invitation to conflict and power games" (Bolman & Deal, 1991:188). Adding to the conflict is the fact that while the triad represents a shared responsibility of accrediting agencies/state government/federal government for program integrity, the responsibilities of each have not always been clearly delineated. Throughout the latter half of the twentieth century roles have often overlapped creating redundancies that have caused undue stress to higher education institutions. Selden (1960) refers to the tensions within the triad as a "tug of war" with its genesis in the fact that the federal government can act on matters related to education only by indirect action and the fact that agencies have been "slow to recognize and implement their larger responsibility to society in contrast to responsibilities defined in terms of needs of their members." Such lack of response leads government to use indirect pressure and has led to "attempts to recast accreditation, to make it serve roles and functions for which it was not originally created and which it may not be able or should not be expected to fulfill" (Selden, 1960:11). Moreover, because each constituency has a unique set of goals and objectives, the stage is set for conflict that inevitably arises when there is a mix of "interdependence, difference, scarcity, and power relationships" (Bolman & Deal, 1991:189).

Jeffrey Pfeffer (1992) in Managing with Power, also uses these four variables in his discussion of the use of power in organizations. His theory explains variations in the intensity of struggle over power and control and is consistent with the levels of struggle
among and between the accreditation system’s internal and external constituencies. Pfeffer (1992) notes that power is used more frequently under conditions of moderate interdependence “With little or no interdependence, there is little or no need to develop power or exercise influence. By the same token, when interdependence is great, people have incentive to work together, forge common goals, and coordinate their activities (p. 38). Within the accreditation system’s internal constituencies we see throughout the twentieth century few periods in which there is no interdependence, in fact as we will see in Chapter IV, the very development of a system of accreditation began because of the need for commonly understood definitions of various aspects of higher education. Because there was a great need for interdependence in developing these definitions, interdependence among internal constituencies during the first half of the century was significant; hence, struggles for power and control among internal constituencies were moderate. Moreover, during the first half of the century, interdependence between and external constituencies was minimal. Hence, during the first half of the century there was little struggle for power and control among the members of the triad. That situation would, of course, change in the aftermath of the Second World War. The interdependence among internal constituencies, although still moderate, had grown somewhat, while the interdependence between internal and external constituencies had grown significantly. Again consistent with another aspect of Pfeffer’s (1992) theory, the introduction of differing stakeholder perspectives with respect to the purpose of accreditation, created a situation in which struggle for power and control increased.
Pfeffer (1992) argues that interdependence is not sufficient by itself to create the use of power and influence, "If everyone has the same goals and shares the same assumptions about how to achieve those goals, there will be a minimum of conflict....Serious disagreements among people with differing points of view are more likely to emerge in the absence of clear objectives or in the absence of an external threat or competition sufficient to cause subunits to work together" (p. 43). Certainly we see a common end goal among all constituencies (e.g., quality higher education); however, the way in which each constituency defines the variables of quality differs. It is within these differing variables that the purpose and objectives of accreditation move further from the clarity of their early century objectives and the blurring of purpose grew. Hence, struggles for control surface.

Selden (1960) makes the interesting point that "Accreditation is a manifestation in higher education of our form of civil government and political control...Just as there is struggle for control and influence in civil government, so there is struggle for control and influence of academic standards in higher education...And accreditation provides the focus for this latter struggle" (p. x). In their discussion of the political framework in organizational theory, Bennis and Deal (1991) cite Jeffrey Pfeffer's work on organizational politics which posits that organizational and industry structures are "the resolution, at a given time, of the contending claims for control, subject to the constraint that the structures permit the organization to survive." (p. 238). Within the context of accreditation, the postwar era was witness to competing claims for control between internal and external constituencies and also among the internal constituencies. One of
the most important roles of the central monitoring agency is to mediate that struggle by serving as a unified voice for accrediting agencies. As we will see in the historical analysis that follows, several agencies have been dissolved because of their inability to provide that voice. One of the major failings of COPA was an organizational structure that proved ineffective in providing an arena in which the interests of internal constituencies could be resolved. While conflict among those internal constituency groups grew to significant proportions prior to the passage of HEA 92, in the face of the external threat that Act presented, internal disputes decreased as the higher education community struggled with the survival of its system accreditation and faced the threat of increased government intrusion and decreased autonomy.

In the early part of the century a "zone of indifference" — a zone in which few people really cared about what was decided (Bolman & Deal, 1991) — existed regarding both higher education and accreditation. As the importance of higher education to the social agenda of the United States, to its system of defense, and to its ability to compete in a global environment intensified, that "zone of indifference" contracted significantly. Moreover, that contraction intensified as the constituencies dependent on the higher education system (and the quality assured by its system of accreditation) became more and more dissatisfied with the state of affairs. As concern grew, each constituency drew from its unique source of power to exercise control.

Until the mid-1970's power and control vested largely in the higher education community, hence in its system of self-regulation, accreditation, for it is within that community that several key sources of power exist. First and foremost, of course, is
information and expertise power, for "power flows to those who have information and know-how to solve important and vexing problems" (Bolman & Deal, 1991:196). However, ancillary to information power is the ability of the higher education community to control meaning and symbols. Using rituals (i.e. commencement and convocation), myth and meaning help to convince others that a social system should be kept in place.

Moreover, through the system of accrediting agencies a power source existed, predicated on the ability to develop and maintain a system of strong alliances and networks. Once the uncertainty wrought by the 1970's and 1980's appeared, other forms of power took over. "When trust is high, potential partisans are unlikely to become mobilized; they will leave the authorities alone and even support them if they are attacked. But when trust is low and partisan groups expect the decisions of the authority to be bad, they will try to wrest power away—unless they see the authorities as too powerful to confront" (Bolman & Deal, 1991:195). By the 1980's that was clearly the case as concerns over the economy and U.S. competitiveness became pervasive. Constituencies distrusting the authority of those in command of the higher education system, simply mobilized and attacked. Thereafter, federal and state governments, clearly in control of rewards, were able to use that power to command attention to the objectives they believed were not being met. Similarly, the corporate sector, through its own alliance and network structure, was able to exert sufficient influence over state and federal authorities and influence agendas.

In the history of accreditation that follows, we will see a "story of several powerful constituencies advancing different legitimate interests, seeking harmony in an uneasy balance" (National Policy Board, 1994:5).
CHAPTER III

Analytic Framework of Adaptation

Chapter Overview

The framework for analyzing the environmental conditions impacting accreditation throughout its history is presented in this chapter. The conceptual framework developed by Paul Lawrence and Davis Dyer (1983) serves as a formal theoretical model and is intended to explain and understand organizational adaptation strategy. Thus, its primary purpose is as a heuristic tool as opposed to an algorithm, and it is applied accordingly. This chapter begins with a discussion of the model’s important elements (information complexity, resource scarcity, efficiency and innovation) and their relationship to each other. Next a brief description of the organizational elements posited by the nine areas in the model is presented; this includes a discussion of how higher education fits into those areas. A section discussing the application of the model follows. The chapter ends with some comments from external reviewers about the acceptance of the model.

The Model

Paul Lawrence and Davis Dyer’s (1983) Analytic Framework of Adaptation fosters an analysis of changing environmental conditions encompassed in the information complexity and resource scarcity dimensions and provides a model for analyzing adaptation strategies of organizations or entire industries. Through placement of an organization or industry within one of the nine areas in the Analytic Framework of
Adaptation, adaptation strategies that appropriately balance efficiency and innovation can be developed. The Analytic Framework of Adaptation can be viewed as follows:

Table 3
Analytic Framework of Adaptation

<table>
<thead>
<tr>
<th>Information Complexity</th>
<th>High Information Complexity</th>
<th>Area One</th>
<th>Area Two</th>
<th>Area Three</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>High IC</td>
<td>High IC</td>
<td>High IC</td>
</tr>
<tr>
<td></td>
<td>Low RS</td>
<td>Low RS</td>
<td>Intermediate RS</td>
<td>High RS</td>
</tr>
<tr>
<td>Intermediate</td>
<td>Area Four</td>
<td>Intermediate IC</td>
<td>Area Five</td>
<td>Area Six</td>
</tr>
<tr>
<td></td>
<td>Intermediate IC</td>
<td>Intermediate IC</td>
<td>Intermediate IC</td>
<td>High RS</td>
</tr>
<tr>
<td>Low</td>
<td>Area Seven</td>
<td>Area Eight</td>
<td>Low IC</td>
<td>Area Nine</td>
</tr>
<tr>
<td></td>
<td>Low IC</td>
<td>Low IC</td>
<td>Intermediate RS</td>
<td>Low IC</td>
</tr>
<tr>
<td></td>
<td>Low RS</td>
<td>Intermediate RS</td>
<td>High RS</td>
<td>High RS</td>
</tr>
</tbody>
</table>

Lawrence and Dyer (1983) argue that while U.S. diversity, entrepreneurial spirit, risk capital, and potential markets promote the development of new business, organizations/industries have a tendency to stagnate as they grow older and bigger; the result is that in their maturity many fail to maintain their competitive vitality. While there is a whole literature on the subject of organizational adaptation, Lawrence and Dyer (1983) note that “inquiry and debate consistently overlook not only the dynamic interplay between an industry and its changing environment but more importantly overlook the tendency in American firms for stagnation to follow closely on the heels of initial success” (p. 3). That is, as an organization or industry experiences success, organizational culture often becomes entrenched and organizational elements such as power structure, organizational form, and management strategy fail or are slow to adjust to new demands. As a result, the balance between creativity (innovation) and rigidity of control
(efficiency) manifest in those organizational elements becomes inappropriately skewed. Responses to changes in the variables encompassed within the information complexity and resource scarcity dimensions are addressed based on a limited analysis of recent events; consequently, strategies for adaptation are ineffective long-term solutions. Over the long-run, adaptation strategies must encompass both efficiency and innovation. When they fail to do so, a disconnect between adaptation strategy and external environmental conditions occurs and long-term viability becomes compromised; problems become more and more intense as adaptation strategies effective in the former position remain unadjusted. Lawrence and Dyer (1983) present the case of the automobile industry as an example of the inadequacy of limiting goals to short-term solutions based on efficiency and the “plight of hospitals” (p. 267) as an example of overemphasis on innovation. In the former the “internal conditions of the auto companies did not match the external conditions for readaptation during the industry’s maturity....while the automakers achieved production efficiency, product innovation slowed...short-term success spawned short-term incentives, which bred more short-term success, a vicious circle until a series of shocks brought the entire automobile industry skidding toward a crash in 1980” (Lawrence & Dyer, 1983:53). In the case of hospitals, there was virtually no competitive pressure to economize on new equipment and services. Lawrence and Dyer (1983) observe, “hospitals actually increased their costs in order to attract doctors and patients and thereby survive...during the postwar period, hospitals were innovative but highly inefficient” (pp. 115-116). In the past decade, however, public pressure has caused resource scarcity to increase and has moved the entire
industry from Area One to Area Two. The authors note, “for at least three decades the hospital industry was shielded from market pressures, blocking organizational integration, a balanced power structure, and high involvement.” (Lawrence & Dyer, 1983:118).

The thesis that inertia accompanies success is consistent with what was happening in the U.S. accreditation system in the 1990’s. As the historical analysis of accreditation in Chapters IV and V will illustrate, throughout the twentieth century accreditation was the primary mechanism by which institutional quality was assessed, and a central monitoring agency, charged with leading the direction of accrediting agencies, was a critical component in the adaptation of the nation’s higher education system to changing information complexity and resource scarcity. Accreditation’s importance as a quality assurance mechanism increased significantly at mid-century when the federal government relied on it to attest to institutional quality so that federal funds could be distributed appropriately. The radical proposal to eliminate accreditation from the federal financial aid process was largely unanticipated by the higher education community and is indicative of the system-wide failure to address the impact of changing environmental conditions and changing stakeholder expectations with respect to those conditions. That is, there was widespread failure to address the variables within the information complexity and resource scarcity dimensions and to develop adaptation strategies that would be effective over the long-term. For much of the century, the nation’s higher education system had focused predominately on innovation as an adaptation strategy. As will be illustrated in the historical analysis presented in Chapter IV, innovative strategies
were necessary to accommodate changes in the economic infrastructure. The historical analysis of the post-war period provides further evidence of the need for innovative strategies to accommodate the shift to universal access. It was not until the 1970's that the neglect of adaptation strategies that addressed efficiency had any major consequences. Within the higher education system of accreditation, the struggle over an appropriate balance between rigidity of control (efficiency) and creativity (innovation) occurred throughout the entire century; the demise of its various central monitoring agencies is a clear indication that the system had been unable to resolve this conflict. Its inability to do so, as well as its failure to provide the leadership needed for the nation's system of higher education to balance these competing goals, ultimately led to the crisis that befell the system in the 1990's.

The model suggests that the two dimensions of information complexity and resource scarcity must be addressed when looking at organizational or industry-wide adaptation. Historical analysis of those dimensions is a critical component to a comprehensive understanding of the factors currently impacting variables within those two dimensions. Within the information complexity dimension variables are factors related to technological, social, political, and competitive conditions; these are variables that relate directly to choices with respect to goods and services. The resource scarcity dimension encompasses variables related to the financial factors impacting the organization or industry and relates to the "difficulty organizations experience in securing the resources it needs to survive and grow" (p. 5). By identifying nine types of environments based on differences in information complexity and resource scarcity,
Lawrence and Dyer provide a mechanism by which an organization or industry can view itself with respect to those dimensions and develop appropriate strategies to cope with uncertainty.

The Nine Areas of the Model

Readaptation, characterized by continued reconciliation of efficiency and innovation, is most likely to occur when information complexity and resource scarcity both fall in the intermediate range of the Framework of Adaptation or in Area Five. Hence, the position of the industry or organization within the matrix serves as an important starting point for the development of adaptation strategy. For example, those industries located in Area One, which is characterized by high information complexity and low resource scarcity, should be cognizant of the potential problems inherent in adaptation strategies that fail to address issues of efficiency.

The authors define the characteristics of each area and provide examples of the types of organizations or industries one might expect to find within those areas as follows: (Lawrence and Dyer group several together because of similarities in attributes; they are placed in different groups because of the degree of difference among the similar attributes).

Areas One and Two are the areas in which hospitals (1945-1982) and highly innovative, technological firms are found. These two areas contain organizations/industries in which one finds highly educated employees and therefore are considered to have a high degree of differentiation (that is, there is a high degree of employee specialization within the organization). Power in this type of organization is
dominated by gifted and talented professionals and the organizational structure is an advocacy (a term used by Henry Mintzberg to describe organizations with decentralized management systems and in which there is relatively high levels of power vested in one professional group). These organizations are noted for their high levels of innovation but do not value efficiency. The attributes of this area characterize higher education in the immediate post-war years. As will be seen in the historical analysis in Chapters IV and V, resource scarcity greatly diminished in the aftermath of the Second World War, innovation rose considerably (especially with respect to accommodating increasing numbers of students), and efficiency was not a value embraced until the late 1980's.

Area Three is the area in which small businesses (e.g. farmers and general contractors) dominate. Organizational form is simple; integration is high; differentiation is low; operations are centralized (usually run by an owner/manager). High resource scarcity tends to dominate choice, and high information complexity under high resource scarcity circumstances tends to be dealt with by denial or simply ignoring it. While organizations in this area are able to make quick responses to environmental shifts, choices are limited by constrained resources; hence, they are severely limited in long-term readaptive capacity. This area characterizes higher education in the earlier part of the century. While differentiation was higher than the model posits, in the aggregate, faculty members were not as highly credentialed as they were in the latter half of the century; operations were controlled more centrally by a president, and resources were scarce.


**Area Four** is the area in which new successful industries are born. There is a balance between integration and differentiation; power vests with the founding group; there is high innovation and low efficiency. Organizations or industries with a major technological breakthrough are characteristic of this area; growth is frequently rapid and subsequent movement into Areas One and Two is common.

**Area Five** is the key to the model, as this is the area in which the readaptive process is favored. There is a balance of high differentiation and high integration; there is high efficiency and high innovation. In their historical analysis of the agricultural industry, Lawrence and Dyer illustrate how changes in the external environment (New Deal action, export markets, etc.) moved the agricultural industry from Area Three to Area Five and enabled a readaptation that transformed the industry. They also illustrate in the history of the steel industry that not all industries in this area readapt; rather, they found evidence that some industries on the border between Areas Four and Five can become complacent rather than readaptive. Contrast the steel industry with the automotive industry, however, and one sees a different industry-wide response to the "environmental blows of the 1970's" (p. 255) as organizational changes more supportive of innovation occurred.

**Areas Six and Nine** are more likely to have commodity companies with undifferentiated bulk and mass produced products competing on the basis of price; organizations in which there is moderate to high efficiency and low innovation. In 1983 the steel industry, a one-time Area Five industry, moved into this area because it was unable to break away from vested power relationships that became self-reinforcing. The
organizational structure characteristic of organizations in these areas is the machine bureaucracy characterized by a monolithic pyramid chain of command. Strategy is defensive and is aimed at limiting competitive pressures. Jonathon Levy (2000), in discussing the impact of distance learning on higher education, describes a differentiated market that can be pictured as follows:

![Diagram showing differentiated market](image)

Figure 2  
Impact of Distance Learning

While this model presents a picture of secondary education in which traditional higher education maintains its position at the upper end of the market, because of extremely low barriers to entry, the remainder of the market can be expected to draw new kinds of competition. Hence, higher education could move from what Duderstadt (1999) calls a “quasi-monopoly” position into a highly competitive environment. As such some higher education products could potentially become highly competitive, price-sensitive commodities. It is possible that the future could find segments of the postsecondary education market (in particular the newly emerging cyber universities) in this area.

Areas Seven and Eight are professional bureaucracies that use “class methods to buttress their primary reliance on bureaucratic methods of achieving social control.”
(Lawrence & Dyer, 1983:251). They are often large monopolistic organizations (e.g., utility companies and some government agencies) and environmental pressure is slight. They have low levels of integration and differentiation. There is not enough resource scarcity to generate striving nor is there enough information complexity to generate learning. They are nonadaptive and are neither innovative nor efficient.

Application of the Model

Lawrence and Dyer (1983) illustrate the model's effectiveness in guiding understanding of whole industries by applying it to the analysis of the 1983 status of seven industries—automotive, construction, telecommunications, coal, steel, agriculture, and hospitals. The latter is of particular interest, as many of the salient issues within the hospital industry echo those of the higher education system. Of particular relevance is the author's description of the "transformation of the hospital from a small, pre-capitalist charitable institution to a large, chaotically administered organization" (p. 86). The hospital industry, like that of higher education, has dealt with issues of access, the development of highly specialized research and practice, and professionals "who dictate the terms of their relationship" (p. 90) to the organization. The "competition, rising costs, and a darkening financial condition" (p. 91) which characterized the industry's environment in the 1920's would reverse itself with the third party payments that began with the New Deal and continued with the expansion of resources from both private insurance and government. Just as government subsidy of hospitals allowed costs in that industry to rise, government subsidy of higher education has fostered a similar condition. Lawrence looks at the income of physicians in comparison to the Consumer Price Index
and finds it has escalated considerably. Looking at the increase in higher education faculty salaries, one would find a similar condition. Consider, for example, that the average (for all ranks) salary for full-time faculty on 9- or 10-month contracts, adjusted for 1994-1995 dollars, was $12,710 in 1970; that number had risen to $23,302 in 1980; to $42,165 in 1990; to $47,811 in 1995; and to $52,335 in 1997-98 (http://www.nces.ed.gov/pubs2000/gcredwinter/4post/4-req14-d.html). Moreover, not only had salaries increased, numbers of faculty in postsecondary education also rose to accommodate the increased enrollment. At the turn of the twentieth century there were 23,868 faculty; in 1997-98 that number had risen to 386,495 (http://www.nces.ed.gov/pubs2000/gcredwinter/4post/4-req14-d.html). Clearly, the increased costs associated with the support of professionals in higher education is similar to Lawrence and Dyer's (1983) historical analysis of the cost of professionals in hospitals. And, those increased costs have become the focal point for considerable debate in both industries.

By pointing the way to reconciling innovation and efficiency, the model allows "extremely complex phenomena that inhibit or contribute to an organization's [industry's] adaptive and readaptive behavior [to] be simplified and patterned without taking gross liberties with reality" (p. 266). An organization or industry can position itself in the model by assessing information complexity and resource scarcity through an evaluation of external environmental conditions as well as its own internal organizational structure. It can then use the concepts posited by the readaptation framework to execute renewal through strategic goal setting and tactical planning for change.
Unlike other adaptation theories, the model "promotes neither environmental determinism nor completely free enterprise, for making choices is at its center" (p. 15); that is, the organization both impacts and is impacted by its environment. A similar thesis was put forth by the MIT Commission on Industrial Productivity in 1989. They found that the failure of American firms to adapt to new conditions played an important role in the productivity decline of the 1970-1990 period and found that some of the shortcomings were deeply rooted in "organizational structures and social attitudes, and they will be at least as difficult to put right as any macroeconomic problems" (De Tourtozis, Lester, Solow, 1989:38).

In studying accreditation, it is clear that if the system is to survive, it must interact with its environment in a manner consistent with Lawrence and Dyer's (1983) framework. The complacency of the accreditation system in its maturity is exemplified in the failure of the system's umbrella agency, COPA. COPA did not adequately assess and lead the agencies to respond to changes in environmental conditions within the information complexity and resource scarcity dimensions; moreover, it failed to reconcile conflict within the accreditation community that arose because of these changing conditions. It also failed to communicate adequately the purposes and processes of accreditation to external constituencies. The agency's stagnation and unworkable organizational structure almost crippled institutional autonomy and self-regulation within the higher education community. The ability of the U.S. higher education system to maintain that autonomy is predicated on the ability of its accreditation system to be a viable participant in the quality assurance system. As an exemplar of the entire
accreditation community, CHEA, the new umbrella agency, will be a critical player in the system's success. To succeed, it must successfully represent the viewpoints of the higher education community by promoting accreditation to external stakeholders, leading change within the agencies, and fostering the consensus that will continue to reconcile the differences among stakeholder expectations. It will, like the agencies it represents, both impact and be impacted by its environment. Hence, Lawrence and Dyer's (1983) model provides an excellent framework by which the higher education industry in general and accreditation in particular can be analyzed, as well as a model by which the question of whether a voluntary accreditation system can remain a viable participant in the U.S. higher education quality assurance process can be addressed.

Comments of External Reviewers Regarding the Model

The model was developed in the early 1980's, a time in which productivity growth in the U.S. economy had collapsed to crisis proportions with output per hour of labor falling to 1.4 percent annual (from the 1948-1965 average growth of 3.3 percent); so significant was the loss of output associated with the collapse of productivity growth that it was larger than the losses from the recessions of 1973-77 and 1980-86 (Baily & Chakrabarti, 1988). The MIT Commission on Industrial Productivity notes, “To live well, a nation must produce well. In recent years many observers have charged that American industry is not producing as well as it ought to produce, or as well as it used to produce, or as well as the industries of some other nations have learned to produce. If the charges are true and if the trend cannot be reversed then sooner or later the American standard of living must pay the penalty” (Detrouzos, Lester, Solow, 1989:1). They
further note, "small differences in annual growth rate have a dramatic cumulative effect. If productivity had continued rising at 3 percent per year, the U.S. economy would now be almost 50 percent more productive than it is" (Detrouzes, Lester, Solow, 1989:26). Because the collapse of productivity was the most severe economic problem of that period, Lawrence and Dyer's (1983) model was well received by management theorists. Reviews of the book were quite positive, describing it as, "A timely and thoughtful study that may shed new light on why American industry has become a less vibrant force than it once was" (Wilson, 1983:440); and, "Superior to many others published on the subject" (Choice, 1983:158). One reviewer noted, "There have been a number of books on the market these days, some best sellers, which tell us about America's lack of productivity and point to the Japanese as an example of a booming output. This recipe book is in that league and rises above the majority of its competitors" (The West Coast Review of Books, 1983:48). Another found the arguments "well researched and developed" (Wilson, 1984:441). A review in Social Forces (1984), described the book as, "An ambitious and timely study of how divergent industry types—automotive, steel, hospitals, construction, coal—adapt to changing demands. Its sweeping scope and its consciously prescriptive bent should ensure this book a large audience" (p. 1137). The New York Times was more critical of the work finding the "circles and arrows" to resemble a "Rube Goldberg machine" but conceded that "the process for reviving businesses touted in 'Renewing American Industry' appears to be reliable" (Caplan, 1983:19).
Lawrence and Dyer’s (1983) model is particularly relevant to this study because the idea of choice as the central driving force for adaptation is consistent with the highly political nature of the accreditation community. Politics embody the choices of the key constituencies that will be the focus of this study: federal and state governments, the professions (as manifested in the accreditation standards of specialized agencies), higher education leaders (U.S. college and university presidents), and institutional and specialized accrediting agencies will be the central focus of this study. Decision makers in these arenas both impact and are impacted by environmental conditions in their efforts to lead the U.S. system of higher education.

Chapters IV, V, and VI address information complexity and resource scarcity in relation to the historical development of accreditation in the United States. Because higher education serves the public interest, stakeholder expectations and choices are an important component of that history. As the historical analysis will demonstrate, the interests of external stakeholders both impact and are impacted by variables within the information complexity and resource scarcity dimensions and bring to bear pressure for the system to appropriately balance efficiency and innovation.
CHAPTER IV

Historical Issues Impacting the State of Accreditation in the 1990's
1870 - 1950

Chapter Overview

This chapter begins with some introductory remarks about the history of accreditation that includes a discussion of the direction of the information complexity and resource scarcity dimensions that impacted both accreditation and higher education within the four historical periods. The changes that impacted those directions during the first two periods, 1870-1930 and 1930-1950, are discussed in this chapter; those that impacted those directions during the third and fourth periods, 1950-1970 and 1970-1990, are discussed in Chapter V. Each historical period concludes with a summary of the changes in information complexity and resource scarcity and the relationship of those changes to the skewedness of efficiency and innovation adaptation strategies.

Introduction — History of Accreditation

Throughout the century discourse over accreditation mirrored discussions and debates over issues pertinent to the higher education system. The most heated and controversial occurred during periods in which information complexity was greatest and profound environmental changes occurred. Accreditation first appeared during such a period (1870-1930); during the 1930-1950 period it survived the impact of the Depression and World War II; its purposes and processes changed dramatically during the 1950-1970 period; and one such period (1970-1990) gave rise once again to the need for change, change that the system continues to struggle with to this day. Accreditation
has been in a state of conflict throughout its evolution because the needs of its stakeholders (both internal and external) were varied and continually changing. While many believe that tension will and should exist (Brandcamp, 1997), by the 1990's it had escalated to an untenable strain. Throughout the century, the more important higher education became to the U.S. social systems and U.S. global competitiveness and as the resources (both private and public) needed to support the system grew, the more intense that conflict became. That is, the more complicated information complexity became and the more resource scarcity fluctuated, the more debates grew and the more entrenched stakeholder perceptions became.

Semrow, et al., (1992) in the history of regional accreditation in general and the North Central Association in particular, analyze the evolution of accreditation purposes and processes within the context of historical events; thus, overcoming a general failing of former analyses of accreditation which generally lack "a sufficient historical perspective...written largely from an experiential point of view by practitioners...much of the history has been presented in discontinuous segments and often from a defensive point of view" (Semrow, et al., 1992:313). This historical perspective is imperative if the current issues are to be fully understood, for their significance is grounded in the environmental context from which they emerged. As both Semrow, et al., (1992) and Lawrence and Dyer's (1993) model suggest, attempts to understand the challenges the system faces without due consideration for the historical context within which accreditation has functioned cannot be sufficiently probative to uncover the critical accompanying issues that are impacting or have been impacted by the system.
We will see in the history of U.S. accreditation three periods in which the
dialectic model of thesis/antithesis/synthesis used by Semrow, et al., (1992) to describe
the evolution of accreditation was most intense. The paradigm changing events that
comprise the information complexity and resource scarcity variables under which
accreditation emerged between 1870 and 1930 are discussed in this chapter together with
the years consumed by the Depression and World War II (1930-1950). A second
paradigm shift took place during the 1950-1970 post-war period; issues that comprise the
information complexity and resource scarcity variables of that period are discussed in
Chapter V. Chapter V also discusses the 1970-1990 period, a period in which a third
paradigm shift was unfolding. How those issues impacted accreditation throughout the
1990's as well as ways in which they might be addressed in the future is the focus of the
remainder of this dissertation.

These periods relate to the model posited by Lawrence and Dyer (1983). At the
turn of the twentieth century, environmental changes fostered a debate within the nation's
system of higher education that would give birth to accreditation. Those conditions
moved the nation's system higher education out of Area Three in Lawrence and Dyer's
(1983) model. While most late nineteenth century higher education institutions were not
as small in scale as the typical farmer or small contractor given by Lawrence and Dyer as
examples of organizations characteristic of this section of the matrix, they were
nevertheless characteristic of small autonomous organizations operating independently,
usually under the leadership of a single individual. Duderstadt (1999), in writing about
the transitions higher education will make in the twenty-first century, characterizes higher
education throughout much of its history as a cottage industry and even equates individual courses to a made-to-order handicraft—characteristics of products in Area Three. As the historical analysis that follows will show, as the nineteenth century came to an end, institutions of higher education found themselves functioning in an environment in which both information complexity and resource scarcity was very high. The shift in employment from agriculture to industry impacted many of the nation’s social structures as they adjusted to a new economic infrastructure. Moreover, the enrollment growth of that period began to reduce the high levels of resource scarcity typical of Area Three organizations, moving the system closer to Area Five conditions, which are conducive to both innovation and efficiency. From that movement, more complex organizational structures began to emerge, as the role of the president changed from an internal to an external focus, the faculty began to play a role in the governance process, and the coordinated efforts of institutions evolved into a “system of higher education” with a common understanding of heretofore less-than-clearly defined terms (i.e. credit hour and semester). Just as the rise in hospitals (which also moved out of Area Three early in the twentieth century) corresponded to the rise of the medical profession, the increase in higher education enrollments coincided with the rise of the professorate. While the numbers of higher education institutions did not rise precipitously (as was the case with hospitals), their capacity to serve increasing numbers of students significantly increased.

Similarly, just as third party payments drove hospitals into Area One, the infusion of federal funds into the higher education system after the war, drove the system into
Area One and Two conditions. Because of the reduction in resource scarcity, efficiency came to be a value that was not highly regarded; rather, innovation was valued and sought, especially as the system struggled for ways to accommodate increasing student enrollment resulting from national policies promoting universal access as well as the national defense needs driven by the Cold War. While the higher education and its accrediting system remained in the Area One and Two cells throughout the remainder of the twentieth century, there was movement toward Area Five during periods in which the dialectic model described by Semrow, et al., (1992) was most profound. For example, resource constraints characteristic of the 1970-1990 period created a tension between the competing adaptation strategies of efficiency and innovation. Institutions responded to resource scarcity issues using adaptation strategies that encompassed innovation (e.g. short-term solutions such as across the board cuts rather than long-term solutions such as strategic planning to identify priority areas). Accrediting agencies, which needed creative or innovative methods to drive the higher education institutions to embrace strategies that addressed both innovation and efficiency, focused on rigidity of control.

The central monitoring agency, CUPA, unable to reconcile the competing expectations of internal stakeholders also failed to reconcile the needs of external constituents and was not organizationally structured to effectively lead change. Reconciliation began to occur when the radical proposal to remove accreditation from the quality assurance triad heightened information complexity and drove the system closer to Area Five conditions where reconciliation of efficiency and innovation is more likely to occur. Positioned closer to Area Five, the system continues to address the needs brought to bear by what
has been called the "new economy" – a networked, globally connected economy in which advances in technology are again changing the context in which higher education and its system of accreditation operate. The movements described above can be viewed within the model as follows:

### Table 4
**Twentieth Century Higher Education**

<table>
<thead>
<tr>
<th>Information Complexity</th>
<th>Area One</th>
<th>Area Two</th>
<th>Area Three</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate</td>
<td>Area Four</td>
<td>Area Five</td>
<td>Area Six</td>
</tr>
<tr>
<td>Low</td>
<td>Area Seven</td>
<td>Area Eight</td>
<td>Area Nine</td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>Intermediate</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Resource</td>
<td>Scarcity</td>
<td></td>
</tr>
</tbody>
</table>

**The Period 1870-1920**

**Information Complexity and Resource Scarcity – 1870-1920**

Information complexity increases to great proportions during periods in which structural changes to social systems are profound. The turn of the twentieth century was one such period. Robert Reich (1983) characterizes the period as the first era of American productivity, noting that between 1870 and 1900 the U.S. economic expansion was unparalleled in U.S. history. By 1900 the annual value of the nation's manufactured products increased to $11 billion (a more than $9 billion increase from its 1860 value); capital investment in manufacturing plants grew from $1 billion in 1860 to $12 billion in 1900; population in cities exploded as did social problems associated with that growth,
and a major invention made its appearance on average every fifteen months (Reich, 1983).

Accreditation was born at the turn of the twentieth century during a period of rapid industrialization in which new developments in manufacturing, transportation, and communication had major implications for education. Massive industrialization gave rise to increased demand for secondary and postsecondary education, for with industrialization came the need for both factory workers and educated persons to train and supervise them (Manning, 1993). Selden (1960) characterizes higher education during this period as existing in a state of "active confusion" (p. 28), as it responded to the new demands dictated by these changing conditions. Efforts to reduce this "confusion" or information complexity manifested themselves in collaboration among and between institutions of higher education from which our present system of accreditation was born.

By the mid-nineteenth century, the progressive perspective that political parties, economic institutions, and state constitutions should serve the needs of the people (Rudolph, 1960) had already begun to impact the nation's institutions of higher education. Soon the aristocratic tradition in which the needs of the elite, not the masses, were paramount (Veysey, 1968; Rudolph, 1965) gave way to the idea of colleges and universities devoid of classical traditions and more pragmatic in their approach to curriculum. To the English tradition of teaching and German tradition of research and graduate studies was added the concept of utility – an idea solidified by the Morrill Act of 1862 and the subsequent agricultural and industrial advances which
flowed out of the colleges and universities as a result of that legislation. This more pragmatic approach to education, together with the growing workforce demands of the new industrialization, resulted in increased enrollment at both the secondary and postsecondary levels — between 1890 and 1920 participation in secondary education increased twelve times faster than growth in the general population and participation in higher education grew by a factor of five (Semrow, et al., 1992). Moreover, the concept of democracy increasingly became a part of higher education manifesting itself in equality of all fields of studies, equality of treatment of students, and ease of admission. “Accreditation was not only a product of this period but also shared the characteristics of the society that spawned it: idealistic, self-motivated, reform-minded, desiring improvement, believing in both individual initiative and voluntary collective action, and distrustful of government” (Young, 1983:6). By the mid-century expansion those numbers had grown to phenomenal proportions (from 238,000 in 1900 to 2,659,000 in 1950 to 5,921,000 in 1965) and by 1996 they had grown to 14,300,255, a number unimaginable in 1900 (http://nces.ed.gov/pubs99/coaddition99/indicator-48.htm).

As those numbers grew, issues that would become all too familiar by the end of the century were first heard, namely, debates over curriculum focus and its impact on U.S. competitiveness. Despite the Morrill Act and the new focus on a practically oriented education, there was still widespread belief that the classical curriculum was too predominant in American colleges. Moreover, the idea emerged that U.S. competitiveness was being jeopardized by the ability of other countries, such as Germany, to better educate their population in the technical and mechanical areas.
These are two issues that would resurface throughout the century and would be particularly heightened during the 1990 period. An excerpt from an 1885 Senate committee report could easily have been uttered in the early 1990's; it called American education "useless, obsolete, and far behind that in other countries," (Daniel, 1998:22). Perhaps the sentiment of that committee with respect to the preparation of professionals, is best summarized by Carter Daniel's citing of testimony by newspaper owner Joseph Medill that the purpose of American higher education was, "not to increase the effectiveness of labor, to make two blades of grass grow where only one grew before; it does not show the pupil how, by acquiring a manual art, he can double or treble the value of his labor. It does not teach a science in a practical form. On the contrary, college education is conducted with a view to imparting a knowledge of dead languages and the higher mathematics to the pupils, which is all well enough for the wealthy and leisure classes, but is not best suited for bread-winners" (Daniel, 1998:22). In addition to arguing that higher education was not appropriate to the needs of the larger social order, this testimony also reflects a growing sense that access to higher education needed to be broadened. Testimony given by sculptor Wilson McDonald, however, directly dealt with the state of professional education that within twenty years would be addressed by specialized accrediting agencies; that is, American schools were producing "briefless lawyers, bad doctors, worse preachers, half-educated engineers, untrained business men, speculators; and the large crop of the new specimen of the gentry Homo, the 'Dude,' the output of our rich society families" (Daniel, 1998:3).
Notwithstanding those sentiments, by the start of the twentieth century the numbers of higher education institutions had expanded greatly, in fact every state in the union had at least one land grant university. Of the four hundred local, state, and national higher education institutions included in the *Report of the Commissioner of Education for 1893-94*, nearly 70 percent had come into existence between 1870 and 1892 (Semrow, et al., 1992). Many were born of “religious fervor and local pride...they were started overnight with few questions asked by government officials and with no significant oversight arrangements within the academy itself” (Carnegie Foundation, 1962:21). All of these conditions paved the way for a system of self-regulation, as did the pressing need for a mechanism for differentiating between a college and a high school created by the establishment of a pension fund for college teachers by Andrew Carnegie and the founding of the Carnegie Foundation for the Advancement of Teaching to administer the fund.

The Morrill Act, Jacksonian democracy, the unleashing of American capitalism, industrialization and urbanization, had all contributed to the changed university characterized by the emergence of the PhD as a label of academic respectability; an academic hierarchy, departments—specializations; publication and transfer of emphasis from teaching to research, learned societies, university presses, sabbaticals, academic freedom and tenure, a changed role for the presidency, a professionalized faculty, a government board with a professional competence that lay outside the main interests of the institution and the growth of administration (Rudolph, 1960). By mid-century the university would evolve further from a single community
of masters and students to a whole series of communities and activities held together by a common name, a common governing board and related purposes and would ultimately be described as the "multiversity" (Kerr, 1963). It is within this context that our present system of accreditation emerged.

Regional Accreditation

Regional or institutional accreditation, as a decentralized system for maintaining education standards (Selden, 1960), surfaced from this newly evolved idea of higher education; moreover, its emergence "was not an isolated case of organization building" (Sarrow, et al., 1992:5) but part of a general trend toward the creation of professional organizations. The creation of accrediting agencies was preceded or accompanied by the establishment of such organizations as the Association of American Universities in 1900, the College Entrance Examination Board in 1900, and the Carnegie Foundation for the Advancement of Teaching in 1905; the American Association of University Professors in 1915, and the American Management Association in 1925.

These education associations emerged because of an absence of federal government involvement in education. There is no mention of education in the Constitution; therefore, according to the tenth amendment, it is considered one of the powers delegated to the states (Selden, 1960). With a federal government lacking the constitutional authority to oversee education, regional groups emerged as voluntary organizations in which issues related to higher education could be addressed. "The first colleges were private and often church related; they resisted government control and religious tenants provided them with strong moral guidelines...Colonial governments
exercised little or no supervision over higher education...[hence] colleges and universities learned, by trial and error, to control themselves, and as more institutions came into being, they developed informal means for working together" (El-Khwass, 1983:56). The next logical step in the coordination process was the formation of voluntary organizations in which members could address common concerns.

This is not to suggest that the U.S. government lacked any interest in higher education, for by 1867 it had established the Department of Education. In fact, by 1870 the agency, despite difficulty clearly differentiating between high schools and colleges, had published a directory of colleges and listed some 369 institutions. By the end of the nineteenth century the annual reports of U.S. Commissioner of Education began to express concern over how American universities compared with universities abroad (Semrow, et al., 1992). Perhaps the greatest issue contributing to this concern were pressures from German institutions (which in the nineteenth century had emerged as world leaders in academic leadership and scientific inquiry). They were confronted with growing numbers of U.S. students seeking admission to their universities and lacked a mechanism by which the academic preparation of those students could be measured. Initial attempts by the U.S. Commissioner of Education to rank colleges failed when Presidents Taft and Wilson, succumbing to Congressional pressure originating from college constituents opposing publication of any ranked list, refused to allow the publication of the department's ranked list (Harcroft, 1980). Ultimately the newly established Association of American Universities (AAU) responded to the need in 1914 by publishing a list of colleges whose graduates successfully participated in graduate
studies. The list of 119 “accredited” institutions was transmitted to the Prussian Kultusministerium as well as the ministers of various German states and was legitimized by institutions such as the University of Berlin which required candidates for admission to have completed their work at an AAU member college. AAU continued producing its list until 1948. In fact, Orlans (1975) believes the void created by AAU’s withdrawal from list production gave rise to the establishment of the National Commission on Accreditation in 1949, the first central monitoring agency.

While federal government involvement remained minimal until mid-century, the states had a long history of involvement with the colleges beginning with the charter of Harvard University in 1630. While the concept of accreditation is clearly a twentieth century phenomenon, state involvement with assessment dates back to the eighteenth century. As early as 1787 in New York the Regents were required to report to the Legislature the results of their annual visit and review of each state university. Before the turn of the century, similar laws were enacted in Iowa, Washington, Utah, Virginia and Maryland (Harcieroad, 1980). Although this kind of assessment activity did occur at the state level, the 1918 Supreme Court decision in the Dartmouth College case affirmed the colleges independence from the state and strengthened the independence of higher education in America (Carnegie Foundation, 1982).

Nevertheless, external assessment certainly continued to some extent but remained solely a localized state sponsored activity until the regional accrediting agencies were formed. And, by 1914 four of the six regional agencies had been founded; the initiation of higher education accreditation began between 1904 through 1954.
Table 5
Regional Associations Dates of Formation and Initial Accreditation

<table>
<thead>
<tr>
<th>Region</th>
<th>Formation</th>
<th>Accreditation Standards for Colleges</th>
</tr>
</thead>
<tbody>
<tr>
<td>New England</td>
<td>1885</td>
<td>1954</td>
</tr>
<tr>
<td>Middle States</td>
<td>1887</td>
<td>1921</td>
</tr>
<tr>
<td>North Central</td>
<td>1895</td>
<td>1910</td>
</tr>
<tr>
<td>Southern</td>
<td>1895</td>
<td>1919</td>
</tr>
<tr>
<td>Northwest</td>
<td>1917</td>
<td>1921</td>
</tr>
<tr>
<td>Western</td>
<td>1924</td>
<td>1949</td>
</tr>
</tbody>
</table>

(Source: Odle, 1977: 9)

All were formed to serve as a forum for discussion and exchange of information but soon identified the need to establish common definitions for secondary and collegiate institutions; hence, defining the difference between high school and college became the first order of business. Indeed, initial discussions centered almost exclusively on debates over admission requirements. From that process standards evolved, “In focusing on the preparation of the entering students, colleges and universities were establishing a form of quality control for their educational programs by specifying the quality of the students they wished to admit” (Semrow, et al., 1992:160).

Although the initial focus of the newly founded accreditation agencies was evaluating high schools and setting standards for secondary education to facilitate the admissions process, the concept of evaluation was soon expanded to include institutions of higher education. In fact, by 1910 the North Central Association had written standards for colleges and universities, and by 1913 had published the first list of accredited institutions (Young, 1983). By the end of the First World War, the American Medical
Association began using the North Central Association list as the basis for approving colleges from which students could apply for admission to medical school.

The institutional accrediting process was driven by quantitative standards and consisted of the filing of forms called inspection blanks. The self-study, an assessment tool currently used in most of the quality assessment systems throughout the world, would not emerge as an assessment mechanism until after the Second World War; and, despite reference to “inspections,” site visits for the higher education institutions did not occur until 1917-18 (Semrow, et al., 1992). While the objective of these early assessments was to identify qualified students for admission, there were two distinct methods for accomplishing that goal. One focused on the evaluation of student characteristics; the other focused on the evaluation of institutional characteristics. The latter was adopted by the University of Michigan and consisted of faculty committees visiting high schools on a three-year cycle with committee recommendations being forwarded to a university committee. That is, the university essentially became the inspector determining the overall quality of the secondary school. This model was favored in the mid-West and similar systems were adopted by Missouri, California, and Minnesota. The second model measured quality based on the student performance, was adopted by the University of Chicago, and was favored by the New England States (where direct involvement in institutional assessment was delayed until the 1920’s). In this model, a university faculty member was assigned to act as a school counselor for each affiliated school and student scores on examinations became the primary quality criteria. Ultimately the College Entrance Examination Board (created in 1900 in a joint
effort by the New England and Middle States Associations) assumed responsibility for evaluation of individual students that ultimately drove the prevailing emphasis of institutional accreditation to be the review of the entire institution. However, New England Association resisted this approach until 1917, at which time it began evaluation institutional characteristics (Semrow, et al., 1992). Those early institutional assessments were focused on the evaluation of input data (number of library holdings, faculty qualifications, student test scores, etc).

As the regional agencies developed in these early years, they were not devoid of challenges; predominant among these challenges was the need for a strong, national voice to represent the collective interests of the agencies. Endeavors to establish such a voice are present in the history of accreditation and emerge predominately because of the ever increasing need for mechanisms of cooperation and collaboration. While there was limited contact among regional accrediting associations prior to the postwar period (Kells, 1983), there were some early attempts at collaboration. As early as 1906, issues that were of interest to the agencies began to be addressed collectively when the four existing regionals, the College Entrance Examination Board, the New England College Entrance Certificate Board, and the National Association of State Universities began holding annual meetings as the National Conference Committee on Standards of Colleges and Secondary Schools. While that Committee disbanded its work in 1923, the goal of providing a lead agency did not die but continued with the efforts of the American Council on Education. Hence, early in the development of the accrediting system, the need for leadership within the system emerged. As the century progressed that need
intensified and an agency to oversee the activities of the nation's accrediting agencies (both institutional and programmatic) would first be established in 1949 with the creation of the National Commission on Accreditation. As the history of accreditation evolved and conditions changed, one agency after another would be replaced to meet the needs dictated by change.

**Specialized Accreditation**

Focused at the programmatic level, specialized agencies serve both institutions and the profession and reflect the profession's definition of itself as well as the knowledge those entering the profession must possess (Mautlin-Jeronimo, 1997).

Among the newly developing professional organizations of this period were those which directed their attention to the professions themselves. The American Medical Association, many of the professional associations associated with the engineering professions, the American Management Association, and the American Bar Association, all emerged at the turn of the twentieth century. These newly developed organizations together with the emergence of a departmental organizational structure and proliferation of specialized programs paved the way for the creation of specialized accreditation agencies, which evolved because of concerns over the quality of professional education. Today, professional accreditation provides an element of protection, "protection for potential students so that they may know which professional schools have met minimum standards; and protection for the public from unqualified practitioners who presumably might have obtained their training through an inadequate program of study" (Seldon & Porter, 1977:12). And, while specialized accreditation has been the subject of much
criticism, including complaints that it fosters competition among professional programs, it is costly and time consuming, and it stifles innovation, it remains a critical mechanism by the quality of professionals can be maintained. During the initial emergence of the specialized agencies, however, these complaints, which would become louder and louder as the century progressed, were hushed by the growing need to contain the abuses that were occurring in professional education.

By the nineteenth century, professional education (at that time predominately medicine, law, and theology) began a shift from apprenticeship-based training to school-based training. Problematically, many of the newly developed formal study programs were proprietary with a very strong profit-making orientation. So poor were some programs that in 1889 a Philadelphia editor exposed abusive practices when he was able to purchase degrees in medicine, law, and other professions for $4.55 (Harcelroad, 1980). As these privately run professional schools, so many of which had educational programs that were less than adequate, became firmly established, they steadfastly resisted any external influence and were determinedly opposed to the concept of accreditation. In the history of the fields of medicine and law there is evidence of strong resistance by the proprietary sector to any form of external assessment. Therefore, abuses, particularly in the proprietary sector, remained unchecked for some time.

In 1875 the New York Daily Tribune quoted the editor of the Philadelphia Medical Times, Dr. H. C. Wood, who asserted that medical colleges were nothing but joint-stock companies that “vie with each other in shortening the time of study and lowering the standard of graduation” (Kaufman, 1976:119). The Tribune urged the
American Medical Association (AMA) to take action noting, "a few months attendance at lectures, a sham examination, and vulgar quacks, Bob Sawyers, are turned out, thousands at a time, licensed to kill or cure" (Kaufman, 1976:119). However, the "best that can be said for the American Medical Association before 1900 is that its efforts did keep reform vaguely alive in the distant hollows of the profession's conscience" (Hudson, 1992:6).

While AMA's Committee on Medical Education had advocated for higher medical education standards since its establishment in 1847, no formal action took place until the founding of the Council on Medical Education. Moreover, significant reform did not occur until the aftermath of Flexner Report in 1910. In fact, despite almost fifty years of advocating medical reform, the situation grew worse — in 1880 there were 90 medical schools, in 1890, 116; 1900, 151; 1906, 161, (Kaufman, 1976) — intensifying even further resistance to reform. As these diploma mills proliferated, many hired agents who operated throughout the country and for a fee offered a varied selection of degrees from a number of schools. In fact, the Illinois Board of Health, once it had the power to license physicians, studied the situation and found that between 1877 and 1879 almost 10 percent of the states' practitioners had purchased their diplomas. Kaufman (1976) cites another survey of medical licensing legislation conducted in 1879 by Stanford Chauncey that found only seven of the thirty-eight states had effective legislation. From 1830-1875 "legislative regulation of medicine did not involve...State lawmakers shunned it as class legislation and saw 'regulators' physicians as seeking a monopoly...Regular physicians objected on grounds that the proposed laws, in the very regulation of sectarians, implied
recognition and conferred protection. The public, for its part, would tolerate no interference in the right of every citizen to choose a medical attendant” (Hudsoe, 1992:6).

A major contributor to the abuse was the absence of state licensing laws. While some states had passed medical licensing laws during the last two decades of the nineteenth century, they were inadequate and lacked uniformity; moreover, not all states adopted them. In addition, most laws that did exist provided for the automatic licensing of anyone possessing a degree; therefore, placing a premium on the degree and encouraging even more traffic in diplomas. Hence, it was possible for individuals with virtually no education or training to practice medicine.

Seeking to initiate reform, a convention of medical teachers in May 1890 brought delegates from fifty-five medical colleges to Nashville, Tennessee, where the National Association of Medical Colleges was founded (later to be called the Association of American Medical Colleges). Criteria for membership in the organization were established and in 1891 the National Confederation of State Medical Examining and Licensing Boards joined in the reform struggle. By coupling reform to licensing rather than to the good will of the schools, this organization sought to overcome the failure of the moral suasion method previously used by AMA (Kaufman, 1976). While these early efforts had driven reform in some schools, much of the abuse continued unchecked because not all states had licensing requirements.

At the turn of the twentieth century, the American Medical Association renewed its efforts to reform the nation’s medical schools. Disturbed over the proliferation and quality of medical education programs, the American Medical Association established its
Council on Medical Education in 1904; it would be the first professional accrediting agency. By 1905 AMA had established a rating system based on standards adopted by the Council; began the inspection of medical schools in 1906; and published the first list of recognized medical schools in 1907 (Gidden, 1983). AMA, however, simply was not strong enough to enforce its decisions. Indeed, as Kaufman (1976) points out “when the AMA adopted a resolution declaring that it had the power to set standards of education and that it would consider colleges which did not reform as irregular institutions, the association was bitterly condemned...[while] a number of dedicated men worked long and hard to effect the reformation...very few colleges were willing to increase standards when that almost certainly would have meant losing a large number of students to schools that refused to reform (Kaufman, 1976:116). The tables really turned with respect to medical education when the Carnegie Foundation, wishing to review all professional education programs, collaborated with AMA to review medical education. The result of that study was the now infamous Flexner Report of 1910 which made clear the extent of abuse occurring within the medical education community. Barzansky (1992) argues that Flexner clearly understood the importance of linking accreditation and state licensing laws as a force for reform when he wrote, “The state boards are the instruments through which the reconstruction of medical education will be largely effected” (p. 190). And, indeed, the growth of professional accreditation in general and medical education in particular went hand-in-hand with state licensing for professional practice (Orlans, 1975). As soon as the states required graduation from a medical school with an acceptable AMA rating as a prerequisite for sitting for the licensing examination, medical schools that did
not reform, and hence were denied accreditation, lost students. The impact of the report was considerable, reducing the number of medical schools from 160 in 1905 to 85 by 1920 (Glidden, 1983), as well as reducing the number of physicians trained from 157 per 100,000 population in 1900 to 125 per 100,000 population in 1929 (Thorne, 1993). Moreover, it established “a structure and set of priorities which continue to dominate medical education” (Thorne, 1993:17). Modeled on the Johns Hopkins University School of Medicine, Flexner’s recommendations included an emphasis on science and research (which as the century progressed would have far reaching implications for medical school budgets), a university affiliation, a full-time faculty, hospital-based clinical instruction, and standardized admissions requirements (Thorne, 1993). The impact of the Flexner Report, however, was not limited to the medical field.

Once medical school standards had been established, it was not long before other professional standards followed. Soon the Association of American Law Schools began adopting standards for improving law programs and by 1923 had published its first list of accredited law programs. Prior to the nineteenth century, legal education, like medical education took place through an apprenticeship system. While there were some attorneys entering the profession through formal education in England, the majority entered the profession by working for a lawyer (usually as clerk/copyists and messengers in the absence of the typewriter and telephone) (Thorne, 1993). The first evidence of formal training in the United States was a small group of students studying under a practicing lawyer in Connecticut in 1780; subsequently, proprietary schools similar in format opened, but all such schools were considered supplemental to apprenticeship (Thorne,
1993). While a limited number of law schools associated with colleges appeared at the turn of the nineteenth century (College of William and Mary, University of Virginia, Harvard, Columbia), formal legal training became more prevalent after the Civil War, at which time a widely varied array of schools filled the demand for school-based legal education. Until the turn of the twentieth century, neither attendance in a legal education program nor the passage of the bar examination was a prerequisite for entry into the profession. Moreover, while attendance in law schools had increased and apprenticeship had declined by century’s end, much of the growth in legal education “was not in the university-connected programs, but in proprietary, commercial, correspondence, and part-time schools” (Thorne, 1993:105). Like medical education, a proliferation of law schools characterized the late nineteenth century: 15 in 1850; 31 in 1870; 61 in 1890; and 124 in 1910 (Stevens, 1983).

The American Bar Association was organized in 1878 and efforts began immediately to raise admission standards. While the early meetings addressed legal education and the need for improvement, it was not until the Carnegie Foundation report in 1921 that specific recommendations were made to effect change. As it had done for medical education earlier, the report demonstrated that “the system of legal education was in a state of chaos in spite of improvements at some schools” (Kaufman, 1976:167). At that time criteria for admission to law school was established, as was criteria regarding the length and sequence of the curriculum and the acceptance of the case method as a pedagogical method. Interestingly, those recommendations did not have the same impact as the Flexner Report on medical education. In fact, the number of law school increased
from 124 in 1910 to 180 in 1930 (Stevens, 1983). But, law schools did settle into a homogeneous pattern as a result; although, professional training remains separated from practice.

There were also changes in teacher education throughout this period. Jurgen Herbst (1989) notes that the idea of public responsibility for education had been present since the early days of colonial America. However, the schoolmaster of colonial times was neither held in the highest of public esteem nor professional. Some were

Drifters shunning hard physical labor, and handicapped fellows unable to perform it sought out the schoolhouse as a place to sustain themselves for a season...Consequently, whether deservedly or not, common school teachers often ranked low in the opinions of their countrymen who were used to a hard and frugal life on the farm...And who does not remember Ichabod Crane, the village schoolmaster in Washington Irving's The Legend of Sleepy Hollow...slightly ridiculous with 'hands that dangled a mile out of his sleeves' and 'feet that might have served for shovels' (Herbst, 1989:23).

By the early nineteenth century stirrings of reform began to present themselves and soon the idea that teachers should be trained in institutions for teacher training surfaced. The 1837 appointment of Horace Mann and Henry Barnard as secretary of the Massachusetts and Connecticut Boards of Education represented "the beginning of a determined effort to strengthen and increase the common schools" (Herbst, 1989:12); a practice that soon spread throughout the states. To do so, a means for developing teachers needed to be established and while Mann and Barnard were opposed to the development of separate
schools for members of particular economic classes, churches, or ethnic groups, they knew the secondary schools and colleges could not train the required number of teachers (Borrowman, 1965). In 1938, the Massachusetts legislature proceeded to establish the first three normal schools in Lexington, Barre, and Bridgewater. "American normal schools were created to turn the temporary occupation of schoolkeeping into a life-time career of school teaching. Schoolmen intended to use these schools as instruments of professionalization. With their help they wanted to replace the citizen-teachers with classroom professionals" (Herbst, 1969:140). The role of the normal school would evolve "from the position of a secondary school to that of a collegiate institution and the study of education found a place in virtually every American university and in most liberal arts colleges" (Borrowman, 1965:27). Indeed, the normal school firmly established the idea that teaching "should command the prestige and commitment to service usually characterized as professional" (Borrowman, 1965:19). The period saw the introduction of specialized accreditation for schools and colleges that provided teacher education with the establishment of the American Association of Colleges for Teachers Education in 1920. Although, a long rift between those schools and colleges of liberal arts with education programs existed until the National Council for Accrediting of Teaching Education brought both groups together in 1952.

Management education was not exempt from the sweeping changes of the period. Although political economics existed in the nineteenth century curriculum, business education as it relates to the actual practice of business was nonexistent in colleges prior to 1910. Since most businesses were "local, owner-operated, one location
establishments, there was simply no necessity to train people to be "managers" (Daniel, 1998:19). Like other professions, apprenticeship served as the primary method of training. Narrowly focused, private business colleges, which attracted low-quality students, grew rapidly after 1850. Over five hundred such schools, mostly clerical in orientation, existed by the end of the nineteenth century (Daniel, 1998). Despite the obvious popularity of commercial programs, and the fact that more than one third of employees in the nation's businesses were college graduates (Daniel, 1998), there was still widespread resistance to collegiate business education because of (1) the low class reputation of commerce as a profession, (2) the idea that colleges were for "learning, not earning" (Daniel, 1998:28), (3) the absence of a defined curriculum, and (4) the prevailing belief that there was nothing to teach because the skills needed in business were "so ordinary that no education was needed or appropriate" (Daniel, 1998:28).

Nevertheless, there were some supporters of business education: Andrew D. White of Cornell University, Robert E. Lee of what was to become Washington and Lee University, founder of the University of Pennsylvania, Joseph Wharton, Edmund James, one of the first professors at the Wharton School, and Harlow Stafford Person, the Amos Tuck School's first dean. These advocates for formal business education, together with the formation of the Harvard Business School in 1908, "conferred a dignity and legitimacy that broke down the last barriers of resistance" (Daniel, 1998:39). While, it was ultimately market demand (specifically the need for middle management) that ushered in U.S. business programs, a shift in public attitude about business education opened the floodgates. At the turn of the century only three business programs existed;
by 1907 there were ten; by 1911, twenty; by 1915, forty; and by 1918, sixty-five with a total course enrollment of over 20,000.

Throughout much of this period, the focus of the newly emerged specialized agencies was on curbing abuse and developing the standards and parameters that would define membership in the association. In so doing, a challenge that would become endemic to specialized accreditation emerged – developing criteria that ensured a minimum standard and fostered inclusivity but did not impose regulations that were inconsistent with institutional mission. One example of an action that would have a profound affect on the salary structure of business faculty can be found in the history of the AACSB. Recognizing a scarcity of "properly qualified teachers of business subjects," the AACSB Committee on Degrees in 1920 urged members "to prepare and offer either independently or in cooperation with graduate schools, programs that permit specialization and research in business and that lead to the PhD degree" (AACSB Newsline, February 1991:22). The production of PhDs in business would ultimately enable AACSB to include in the standards established in the late 1950’s the requirement that doctorally qualified faculty constitute 80 percent of the faculty; the competition among business schools for doctorally qualified faculty would escalate the salaries for individuals so qualified to extraordinary levels.

By the end of the 1920s it was common practice for professional programs to be governed by a specialized accreditation agency; dentistry (1918), landscape architecture, library science, music, optometry, teaching education, business education, and law all had accreditation standards by this time (Selden & Porter, 1977). One reason for the growth
was the disproportionate budget allocation that often accompanied programmatic accreditation that drove increasing numbers of disciplinary areas to seek representation by an agency. Hence, by the end of the period, the first concerns over the proliferation of agencies surfaced. All would impose standards. And while the range of prescription varied from agency to agency, they all affected the organization and governance of the higher education institutions they served.

The End of the Period of the 1870-1930 Period

Accreditation was born during a period of heightened information complexity. By the end of the period, the purposes for which it existed and for which its processes were designed were no longer consistent with the needs of its stakeholders. America's first era of rapidly increasing productivity (1870-1900) was characterized by a dominant organizational pattern consisting of a "loose network of institutions for quickly mobilizing vast reservoirs of readily applied resources" (Reich, 1983:230); the establishment of accrediting agencies was a response to the growing demand for higher education that grew out of this first period of productivity. However, by 1900 that organizational systems spawned by that period were no longer working, as evidenced by the more than 50 percent decrease in output per worker that occurred between 1900-1920. A second period of change was about to occur; one that could not be fully addressed by U.S. accrediting agencies until the Depression and two world wars had passed.

The increased productivity that occurred between 1870 and 1900 was a result of the rapid transformation of inventions into productive processes that were predicated on the nation's entrepreneurs' ability to quickly summon the nation's resources (Reich,
1983). "Laborers accustomed to hard work swarmed into America's cities from farms and from overseas, supplying the new factories with a disciplined work force. New railroad and telegraph systems provided industrialists with efficient means of supplying their factories and coordinating the distribution of their wares. The extraordinary mobility of capital, labor, and materials in late nineteenth century America rapidly transformed inventions into new methods of production and new products" (Reich, 1983:23). The productivity decrease between 1900 and 1920 could be attributed to a fundamental weakness..."once summoned, America's human and capital resources had no coherent structure in which to fit themselves. The nation's nascent private enterprises and government institutions were simply too decentralized, piecemeal, idiosyncratic, and unreliable to handle a suddenly complex industrial society" (Reich, 1983:24). The reorganization of the nation's social structures that took place throughout the 1900-1920 period introduced the "large-scale systems of factories, specialized equipment, reliable sources of materials and channels of distribution, and a new organization of work" (Reich, 1983:27) that would give make the U.S. a leader among nations for the next fifty years. The institutions that dominated the U.S. in 1920 – Quaker Oats, American Tobacco, Eastman Kodak, Proctor and Gamble, Libby, Borden, Carnation, Campbell Soup, Heinz, Ford, U.S. Steel, Pillsbury Flour, International Harvester, B.F. Goodrich, Singer, and Diamond Match – would continue to dominate for another fifty years "not withstanding two world wars, several regional conflicts around the globe, a major depression, and several deep recessions" (Reich, 1983:49).
A second paradigm shift was about to occur. The implications for that shift for higher education and accreditation were enormous, for they represented the century's second major paradigm shift; one that would have far reaching implications for the nation's social structure and would significantly impact the nation's schools—elementary, secondary, and postsecondary.

High-volume, standardized production would ultimately transform the nation's schools from places for "teaching basic skills into a laboratory for shaping basic attitudes and habits" (Reich 1983:56), for reliability, dependability and attentiveness became the key ingredients for success for a commercial sector that would be characterized by long runs of standardized products produced on assembly lines by workers whose jobs would be repetitive and who would be managed by professional managers. The conditions that defined that later period would transform the American higher education system from one characterized by loosely connected accrediting agencies which regulated predominately through an informal system of collegial networks. Both the system of higher education and accreditation would ultimately be strengthened by changing conditions and would play a critical role in producing the workforce to fuel the high volume, standardized production that would win the Second World War and usher in the prosperity of the post-war period. The system of self-regulation and quality assurance established during this first period of heretofore unprecedented change would no longer belong to the higher education community alone. And, while the extraordinary circumstances of the two decades to follow (the Depression and the deployment of all the nation's resources to the war effort), several challenges would soon present themselves to
the fledgling accreditation system. While they would be addressed during the 1930-1950, their implementation would be postponed until the post-war period. In fact, the situation was so severe that some associations placed a moratorium on accrediting activities during this period (Semrow, et al., 1992).

We have seen that higher education entered the period with very high levels of both information complexity and resource scarcity. The shift from an agrarian to a manufacturing based economy created much uncertainty and significantly heightened information complexity for the nation’s social systems in general and higher education in particular as adaptation to external environmental changes took place. It is from this uncertainty that accreditation was born as institutions of higher education struggled to cope with undefined elements such as clear distinctions between high school and postsecondary education. Throughout the period major technological advances, many with commercial application, gave rise to increased capital investment in the nation’s growing manufacturing infrastructure and from 1870 to 1900 manufacturing output greatly expanded. While per-worker productivity declined over the next twenty years (as a result of adjustments occurring within the economic infrastructure in its shift from smaller entrepreneurial enterprises to large-scale production), there was certainty associated with these adjustments. Just as the nation in general made adjustments to accommodate the great change wrought by this structural change to the economic infrastructure, so did its system of higher education and its newly created accreditation agencies. In so doing, information complexity throughout this period continued its decline from its 1870 height.
Increasingly, the American population began to see a marked connection between education, national competitiveness and personal economic gain. This connection manifested itself in increased secondary and postsecondary enrollments as well as an expansion in the number of higher education institutions. While these increases in enrollment were not as dramatic as the increases that would follow the Second World War, the increase in tuition revenue decreased resource scarcity for colleges and universities. Yet, this reduction was not dramatic enough to contribute to circumstances that might have caused a disregard for efficiency as an adaptation strategy. Changes in information complexity and resource scarcity pushed higher education out of Area Three and closer to Area Five conditions where efficiency and innovation are most likely to be reconciled. Adaptation strategies that balanced the need for innovation to accommodate increased enrollment and the broader, more pragmatic curricula required by the students also addressed the need for efficient deployment of available resources.

The Period 1930-1950

Information Complexity and Resource Scarcity – 1930-1950

Two critical issues that emerged during the first period were addressed throughout the 1930-1950 period. Both would be subjects of continued discussion and debate throughout the century. The first concerned the effectiveness of inflexible, rigid standards. "The accreditation movement faced a dilemma that is endemic to any such standard setting agency...On the one hand any criteria developed for identifying quality of educational experience need to be specific enough to respond to the critical elements in any definition of quality. On the other hand, highly specific standards become
mechanical and limit creative approaches to maintaining and improving the educational experience” (Semrow, et al., 1992:16). The most proactive association on this issue was the North Central Association which in 1930 appointed a Committee on Revision of Standards to undertake a major study which led to a revision in the basic approach to accreditation. Helped by a $110,000 grant from General Electric, North Central Association undertook, what Semrow, et al., (1992) describe as an ambitious attempt to face directly the problem of identifying the characteristics of quality in higher education. For the first time, a proposal to evaluate institutions based on their stated purposes was presented. And, the idea of the institution undertaking a “self-study” as a means by which the process could become more participatory was developed.

Since the beginning of North Central Association’s accreditation activities, the methodology for evaluating an institution consisted of “inspection blanks,” a form in which colleges supplied information pertaining to mostly quantifiable items such as organization, instruction, and resources. A second blank was developed for the use of evaluations, and a third was used to make recommendations to the college being evaluated. While these forms were revised from time to time, the process itself remained one of information gathering. Once accredited, the institution simply filed another “blank” on a regular basis. The spirit of the new recommendation was to put aside the debates over uniformity and conformity and foster diversity within the higher education system by allowing the institution being evaluated to define its own purpose. The debate, of course, never died; nevertheless, the change represented a significant shift in the role of the institution the evaluation process. Semrow (1992) in fact is emphatic about the
importance of this philosophical shift. "The importance of the work of this Committee to try to forge a new role for the institution cannot be overstated. From the perspective of the Committee on the Revision of Standards, the standards of the future would be more general in nature and they would provide institutions with direction for self-improvement" (p. 233).

While the North Central Association began to evaluate institutions on the basis of their own statement of objectives as early as 1934, it generally maintained the cumbersome inspection blanks as the primary reporting process. Despite the work of the Committee and philosophical shift, Semrow, et al., (1992) note, "The information required from institutions did not change markedly from the previous period. The commission found it difficult to translate its new theory into practice, member institutions in particular resisted the work and value of some of the data gathering procedures in the revised accreditation process (p. 238). For the most part the implementation of institutional evaluation based on a stated mission was delayed until the post-war period. In fact, North Central Association would not be the first to implement it; rather, Middle States Association was the first agency to put into broad use the concept of evaluation based on institutional purpose. As other regional accrediting agencies adopted this method, it became possible for accreditation to be adapted by a wider spectrum of postsecondary institutions (Harcelroad, 1980). The issue of rigidity of standards, however, would not be put to rest with the implementation of the now widely-used self-study. Moreover, although the self-study was a significant improvement over "inspection blanks," the role of the institution remained subordinate to the examining teams. In fact,
it would not be until the 1980's that "major assessments of the concept of self-study, further discussion of the role of the institution, and a proposal to modify the relationship between the on-site team and the institution" (Samrow, et al., 1992:248) surfaced.

A second major issue, which also remains unresolved, was the proliferation of specialized accrediting associations. As early as 1924, in response to concerns of college and university presidents, the American Council on Education and the National Association of State Universities had taken action to moderate the influence of specialized agencies. While these early efforts failed and new agencies continued to appear, the issue would continue to be addressed throughout the century. By the end of the Second World War, the National Commission on Accrediting was established by presidents from some of the country's major universities; its primary purpose was "to stop the proliferation of new, specialized associations and to trim the wings of those in existence" (Harvelroad, 1960:25). Orlans (1975) calls the effort, "One of the most tumultuous episodes in the history of accrediting, the presidents declared war on the accrediting agencies that had invaded so many of their professional schools, dictated so many of their academic policies, and appropriated so much of their income. Yet, when the smoke lifted, the battlefield looked like a movie set, unmarked by mock shells. The professional agencies were too scattered and well entrenched, too numerous and active on too many fronts to be stopped by imprecations and the part-time labor of a few presidents and a diminutive staff" (p. 28). The National Commission on Accrediting also failed in its attempts to subject the professional agencies to the control of the regionals. Led by the refusal of representatives of the medical profession who informed the National
Commission on Accreditation that they would continue to accredit medical schools and by a number of institutions who refused to sever relations with professional agencies (Orlans, 1975), the National Commission on Accreditation shifted its role from regulatory to advocacy; ultimately, it began publication of a list in 1956.

One way in which some professions dealt with the "problem of fragmentation and multiple visitations" (Harcelroad, 1980:4) was to use the concept of an "professional umbrella agency" whereby subunits of a broad-based profession are accredited by their own unit. This was developed and put into practice by both the Commission on Accreditation of Allied Health Education Programs (CAAHEP) and the Accreditation Board for Engineering and Technology, both of which oversee a variety of fields in the medical and engineering professions. Within ABET, for example, are twenty-nine commissions which accredit educational programs within a diverse range of engineering disciplines; within CAAHEP eighteen commissions accredit a broad range of medical support programs (i.e., physician assistant, surgical technology, respiratory therapy). But, this organizational structure merely masks the problem, for each of the professions within ABET and CAAHEP have standards and requirements for self-study and peer review.

While there is no doubt that many of the professional associations raised the standards of their profession, it is also clear that many used the accrediting process to impose unreasonable conditions, and specialized accrediting standards have a significant impact on such things as teaching load, faculty credentials, curricula, use of
part time faculty, instructional resources, and admission of students. The post-war expansion of enrollment would simply exacerbate the problem.

The End of the 1930-1950 Period

The 1930-1950 period was witness to extraordinary circumstances. Resource scarcity was at an all-time high, as the nation struggled with the near collapse of Capitalism associated with the Depression years. Despite the full use of the nation’s industrial capacity to fuel the war effort, resource scarcity did not decline during the period, since all resources were deployed to support that effort. Nevertheless, the Allied victory verified the efficacy of the economic infrastructure established prior to the Depression. Therefore, despite the obvious uncertainty characteristic of total war, uncertainty with respect to the nation’s political, economic, and technological infrastructure actually diminished; hence, information complexity remains stable having already decreased from its turn-of-the-century heights.

Little in the way of new processes and purposes could be introduced during this period because of the extraordinary circumstances. However, discussion and debate among higher education officials did not cease and the changes to procedures and policies first proposed at the end of the 1870-1930 period would be subject to continued discussion during this period and would be implemented in the post-war period to follow, a period in which federally supported student aid and research together with increased state support of public institutions would significantly diminish resource scarcity. Information complexity would stabilize, as the structural changes needed to transform the economy had taken place and proven effective during the Second World War. While the
Cold War raged, the defense industry boomed, and much of the world focused on rebuilding, the U.S. would enjoy a period of great productivity gains.

The aftermath of the Second World War brought not only procedural changes but also a broadening of purpose to accreditation. All six regional associations implemented the recommendations of the North Central Association's Committee on the Revision of Standards for more subjective evaluations linked to institutional purpose, and the self-study became part of the accreditation application replacing the more objective, inflexible system of inspection blanks. The new procedures changed the role of the accrediting agency from advisory to regulatory, and that of the institutions they served from passive to active (Semrow, et al., 1992). The introduction of the self-study was not without problems for self study "requires a certain level of sophistication on the part of the institution and not all have the knowledge and resources to undertake a critical self-study...[it is] demanding, analytic, self-introspective, critical self-analysis, all terms implying some depth and sophistication and rigor" (Semrow, et al., 1992:299). Nevertheless, it became a significant mechanism by which the involvement of institutions could be affected and remains one of the critical components of self-assessment to this day.
CHAPTER V

Historical Issues Impacting the State of Accreditation in the 1990's
1950 - 1990

Chapter Overview

This chapter continues the historical analysis and addresses the information complexity and resource scarcity issues of the 1950-1970 and 1970-1990 periods.

The Period 1950 – 1970


More significant than procedural changes were the sweeping social changes of the post World War II period, changes that would not only alter the nature of higher education but also the roles of the triad members and the purposes for which accreditation would serve. The Truman Report of 1947 solidified the importance of higher education in the post war environment and ushered in a period of great expansion through its advocacy for accessibility; the Veterans Readjustment Acts made that access possible. Of the phenomenal growth in higher education during this period, Rudolph asks, “Where else was the generalization of educational opportunity so dramatically portrayed as in these statistics of college and university enrollment?” (Rudolph, 1965:486). He answers the question, “In 1870 American institutions of higher learning enrolled somewhat over 50,000 young men and women; a hundred years later in City University of New York alone would be enrolling almost four times that number. In 1870 but 1.7 percent of the young people aged 18-21 were enrolled in colleges and universities; by 1970 half of the age group 18-21 would be in college. In 1960 approximately 3,500,000 young men and
women attended institutions of higher learning; by 1970 that figure would be doubled. In 1876 there were 311 colleges and universities; in 1960 there were 2,026” (Rudolph, 1965:486).

During this postwar period the federal government developed a serious interest in accreditation. That interest was predicated on the $14.5 billion that would ultimately be spent on the 7.8 million veterans who would take advantage of the educational opportunities provided for under the Veterans Readjustment Acts (aka – the GI Bill) (Bennett, 1999). “For the first time in history, a social revolution was being raised, not by storming barricades, but by leaping over them...The GI Bill was the catalyst creating our postcapitalist society, in which the computer has replaced the dynamo as the symbol of progress” (Bennett, 1999:7). Peter Drucker observed, “The GI Bill of Rights—and the enthusiastic response to it on the part of America’s veterans—signaled the shift to a knowledge society...Future Historians may consider it the most important event of the twentieth century...We are clearly in the middle of this transformation; indeed, if history is any guide it will not be completed until 2010 or 2020...But it has already changed the political economic and moral landscape of the world” (Drucker, in Bennett:1999:8). The GI Bill created a new way of thinking about and dealing with social problems; sowing the seeds of a new life for blacks and other minorities, for it was the first “color blind” social legislation and laid the foundation for the civil rights campaigns of the 60’s. The new social order was built on the best and the brightest of U.S. citizens, considering the fact that the overall rejection rate for induction into military service was 50 percent in 1941, “The selective service had been a form of social Darwinism, screening in those best
suited to take advantage of the GI Bill. Those who had been inducted or enlisted in the military were the nation’s healthiest and most intelligent young men” (Bennett, 1999:257). Its success would be phenomenal; at the peak of veteran enrollment in 1947, veterans accounted for 49.2 percent of the total higher education population. While initial projections indicated that college enrollment would not increase by more than 10--15 percent, by 1945, 88,000 veterans were enrolled in some form of training. By 1946 that number had skyrocketed to 1,013,000; in 1947, 1,150,000; in 1948, 973,000. In less than one decade the number of degrees earned doubled; from 215,491 in 1942 to 454,960 in 1951 (Bennett, 1999). In fact, efforts to provide classroom space and instructors absorbed the energy of college administrators during this period (Daniel, 1998).

The first act (in 1944) provided veterans with education benefits to attend institutions approved by the state. However, without a central mechanism by which “approved” could be defined, abuse and scandal prevailed. The Veterans Readjustment Act of 1952 attempted to remedy the problem (which would never be completely resolved) by including a provision by which eligibility could be defined — the U.S. Commissioner of Education would use the lists published by “reliable” and “nationally recognized” accrediting agencies. Faced with the problem of defining “reliable” and “nationally recognized” agencies, the Commissioner proposed the use of a list that could be developed by the National Commission on Accreditation. Created in 1949 to limit the number of accrediting agencies and to find ways in which cooperation and collaboration could occur among agencies, the Committee, fearing the potential problems it might face by developing such a list, declined Commissioner’s request. In a move that would
forever alter the roles in the triad, the Commissioner proceeded to use the Office of Education's list of accrediting bodies contained in its directory. Accredited Higher Institutions. "In fact when that first list of recognized agencies was published, it included many that NCA wished to close down in its attempt to stem the proliferation of specialized agencies" (Harcroft, 1980). In hindsight, the National Commission on Accreditation was at a fork in the road. It chose a path that eventually led to a deeply convoluted relationship between accreditation and the federal government, with the government calling the tune—and changing the tune whenever it wished, whether "safeguarding" the "right" of accrediting bodies to be on the list or seeking to link accreditation with a governmental view of institutional probity that might shift with every political turn or tide" (Chambers, 1983:268). But, as Orleans (1975) suggests, by declining the commissioners request for a list, "thus did NCA admit what was then an obsequious wolf into their fold" (p. 21).

Overwhelmingly, the agencies, enhanced by the new importance of their role and pleased with the increasing higher education resource base, viewed the broadening of purpose favorably. Hence, accreditation became the mechanism by which quality of education would be assessed to determine student eligibility for federal student-aid. Moreover, the GI Bill moved voluntary accreditation into a more mandatory requirement. "Because accreditation became the ticket to public resources, it stopped being truly voluntary for more institutions and began incrementally to take on a more governmental or regulatory role" (Glidden, 1997:2). The mandatory nature of accreditation was further intensified with the passage of the National Defense Act in 1958 (the genesis of which
rested in the launch of Sputnik and the early U.S. space program failures together with the need for defense technology at the height of the Cold War) which provided for low-interest education loans, teaching training, and funds for doctoral research.

Randall (2000) comments that as long as higher education had operated as a small elite system, its value could be left implicit. Most students came from families with a long tradition of higher education and were employed by firms that had long employed higher education graduates. With the massification of higher education, however, its value could no longer remain implicit. Berdahl and McConnell (1999) make a similar observation, "At one time, the people were relatively remote from their institutions, but citizens now find their future economic, social, and cultural lives increasingly influenced, in some cases virtually determined by their colleges and universities" (p. 74). The government, now supporting this access, needed to know that the goals of such a huge expenditure were being accomplished. Its reliance on the accreditation system to provide it with that assurance would forever change the purpose of accreditation. By the end of the 1960's, accreditation as a mechanism by which the federal government could assure that its new massive funding was adequately appropriated had become so critical that Congress (as part of the 1965 Higher Education Authorization Act) organized a standing committee within the Office of Education with a seventeen person staff to oversee activities and policies related to it. With the establishment of the Advisory Committee on Accreditation and Institutional Eligibility, whose mission was to assume "responsibility of analyzing more carefully and systematically the policies, structure, and operations of accrediting agencies that were seeking initial or renewed recognition" (Seiden, 1960:10),
the relationship between the federal government and accrediting agencies changed dramatically. Once the source of information for the government, the agencies now found themselves in a position of having to petition the Office of Education and “demonstrate that they deserved a place on the list” (Chambers, 1983:234). That is, they had to apply and be subject to evaluation along dimensions such as: scope, need, impartiality, information, staff guidance, adherence to criteria, organization and procedures, ethics enforcement, pre-accreditation, criteria review, experience, and acceptance, due process, and public membership on commissions. Innovation was added to the criteria in 1974, “It [the agency] encourages experimental and innovative programs to the extent that these are conceived and implemented in a manner which ensures the quality and integrity of the Institution or program” (Orlans, 1975:75). Later student outcomes assessment was added; other additions included nondiscrimination, due process, and public membership on commissions. Moreover, the Office of Education established criteria by which agencies would be judged in order to have a place on that list. Orlans (1975) notes that “the entrance of the Office of Education in mid-1968 into the de facto regulation of accrediting agencies was an administrative decision made by Commissioner Howe and his senior staff, with the concurrence of the Secretary of Health, Education, and Welfare...not to any direct legislative injunction” (p. 56). But the 1968 establishment of the Accreditation and Institutional Eligibility Staff (AIES) “marked a quantum jump in the Office of Education’s review and regulation of accrediting agencies” (Orlans, 1975:55); it marked the beginning of the “Era of Quasi-
Regulation" (Orleans, 1975). Clearly the collective interests of accrediting agencies needed a strong, national voice.

Since the 1923 dissolution of the National Conference Committee on Standards of Colleges and Secondary Schools, the American Council on Education had served as a national forum for the agencies. However, in the aftermath of the Second World War and the shift to massive government support for higher education, there was widespread recognition that a more substantive organization focused exclusively on accreditation was needed. Hence, the National Committee on Regional Accrediting Agencies was founded in 1949 and subsequently proposed the creation of the Federation of Regional Accrediting Associations of Higher Education (FRACHA) to serve as a national voice for regional accreditation. Its mission was to provide assurance "to the educational community, the general public, and other agencies or organizations that an institution has clearly defined and appropriate educational objectives, has established conditions under which their achievement can reasonably be expected, appears in fact to be accomplishing them substantially, and is organized, staffed, and supported so that it can be expected to continue to do so" (Selden, 1960:6). The organization was also to address the issue of collaboration and coordination. While "some progress was made in creating a more common approach to institutional accreditation" (Kells, 1983) and a number of policy statements were adopted by FRACHA, it too was limited in its ability to address the persistent issues. FRACHA would serve as the umbrella agency, overseeing accreditation activities from 1964-1975. Ultimately the organization would be considered too limited to effectively serve the needs of the accreditation community and would be replaced by
the Council on Postsecondary Accreditation (COPA). As Robert Reich (1992) so aptly noted, "Human organizations are subject to evolutionary pressures. Organizations are alliances of individuals who accept an institutional structure to shape their work together as long as that structure continues to serve their common needs. Organizations of whatever scale that cease to meet their members' needs eventually give way to new institutions that meet their members' needs more effectively" (Reich, 1992:229).

FRACHE, like COPA, would fail because of its inability to respond to changing environmental conditions impacting its stakeholders.

The End of the 1950 – 1970 Period

A dramatic decrease in resource scarcity occurred during this period both because of massive increases in third party payments (e.g. federal government support) and increased revenue from rising enrollments as the World War II baby boomers began enrolling in the nation's colleges and universities. Despite the Cold War, information complexity remained relatively stable. The nation's economic infrastructure was solid and secure - U.S. productivity was at an all time high while unemployment remained very low. Advances in technology continued, and intensified after the temporary anxiety over the Soviet launching of Sputnik. Colleges and universities adjusting to these changes incorporated adaptation strategies that were very skewed toward innovation as they faced the challenge of accommodating significantly increased numbers of students. Because of the significant decrease in resource scarcity, efficiency was not an adaptation strategy that was widely embraced. As we will see in the 1970-1990 period, the lack of concern
over efficiency would have implications for both higher education and its system of accreditation.

If the early postwar years were the golden age for higher education in the United States, they were also the golden years for the U.S. economy. The American market was eight times larger than the next largest market; its technology was superior; its workers were on average more skilled than those in other countries; it was richer, therefore, Americans had more discretionary income; and finally American managers were the best in the world — the most talented Americans had gone into management before the war, "and afterward American industry could draw on a skilled cadre of middle and upper-level management (Dertouzos, et al, 1989:24). But, by the 1960's the European economies had revived from their war-torn condition, Japan began to emerge as a formidable competitor, Asian manufacturing began to impact U.S. manufacturing, and U.S. post-war dominance of the world economy began to erode. The prosperity responsible for the growth of the middle class and the U.S. technological and economic lead began to disappear. What followed throughout the 1970's and 1980's was a period of diminishing national prosperity clearly evidenced by the vanishing of income growth and productivity. In response to this economic decline, the nation began to question its educational and commercial philosophies and the calls for education reform, which would come to characterize the 1970-1990 period, were first heard.

Robert Reich (1983) would call it the end of the management era, noting that "the proportion of U.S. manufacturing capacity employed in production, which had reached 86 percent in 1965, averaged in the range of 80 percent during the 1970's and fall to less
than 70 percent by 1982. Only 3.5 percent of America's labor force were jobless in 1969, but thereafter unemployment climbed persistently, reaching almost 11 percent in 1982. Measured in constant 1981 dollars, the Dow-Jones industrial average declined from 2,624 in 1965 to around 1,000 in 1982...By the 1980's the core industries of the management era—steel, automobiles, petrochemicals, textiles, consumer electronics, electrical machinery, metal-forming machinery—were in trouble. By the mid-1980's Japanese firms began to pass U.S. firms: And, many of the giant firms of the past half century—U.S. Steel, General Motors, International Harvester, RCA—were suffering sharply declining profits. Some faced bankruptcy" (Reich, 1983:118). Hitachi overtook IBM; Fuji overtook Eastman Kodak; Toyota, Nissan, and Honda overtook General Motors, Ford and Chrysler (Smith, 1995). America had long worshipped individual prowess—the symbol glorifying solo performance the home-run hitter (Smith, 1995); individual prowess that led to success would fail miserably in an economy that would come to be driven by collaboration. The large car crowned by an exaggerated tailfin symbolized the culture that embraced size and scale; virtues that would also fall in the new economy that required flexibility and innovation. And, the new economy would not care where a product was made. Transactional trends from global warming to 24-hour-a-day trading "crossed borders all over the globe, affecting different societies and reminding us that the earth, for all its divisions, is a single unit" (Kennedy, 1993:129).

Thomas Friedman aptly notes the difference between the "cold war system" and the "global system"; the former static, the latter a dynamic ongoing process involving the "inevitable integration of markets, nation-states, and technologies to a degree never
witnessed before” (Friedman, 1999:22). Whereas the defining perspective of the cold war system was division as symbolized by a divided wall, the defining perspective of globalization is integration symbolized by the World Wide Web. This system of globalization came upon us “far faster than our ability to retrain ourselves to see and comprehend it” (Friedman, 1999:22). It ushered in three fundamental changes—how we communicate, how we invest, and how we learn about the world. By the end of the 1990’s everyone was “feeling—directly or indirectly—the pressures, constraints, and opportunities to adapt to the democratizations of technology, finance, and information that are at the heart of the globalized system” (Friedman, 1999:59).

A paradigm shift as dramatic as that experienced at the turn of the century was occurring and had its roots in an emerging, tightly connected world economy made possible by technological advances in communications and transportation. The shift would be “slow and painful because America is simply not organized for economic change. Its organizations are based on stability rather than on adaptability. The extraordinary success of high-volume, standardized production during the half century of the management era had left America a legacy of economic inflexibility. The institutional heritage of our past success now imperils our future” (Reich, 1983:139). The U.S. infrastructure, most importantly its businesses and government, supported this structure. However, a third paradigm shift was about to occur and U.S. institutions would be placed under pressure to meet the demands of the changes associated with it. Both information complexity and resource scarcity would heighten and the failure of the nation’s higher education institutions and accreditation system to utilize adaptation
strategies that encompassed both innovation and efficiency would ultimately imperil the system of accreditation and the autonomy it enabled.

**The Period 1970-1990**


By the late 1970's conditions in the accrediting community were said to be in a state of "fluid uncertainty" (Selden & Porter, 1977) because of confusion over role and purposes. The system of accreditation had acquired purposes far removed from its original objective of bringing "order into the process of movement from high school to college" (Hareleroad, 1990). There was no longer a question of whether the purpose of the accreditation review should be to help foster improvement or to audit and regulate colleges and universities; clearly both objectives needed to be achieved. The dispute between external and internal stakeholders was over the degree to which accreditation should be used to regulate. Its use in the process of continuous improvement moved further to the forefront with the publication of Francis E. Rourke and Glenn E. Brooks, *The Managerial Revolution in Higher Education*, which introduced concepts of total quality management that had become commonplace in the nation’s commercial environment. Quality had become “the new deity in the pantheon of higher education” (Val H. Wilson in Samrow, 1992:119).

If the statement, “The whole accrediting movement is a chapter in the struggle for control of our higher education institutions” (Selden, 1960:1) was true when George F. Zook first uttered it and Selden emphasized the idea in 1960, it became even more relevant during this period of profound change. Not only had the public become
increasingly skeptical about the ability of the higher education to self-regulate, the first
evidence of government reaction to this skepticism occurred early in this period. A 1969
Newman Task Force report prepared for the Accreditation and Institutional Eligibility
staff of the U.S. Office of Education “attacked regional and professional accrediting
agencies as self-serving groups that were a bar to educational progress” (Orlana,
1975:52) and charged that “regional accrediting agencies had power without
accountability; promoted homogenization of institutions, preventing competition; stifled
innovation and new institutions” (Semrow, 1992:122). It characterized the operations of
the regional associations as “ineffective with small staffs...kept on a fairly short leash by
their member institutions...their ability to shape the external priorities of institutions
they are accrediting depends on how weak these institutions are and the extent to which
the interests of the accrediting agency coincides with some faction or other within the
college of university itself” (Semrow, 1992:122). The report proposed an expanded
federal role in the interest of consumer protection. While this situation did not intensify
to the level of the 1990’s crisis, it did open the door to further government intrusion as
concern over massive investments in the higher education system grew. In fact,
Congress, considering reported abuses in the guaranteed student loan program had
concluded that the accreditation system was not an adequate check on such abuses and in
1972 provided for fiscal audits of institutions participating in the loan program and in
1976 “expanded the power of the Department of Education to carry out a fiscal audit of
an approved institution’s financial aid operations” (Harvelroad, 1980:24). Unlike the
1990’s situation, the potential federal takeover of accreditation was diminished through
the efforts of the Veterans Administration which held Congressional attitudes in check. Nevertheless, for the first time since accreditation assumed the role of gatekeeper for federal funds under the 1952 GI Bill, the possibility of its exclusion from the quality assurance triad was raised.

By this time, it was clear that FRACHE was not a strong enough organization to lead the accreditation community. It would not be the first or last central monitoring agency to be disbanded. “Since at least 1938, one weak body after another inherited ineffectual mandates from its predecessors” (National Policy Board, 1994:7). FRACHE would be replaced with a strengthened predecessor, the Council on Postsecondary Accreditation (COPA), but it too would prove ineffective as a central monitoring agency.

The formation of COPA was grounded in an independent study conducted in 1970, the Puffer Report, which commended FRACHE but noted its “limited authority, limited functions, and limited national visibility” (Kells, 1983:182) and recommended a reorganization. Orleans (1975) notes comments made in the Puffer Report, “The regional commissions cannot meet the existing criticisms without the national organization and it is likely that institutional accreditation will move to the states or the federal government if standards and policies and procedures remain fragmented and dissimilar among the six regionals” (p. 25). While the formation of COPA was a step in averting a federal or state takeover of accreditation, the silenced threat would resurface twenty years later with a renewed vigor.

One area in which the Puffer Report was adamant was the need to reconcile differences in standards and extend accreditation to postsecondary institutions (e.g. two
year colleges and proprietary schools) hereafter excluded in some regions. Because accrediting agencies now controlled access to public benefits, the Puffer Report argued the importance of "providing access to regional accreditation in all states, by all kinds of postsecondary institutions; reasonable standards for accreditation; procedures that were relevant to the standards and consistently applied; the right to appeal adverse decisions; a more open stance about their procedures and decisions; and, to promote that openness and the sense of serving the public interest, the addition of 'public' representatives to the federation's governing board" (Orlans, 1975:25). Faced with limited representation in NCA, the specialized agencies had by 1973 organized their own umbrella agency, the Council of Specialized Accrediting Agencies (CSAA). Hence, the logical move was to merge FRACHE with NCA as well as CSAA to form a stronger organization, the Council on Postsecondary Accreditation in 1975 as a "counterbalance to the developing accreditation activity and institutional evaluation carried out by the Department of Education" (Harrold, 1980:6).

COPA described itself as the balance wheel or main gear "designed to interrelate many forces involved in accreditation so they mesh smoothly in their efforts to serve the public interest" (COPA, 1977:3). It defined the stakeholders in that balance wheel to be users of accreditation, the general public, special accrediting agencies, national associations representing institutions, and general accrediting agencies. In theory, then, COPA represented the interests of all stakeholders — in fact, the composition of its thirty-six member board included representatives of all types of institutions and accrediting bodies as well as the six major institutional based organizations (American Council on
Education, the American Association of Community and Junior Colleges, the American Association of State Colleges and Universities, the Association of American Colleges, the Association of American Universities, and the National Association of State Universities and Land Grant Colleges). In addition, nine members served as public representatives and came from a variety of backgrounds. In reality there existed a disproportionate degree of power because of the structure of the organization's finances. COPA's financial resources came largely from its recognized accrediting bodies, because dues were paid on a sliding scale based on the number of institutions an agency represented. Hence, the structure of its finances left COPA vulnerable to special interests. Should a coalition of agencies chose to withdraw financial support, the agency would be powerless and unable to survive. In fact, the six regional groups paid 42 percent of the $770,000 annual COPA budget (Leatherman, 3/27/91). Since COPA was an association of associations and the campuses had no direct role in its financing, when the long-time threat of the regionals to withdraw from COPA resulted in a resolution to terminate the organization in 1992, it indeed collapsed.

However, COPA was not out of touch with the needs of its constituents nor had it failed to identify the changing environmental conditions to which higher education institutions needed to be responsive. Its organizational structure simply rendered it unable to effectively reconcile the differences among its internal constituents. COPA was born in 1975 at the dawn of declining productivity levels and public skepticism over the effectiveness of its social systems. As illustrated in Chapter II, cries of dissatisfaction over higher education from business and industry intensified during the period in which
COPA functioned as the central monitoring agency for accreditation. COPA did not fail to articulate the raging public criticism in its 1986 self-study which accurately described a “constructive ferment in American higher education” (COPA, 1986:1) which accreditation should have played a major role in addressing. Recommendations for changing and improving the system were articulated in that report. Moreover, much of the criticism that COPA identified as being crucial in this self-study was not being heard for the first time; but had been articulated by Selden in the mid-1970’s and Haroleroad in the early 1980’s.

Included among those was the often heard criticism that “too often accreditation is based on minimal statistical standards without an insistence on higher quality in the process of teaching and learning and general education” (COPA, 1986:2); in this regard COPA recommended that the focus of accreditation review should be “on the educational values of the institution or program in order to elevate its standards and quality without being trapped into a narrow counting of minimal standards measured by mundane statistics” (COPA, 1986:3). Second, the report noted that “accreditation, particularly by representatives of specialized professional and occupational programs, is self-serving” (COPA, 1986:2) and “focuses too narrowly on a particular program without due regard of the total educational context and mission of the college or university” (COPA, 1986:2). COPA recommended that “the processes of accreditation should de-emphasize narrow technical standards, whether in a specific program or an entire college or university, and instead emphasize the pursuit of educational standards and outcomes of the highest possible quality appropriate to the extraordinarily competitive world that the United
States now faces” (COPA, 1986:3). Finally, the report claimed that “too many college and university presidents have ignored the process and potential of accreditation” (COPA, 1986:2) and recommended that U.S. college and university presidents become more directly involved in accreditation. However the primary recommendation emanating from that self-study was “attitudinal, not mechanistic or structural” – that is the view of the internal constituencies on the challenges facing higher education accreditation were of the foremost importance. COPA asked that “all accrediting bodies and institutions put at the top of their agenda the question, not of how we maintain merely adequate standards in educational programs, but how we elevate those standards on the premise that ‘adequate’ or ‘satisfactory’ or ‘passing’ may once have been good enough—but are not good enough for the next century” (COPA, 1986:3).

As the 1990’s began, these challenges not only remained unresolved, but also assumed new importance. Pressures to overextend and use accreditation as a primary accountability mechanisms for a variety of concerns would come to the forefront with the 1992 Higher Education Act Reauthorization and state demands for public accountability would multiply to unprecedented heights throughout the 1990’s.

With a higher education system no longer limited to the elite, greater numbers of people of diverse abilities and backgrounds gained access to advanced education. In 1972 there were 9.2 million students (FTB) enrolled; by 1980 that number had grown to over 12 million; and by 1990 the number had grown to 13.8 million (http://www.nces.gov/pubs99). As more people participated in higher education, its importance to career aspirations grew, public attention became more intense, and the
expectation that a higher education would add value to both individual and society rose to increasingly higher levels. However, the productivity decline that characterized this period in the U.S., together with escalating costs would cast a shadow of doubt in the minds of the American public over the efficacy of its higher education system. Looking not only at the decline in productivity but also at public funds expended in support of higher education, it is not difficult to see why federal intrusion and expanded state accountability requirements would ultimately became very much part of the higher education system.

Prior to the Second World War federal appropriations constituted 9 percent of the aggregate higher education budgets; by 1973 that number had grown to 45 percent (Harcelroad, 1990). If the G.I. Bill opened the door to federal support of higher education floodgates, it was soon accompanied by expanded federal legislation in support of higher education; legislation in which accreditation became the criteria for eligibility. By 1970, the Higher Education Facilities Act of 1963, the National Student Loan Insurance Act of 1965, HEA 1965, War Orphans Educational Assistance Act of 1968, Vocational Education Amendment of 1968, Nurse Training Act of 1968, and the Omnibus Crime Control and Safe Streets Act of 1968 (Orlana, 1975) had all became part of the federal portfolio of programs in support of higher education, a list that continued expanding throughout the remainder of the decade. In addition to increased tuition revenues made possible by federally supported tuition, federal government support of higher education research also increased dramatically with the passage of the National Defense Act of 1958. At the conclusion of the Second World War, expenditures for federally supported
revenue totaled approximately $86 million; by 1950 that number had risen to over $1 billion (http://www.nces.ed.gov/pubs99) and by 1994 to $13 billion (http://www.nces.ed.gov/pub/96879in.html). Added to federal support was increased support from the states — from $490 million in 1950 to over $29 billion in 1985 to over $37 billion by 1994 (http://www.nces.ed.gov/pub/96879in.html). There was also increased support from student/parent-paid tuition revenues. In 1976 the average cost of one year’s tuition, room, and board was $2,275; ten years later that number rose to $5,206, and by 1996 was $9,536 (http://www.nces.ed.gov/pubs.99).

Despite the enormous monetary investment and growing demand for higher education and despite the dramatic postwar decrease in resource scarcity brought to bear by government support, costs and expenditures escalated. Between 1950 and 1970 most college administrators focused on providing enough space and instructors for the fast growing number of students enrolling each year; few took notice or cared much about the increased costs. As long as U.S. productivity continued to rise, revenue from state and federal sources increased to meet the costs. Yet perceptually many in higher education erroneously believed resource scarcity actually increased as funds were spent as needed to accommodate increased enrollment. As Bowen (1993) observed, “The dominant goals of institutions are educational excellence, prestige, and influence...In quest of excellence, prestige, and influence, there is virtually no limit to the amount of money an institution could spend for seemingly fruitful educational needs...Each institution raises all the money it can...Each institution spends all it raises” (p. 123). The following table which provides information on the increase in higher education spending between 1950 and

Table 6

<table>
<thead>
<tr>
<th>Year</th>
<th>GNP (in billion $)</th>
<th>Higher Education Expenditures (in billion $)</th>
<th>Higher Ed Spending as % of GNP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>288</td>
<td>2</td>
<td>0.8</td>
</tr>
<tr>
<td>1955</td>
<td>406</td>
<td>3</td>
<td>1.3</td>
</tr>
<tr>
<td>1960</td>
<td>515</td>
<td>8</td>
<td>1.6</td>
</tr>
<tr>
<td>1965</td>
<td>705</td>
<td>16</td>
<td>2.3</td>
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<tr>
<td>1970</td>
<td>1015</td>
<td>28</td>
<td>2.7</td>
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<tr>
<td>1975</td>
<td>1213</td>
<td>32</td>
<td>2.6</td>
</tr>
<tr>
<td>1976</td>
<td>1473</td>
<td>40</td>
<td>2.7</td>
</tr>
<tr>
<td>1977</td>
<td>1782</td>
<td>47</td>
<td>2.6</td>
</tr>
<tr>
<td>1978</td>
<td>2250</td>
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<td>1980</td>
<td>2732</td>
<td>71</td>
<td>2.8</td>
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<tr>
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<td>1984</td>
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<td>5268</td>
<td>116</td>
<td>2.6</td>
</tr>
<tr>
<td>1992</td>
<td>5010</td>
<td>135</td>
<td>2.7</td>
</tr>
<tr>
<td>1993</td>
<td>5307</td>
<td>168</td>
<td>2.9</td>
</tr>
</tbody>
</table>

(Source: Acher M. Hamper, 1992: 304)

As long as the public perceived the outcome of its massive expenditures on higher education to benefit the nation's economy, concerns about rising costs were not widely expressed. However, once the nation's output began to decline, concerns were greatly elevated. Where once per hour output had steadily increased approximately 3 percent per year (between 1947 and 1973), between 1973 and 1994, it dropped to just over 1 percent per year (National Center for Education Statistics, 1999). Concern was further intensified by the fact that since World War II worker productivity in the U.S. had grown more slowly than other industrialized countries (although the U.S. still maintained a higher GDP). Questionable value together with rapidly escalating costs fueled concern over the ability of the higher education system to self-regulate and created a ripe
environment for calls to accountability. Moreover, the decline in productivity, in addition to promoting concern over the outcome of the higher education experience, also created a state budgetary situation in which declining resources added vigorous competition among state supported programs vying for limited public funding. The growing gap in living standards for those who possessed skills and knowledge valued by knowledge industries and those who did not added fuel to the controversy over funding needs. In response, state legislatures began to focus on the performance of their colleges. Warnings came from concerned higher education organizations. The Carnegie Foundation (1982) warned of problems when "academic decisions are dominated by budget considerations, effective authority tends to move beyond campus" (p. 42). And, the first indication that adaptation strategies were heavily skewed toward innovation at the exclusion of consideration of efficiency, became clear with the surge of accountability activity at the state level throughout the 1980's and ultimately into the 1990's.

The states responded to the cries of dissatisfaction emanating from its commercial leaders about the quality of recent graduates. Frustrations among graduates, employers, state and federal legislators rose. Professionals from all fields -- economists, educators, engineers, attorneys, medical professionals -- all echoed those frustrations. A litany of literature on the decline of the period and the contribution of the nation's educational system to that decline exists. Virtually every social scientist writing on the state of the nation's economy during this period, included in that writing a discussion of the deficiencies of the nation's schools. No one argued that the relationship between the education and skills of the nation's workforce was an insignificant factor in worker
productivity and hence the standard of living of the U.S. population — a fact confirmed by research of worker productivity in industrialized countries which clearly shows that education plays an important role in worker productivity, those with the highest productivity levels tend to have the most highly educated work forces (Centre for Educational Research and Innovation, 1997). Indeed, in recent decades increases in educational attainment had been responsible for an estimated 11 to 20 percent of growth in worker productivity in the U.S. (National Center for Education Statistics, 1999). Rather, the debates concerned the question of whether the education provided in U.S. institutions of higher education was adequate. The level of frustration and discontentment with the higher education system is illustrated in the discussion of stakeholder dimensions and the influence of the business community on the accreditation standards of the AACSB in Chapter II.

The MIT Commission on Industrial Productivity in the early 1990's described the irrevocable changes in the international business environment and cautioned the United States to adapt to this new world. Elaborating on the deficiencies of the educational system, they note, "One of the most disturbing ways in which the U.S. has lately fallen behind other nations is in developing and nurturing the skills of its people...American universities turn out too few scientifically and technically trained people...the American system of on-the-job training is called 'following Joe around,' and it does not work." (Dertouzos, et al., 1991:21). "We have concluded that without major changes in the ways schools and firms train workers over the course of a lifetime, no amount of macroeconomic fine-tuning or technological innovation will be able to produce
significantly improved economic performance and a rising standard of living” (Dertouzos, et al., 1991:81).

On a similar theme, Robert Reich (1983) noted that American education followed the form of American business and was modeled on scientific management. “Students are sorted, programmed, and controlled in a high-volume, standardized production process essentially like any other. Knowledge is divided and subdivided into discrete units, delivered according to preset instruction, and monitored at regular intervals through standardized examinations—precisely Frederick Taylor’s prescription of specialization by simplification, pre-established rules, and feedback information. Students move through high schools and universities as if they were on a conveyor belt... (p. 215)...American schools and universities have come to mirror American firms—rigid systems for achieving economies of scale, impressively efficient but incapable of imaginative responses” (p. 216).

Charles Handy (1994) argued we had entered the “Age of Paradox” where “so many things, just now, seem to contain their own contradictions, so many good intentions to have unintended consequences, and so many formulas for success to carry a sting in their tail” (p. x). Paradox, to Handy (1994), became something that needed to be coped with.

There is paradox at the heart of things. Life will never be easy, or perfectible, or completely predictable. It will be best understood backward, but we have to live it forward. To make it livable at all levels we have to learn to use the paradoxes—to balance contradictions and inconsistencies—
as an invitation to find a better way...Living with paradox is not comfortable or easy. It can be like walking in a dark wood on a moonless night. It is an eerie and, at times, a frightening experience. All sense of direction is lost; trees and bushes crowded in on you; wherever you step, you bump into another obstacle; every noise and rustle is magnified; there is a whiff of danger; it seems safer to stand still than to move. Come the dawn, however, and your path is clear; the noises are now the songs of birds and the rustle in the undergrowth is only scuttling rabbits; trees define the path instead of blocking it. The wood is a different place. So will our world look different and less frightening if we can bring light to paradoxes (p.14).

The U.S. had indeed entered the "age of paradox," however, when the structural shift occurred, professionals and labor alike bounded in support of the high-volume, standardized production paradigm. Managers tightened control, labor yielded with wage concessions and where labor did not yield, firms relocated to states with lower wage structures and less pervasive unions. America's superstructures were designed for "stability not adaptability" (Reich, 1983:193).

America's old industries and their workers carry far more political power than emerging flexible system industries. This disparity in political power between declining high-volume producers and emerging flexible-system producers makes it risky for politicians to advocate policies promoting adjustment rather than protection. Declining industries and their dependents prefer protection for the simple reason that adjustment subjects them to an
uncertain future, while protection at least temporarily preserves the status quo (Reich, 1983:194).

The commercial sector was not alone in its resistance to change; the higher education sector was even better equipped to resist and could do so without immediate consequences. Not subject to truth in numbers created by commercial sector profit and loss statements, predominately governed by a tenured-in faculty that had grown accustomed to continuous growth in its resource base, its self-assurance validated by sustained enrollment (despite the projections of enrollment declines which were to follow the graduation of the babyboomers), higher education epitomized an industry consumed by its own success. The MIT Commission on Industrial Productivity said, “The winds of change that are sweeping through industry and the economy will not spare institutions of higher learning” (Dertouzos, et al., 1991:156). They were correct. The education system so appropriate to American productivity at the heyday of its prosperity would not produce the kinds of workers needed in the rapidly emerging new economy. The system of accreditation which supported that system and worked so well during the first three-quarters of the century, still worked well within the purposes defined for it during those first periods. Accreditation agencies continued to assess what they had always assessed using methods that had evolved and served them well for over fifty years. COPA, albeit stronger than its predecessors—NCA and FRACHE—continued to lead U.S. accrediting activities in much the same way central monitoring agencies had always led. Like so many of the nation’s commercial and social organizations, higher education institutions and the accrediting agencies continued in a business-as-usual manner almost in a state of
denial over the sweeping changes in the world order. As Robert Reich said about the
"daily lamentations in the media" about how terrible the nation's schools had become,
"most schools had not changed for the worse; they simply had not changed for the better" (Reich, 1992:226). But, the 1990's would see this paradigm shift in full force and
America's system of higher education accreditation would be forced to sort through the
turnover and reposition itself to serve the needs of its multiple constituencies.

The End of the 1970-1980 Period

By the 1990's the U.S. commercial sector had begun its movement "from [a]
multi-layered hierarchy to flatter networks or relatively autonomous businesses" (Tapscott & Caston, 1993:11). They contrast the old with the new along multiple
dimensions:

Table 7
Old and New Economy Dimensions

<table>
<thead>
<tr>
<th></th>
<th>Closed Hierarchy</th>
<th>Open Networked Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>Hierarchical</td>
<td>Networked</td>
</tr>
<tr>
<td>Scope</td>
<td>Internal/closed</td>
<td>External/open</td>
</tr>
<tr>
<td>Resource Focus</td>
<td>Capital</td>
<td>Human, information</td>
</tr>
<tr>
<td>State</td>
<td>Static, stable</td>
<td>Dynamic, changing</td>
</tr>
<tr>
<td>Personnel Focus</td>
<td>Managers</td>
<td>Professionals</td>
</tr>
<tr>
<td>Key drivers</td>
<td>Reward, punishment</td>
<td>Commitment</td>
</tr>
<tr>
<td>Direction</td>
<td>Management commands</td>
<td>Self-management</td>
</tr>
<tr>
<td>Basis of action</td>
<td>Control</td>
<td>Empowerment to act</td>
</tr>
<tr>
<td>Individual motivation</td>
<td>Satisfy superiors</td>
<td>Achieve team goals</td>
</tr>
<tr>
<td>Learning</td>
<td>Specific skills</td>
<td>Broader competencies</td>
</tr>
<tr>
<td>Basis for compensation</td>
<td>Position in hierarchy</td>
<td>Accomplishments, competence level</td>
</tr>
<tr>
<td>Relationships</td>
<td>Competitive (my turf)</td>
<td>Cooperative (our challenge)</td>
</tr>
<tr>
<td>Employee attitude</td>
<td>Detachedment (it's a job)</td>
<td>Identification (it's my company)</td>
</tr>
<tr>
<td>Dominant requirements</td>
<td>Sound management</td>
<td>Leadership</td>
</tr>
</tbody>
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(Source: Tapscott & Caston, 1993:11)
Lester Thurow (1996) argued that five economic tectonic plates had pushed the world into a period of “punctuated equilibrium,” a period in which social and economic systems enter with slowly evolving but firmly established structures and emerge with radically different structures. During such periods “everything is in flux, disequilibrium becomes the norm, and uncertainty reigns” (p. 8). The five tectonic plates causing this disequilibrium were the end of Communism; a technological shift to an era dominated by brainpower industries, demography never before seen; a global economy; and an era in which there is no dominant economic and military power. He notes that in periods of punctuated equilibrium, ideologies and technologies, new and old, do not match and that old social systems must first experience a visible failure before it is possible for them to adapt to the new environment. That failure was evident in the productivity decline of this period, but slowly adaptation began, as evidenced by the emergence of a new, open networked organizational structure. A new paradigm which evolved throughout the 1990’s and dominated the country as it moved into the new century required a worker educated and trained in a manner very different from that which the American educational system was producing. American innovators (from the cultural revolution at Ford to the revolution in education at Central Park East) were rejecting the status quo and embracing a common theme that emphasized teamwork, learning, long-term strategies, patient capital, new partnerships, and power sharing. (Smith, 1995).

Central to the paradigm shift was the challenge of producing knowledge workers. Hedrick Smith (1995) called it the need for a new mindset. “Rethinking America entails the recognition that people at all levels of society are the nation’s most valuable asset and
that the path to renewal for America lies in the engagement of as many people as possible in the common endeavor... (that means) tapping the minds of ordinary workers and students who have long been treated as unimportant cogs in America’s industrial machine” (p. xxi).

Jeffrey Pfeffer (1995) in *Competitive Advantage Through People*, argued that the workforce, its management and its training and education will provide organizations with their competitive advantage in the twenty-first century, not the traditional methods of product and process technologies, protected and regulated markets, access to financial resources, or economies of scale.

Lester C. Thurow (1996) argued that brainpower was the only source of strategic advantage; whereas, the largest companies in America at the turn of the twentieth century were natural resource companies, the largest companies in the world at the turn of the twenty-first century are brainpower industries, and brainpower industries, unlike natural resource companies (which have fallen almost 60 percent from 1970 to 1990), can be located anywhere. "Today knowledge and skills now stand alone as the only source of comparative advantage. They have become the key ingredient in the late twentieth century's location of economic activity. Silicon Valley and Route 128 are where they are simply because that is where the brainpower is. They have nothing else going for them" (p. 68).

Peter Drucker (1995) in *Post-Capitalist Society* argued that we are entering a post-capitalist knowledge society that would be shaped by life sciences and communications technology and that society would rearrange itself—its world view—its
base values, its social and political structures, its arts, its key institutions (Drucker, 1993).

Robert Reich (1992) called it the need for "symbolic analysts." These new workers would have partners or associates rather than bosses or supervisors, their careers would not be linear or hierarchical, and the ability to work in teams would become critical; moreover, their education would entail four basic skills: abstraction, system thinking, experimentation, and collaboration. "Unlike high-volume production, where most of a firm's value is represented by physical assets, the principal stores of value in flexible system enterprises are human assets. Specialized machines and unskilled workers cannot adapt easily to new situations. Flexible machines and teams of skilled workers can. Only people can recognize and solve novel problems, machines can merely repeat solutions already programmed within them. The future prosperity of America and every other industrialized country will depend on their citizen's ability to recognize and solve new problems, for the simple reason that processes which make routine the solution to older problems are coming to be the special province of developing nations. Industries of the future will not depend on physical hardware, which can be duplicated anywhere, but on the human software which can retain a technological edge" (p. 236). Hence, the challenge became increasing the value of what U.S. citizens add to the global economy by enhancing their skills and capacities and by improving their means of linking those skills and capacities to the world market.

The world's political leaders know that in a world where a large percentage of wealth is created by multi-national corporations, the economic well being of entire
regions is dependent on the ability of those corporations to procure the needed workforce. Technological advances in travel and telecommunications now allow companies to go off-shore for manufacturing or the talent necessary to run other aspects of a business. Few individuals would disagree with Hedrick Smith's statement that "learning is the engine of continuous growth" (Smith, 1995).

Thomas Friedman (1999) argues that the most defining characteristic of this new order is that no one is in charge; rather, the global marketplace or an "Electronic Herd of often anonymous stock, bond, currency, and multinational investors, connected by screens and networks" (p. 94) would come to dominate. Friedman (1999) notes that "democracies vote about a government's policies once every two or four years, the Electronic Herd votes every minute of every hour of every day (p. 95)...it makes snap judgments about whether you are living by its rules and rewards most lavishly those countries that are transparent about what they are doing" (p. 94).

Heilbroner (1995) sums up the new world order by using the following passage from Manuel Castells:

The new economy is a global economy, in which capital, production, management, markets, labor, information, and technology are organized across national boundaries. Although nation-states are still fundamental realities to be reckoned with in thinking about economic structures and processes, what is significant is that the unit of economic accounting, as well as the frame of reference for economic strategies, can no longer be the national economy. Competition is played out globally, not only by the
multinational corporations, but also by small and medium sized enterprises that connect directly or indirectly to the world markets. What is new, then, is not that international trade is an important component of the economy (in this sense, we can speak of a world economy since the seventeenth century), but that the national economy now works as a unit at the world level....In this sense we are not only seeing a process of internationalization of the economy, but....the interpenetration of economic activity and national economies at the global level (p. 85).

Throughout the 1970's and 1980's higher education had not changed to accommodate the changes that had occurred in the commercial sector. Its system of accreditation, both specialized and regional, had not adequately addressed the changing needs of its constituencies. The central monitoring agency, charged with serving as the "balance wheel" was fraught with internal issues that would never be resolved. Change would come but crises would precede it.

We have seen how scarcity of resources became an issue for higher education institutions for the first time in many years. While massive public support still characterized the nation's higher education system, escalating costs (both because of growing needs within the academy and because of double digit inflation that characterized the period) became a factor to be addressed. Moreover, the higher education system faced increasing competition for public funds from other pressing public needs. Hence, this period is characterized by rising resource scarcity. Information complexity also heightened as the nation adjusted to structural changes in its economic
infrastructure. The movement from an economy based on high volume production to one based on knowledge workers had tremendous impact on the nation's business and industrial enterprises. Global competition, mergers and acquisitions, and downsizing, were all issues that had profound implications for the American public and that placed new demands on its system of higher education. Heightened resource scarcity and information complexity as well as the general tendency for the higher education system to use adaptation strategies that focused on innovative solutions and neglected issues related to efficiency would have a significant impact on the system's accreditation structure. The consequences of the crisis that ensued are still being addressed as the accreditation system continues its ongoing adjustment to accommodate changing external environmental conditions and stakeholder expectations that accompany those changes.
CHAPTER VI

The Crisis of the 1990's

Chapter Overview

This chapter begins with a brief overview of the environmental conditions present as the accreditation system entered the 1990's. It describes a situation in which information complexity, as evidenced by the uncertainty wrought by many years of declining productivity and federal budget deficit, had heightened as had resource scarcity. As we have seen in previous chapters, for most of the twentieth century the country's higher education system had focused on innovation and had not been particularly attentive to efficiency. By the 1990's the skewed balance of these competing goals had set the stage for a crisis that threatened the very existence of accreditation. This chapter also presents a discussion of some of the issues and criticisms of the nation's system of accreditation that remained unresolved as the system entered the 1990's; embedded in that discussion is evidence of external stakeholder frustration that had by this time reached untenable heights. Finally, the details of the crisis brought about by HBA92, the demise of COFA, and the creation of a new central monitoring agency are presented.

Information Complexity and Resource Scarcity—1990's

By 1990, the United States had experienced more than fifteen years of slowed income growth and lagging productivity and had witnessed the rise of Asian manufacturing, the end of the Cold War and collapse of Communism, and the erosion of its post-war dominance. The success of the Allied effort in the Second World War confirmed the effectiveness of the educational system, but that system was producing
discipline-bound graduates who were narrowly focused, had a national perspective, and embraced an ideal of individualism. Many were unable to work well in teams and most were not fully aware of global issues. Throughout the 1970's and 1980's a new world order emerged which demanded a very different skill set; yet U.S. colleges and universities continued to stress the theoretical rather than the practical; hence, many lacked leadership integrative, and communication skills. Disatisfaction and frustration was paramount among external constituencies, predominantly graduates and employers; that dissatisfaction was well communicated to federal and state legislators, who were concerned about the efficacy of massive monetary support. It is interesting to note that the American Council on Education research found that despite all the negative press about college curricula, professors who were more interested in research than teaching, and colleges padding their indirect cost budgets, "the like has yet to register with the average American citizen" whose view of education remained positive, albeit it concerned with the fact that it was becoming increasingly less affordable. In fact a 1998 Pew survey found that 75 percent of Americans believed getting a college education was more important than it was ten years ago and 86 percent believed that high school graduates should go to college because in the long run they will have better job prospects. However, the perception of opinion leaders (business leaders, public officials, and journalists) was not consistent with the positive view of the American public; and the ACE study found them to be a good deal more critical than the general public. It is within this climate of bountiful discontent over the nation's economic condition and many of its social structures that accreditation would be attacked. While the locus of the
crisis was the enormous losses incurred by default on federally guaranteed student loans, the problems were in reality deeper. Federal loan default, in and of itself, could have easily been contained through a curtailment of abuse and closer monitoring of activities within the proprietary sector. The frustrations of external constituencies emanating from structural changes in the economy together with a new world order in which advanced technology was rendering national borders inconsequential would wrought a vengeance upon the higher education's system of self-regulation. The system's central monitoring agency, COPA, embroiled in disputes among internal constituents (the national accrediting agencies, the regional accrediting commissions, the specialized agencies, and the DuPont Circle associations), had neither the strength nor organizational structure needed to address the problems. Accreditation was by the 1990's in "an advances state of distress" (Bioland, 1999:363). And, in the early 1990's a "fury of debates" (DeLoughry, 10/31/91) in both the House and Senate would mark consideration of the reauthorization of the Higher Education Act.

**Unresolved Issues**

As we have seen throughout the history of accreditation, the system has always been subject to criticism from both internal and external constituencies. The unresolved issues that ushered in the crisis of the 1990's were articulated by the National Policy Board (1994) after the demise of COPA; among them: the absence of a shared sense of what accreditation is and what it was supposed to assure (e.g. purpose); questions about the rigor and consistency of regional accreditation; growing concerns among college and university presidents about the ever increasing demands of specialized accreditation.
agencies; and internal disputes within higher education that left COPA weak and ineffective. Not one of these problems was new. What was new was the context in which accreditation operated and that changed context heightened the consequences of these unresolved issues and, indeed, gave rise to some new concerns.

Internal constituents (most notably senior college and university administrators and faculty), for example, had for many years complained that standards were inappropriately restrictive. Dill (1996) notes that subject level assessments by external agencies often lead to a "culture of compliance" (p. 23). There is evidence in the literature of the early 1990's that well-respected professionals within some disciplines agreed with that assessment. In 1992, for example, Charles M. Vest, President of Massachusetts Institute of Technology, speaking at the American Society for Engineering Education, accused ABET of hindering the kind of innovation and experimentation MIT wished to encourage; John W. Prados, President of ABET, responded by noting that Vest was not alone in his accusation and that ABET's board had begun to re-evaluate its guidelines (Blum, 7/1/92). ABET would not be alone in its reevaluation of standards; AACSB, the Association of American Medical Colleges, the Teacher Education Accreditation Council, National Council for Accreditation of Teacher Education, among many others, would respond to this criticism by moving away from input driven standards and focusing on outcomes instead.

Complaints from external constituencies typically denounced specialized accreditation for being instrumental in drawing money and attention away from general education and the core curriculum and criticized regional accreditation for failing to
sanction institutions whose quality was poor. In fact a *Chronicle of Education* survey found that only forty-seven institutions (just 1.6 percent) of those institutions accredited by the six regions were affected by public sanctions in 1991 and 1992, and of those, fourteen had improved enough to have the sanctions lifted (Leatherman, 1/6/93). Moreover, that number neglects the private sanctions for which institutions generally have one year to rectify. Such low numbers, nevertheless, contribute to the both the concerns that the institutional accreditation does not work well in penalizing poorly performing institutions and that the public be informed about institutions whose quality is low. But, this, too, was nothing new, as early as 1950 some persons active on the National Commission on Accreditation, as well as some active in North Central Association, wrote of a decline in public confidence in accreditation (Semrow, et al., 1992).

There had also been concern throughout the century from both internal and external constituencies that the specialized agencies operated like guilds “promoting the special interests of the profession with little concern for the health of the whole institution” (Leatherman, 9/18/91:A1). Graham, Lyman, Trow, and Fusco (1995) argued that the processes of review for specialized accreditation “are frequently dominated by professors of those disciplines, outsiders who too often show greater concern for salaries and other perquisites than for evidence of effective education” (p. 21).

Some have criticized the strong relationship between the federal government and regional accrediting agencies. Thomas Dilon (1995), for example, argues that the regional agencies have fallen prey to the political agenda of the U.S. government.
Dillion, is President of Thomas Aquinas College, a small "great books" college which holds that "one intellectual tradition is superior" (p. 39) and believes that diversity of viewpoints does not belong in the curriculum; as such, Thomas Aquinas College has rejected the diversity standards of the Western Association of Schools and Colleges and fought hard to mobilize opposition to the imposition of politically motivated agendas. While an extreme example, Thomas Aquinas was not alone in its fight against the imposition of a social agenda from accrediting agencies. Supporters of a more conservative agenda for higher education rallied in support. Delivering a commencement address to the college in 1994, William J. Bennett took "a few shots" at accreditors and congratulated the college for taking a stand against them saying, "We admire your courage, your very good institutional imitation of David standing up to the Goliaths of accreditation and nonsense" (The Chronicle of Higher Education, 6/22/94:A14).

Moreover, external constituencies distrusted the intellectual elitism arising from college and university faculty particularly the idea that only those within the academy were capable of determining what constituted quality. Thomas R. Wolenski, staff director for the House Subcommittee on Postsecondary Education, observed in 1992, "I think accreditors have tried to maintain this aura of the wise men who get together and somehow make these determinations about educational quality that those outside the brotherhood clearly couldn't understand...That process is fine except when the end product is the key to the federal treasury" (Leatherman, 2/19/92:A15).

Despite these complaints, since the faucet of federal student aid dollars opened in 1944, internal constituencies (college administrators and faculty), having made their
Faustian deal with the government, had come to regard accreditation as the lesser of two evils: peer review and government intrusion. Hence, while the proliferation of specialized agencies and the time and expense of conducting multiple accreditation reviews were factors of discontent for college administrators, they were considered more desirable than increased federal or state intrusion into academe. Moreover, within the internal constituency groups rested a perspective that the proliferation of specialized agencies could be contained by those within the system through a central monitoring agency. In fact, as we have seen in the history of accreditation, one of the primary charges to all central monitoring agencies (and, indeed in the case of the National Commission on Accreditation the basis for which it was founded) had been the curtailment of specialized accreditation. While the National Commission on Accreditation failed in this regard, it at least refused to recognize a good portion of the specialized agencies. COPA would not only fail to control the growth of agencies, it would welcome them into the fold. At the time of its founding in 1975, COPA recognized only twenty-nine groups; by 1991 it recognized forty-two specialized agencies (Leatherman, 9/18/91). In fairness to the failure of the central monitoring agencies in this area, however, it is important to remember that for a new agency to have been recognized by COPA, the group had to begin reviewing programs; that is, the colleges and universities must have already accepted the new agency by applying for an accreditation review. Hence, there is some disconnect between the complaints over the proliferation of agencies and institutional desire for accreditation by those new agencies. Even efforts to forestall the creation of new agencies formed as a result of new and
emerging fields such as the Computer Science Accreditation Board (CSAB) failed because there were greater numbers of institutions applying for accreditation than there were institutions protesting the creation of yet another agency. And, it is interesting to note that those institutions objecting most adamantly to CSAB’s introduction were the “big ten” universities which agreed not to seek or allow accreditation by the new group (Leatherman, 9/18/91:A1). 

Despite the consistent objection of colleges and universities over the number of specialized agencies throughout the century, their numbers continued to grow. The universal goal of limiting specialized groups did not abate and efforts to control their growth continued in the 1990’s. The Chronicle of Higher Education, for example, reported in the 1991 that academic administrators were taking steps “to limit the clout of” specialized agencies, specifically, the National Association of State Universities and Land Grant Colleges and the American Association of State Colleges and Universities both proposed tightening the criteria used to recognize new accrediting groups and members of the Education Department’s advisory panel on accreditation planned to examine complaints about specialized accreditation (Leatherman, 9/18/91). However, by 1992, if college and university presidents were opposed to the introduction of new agencies, the Secretary of Education, Lamar Alexander, was not. In a move that exemplified the malcontent between the Education Department and the higher education system, Secretary Alexander announced in April of 1992 that the Education Department would reinterpret government regulations to make it much easier for new college accrediting groups to gain federal recognition (Jeschik, 4/22/92).
Some have thought that an agency must have been in operation for several years or must first have gained the acceptance of established accrediting agencies...I do not read those departmental regulations [that way]....and I will not apply them as restricting the recognition of additional, newly formed agencies...In my view, a newly formed accrediting agency can secure prompt recognition from the Secretary, under the department's regulations so long as the agency shows that it possesses sufficient administrative and financial resources to do its work and has put into place the procedures needed to produce reliable accreditation decisions" (Jaschik, 4/22/92:A29).

As promised, regulations making the formation of new accrediting groups easier were forthcoming and changed the requirements for recognition from two years of operation to immediate recognition for new groups formed by any ten colleges accredited by recognized agencies and which had student loan default rates of less than 10 percent (Jaschik, 2/12/92).

The Crisis

In 1990 twenty-five years had passed since the passage of the 1965 Higher Education Act as part of Lyndon B. Johnson's Great Society legislation. Providing $11 billion to four million students each year, the federal loan system had become a critical component of federal assistance to colleges and universities. But the program was in crisis, having reached a default rate of over $3.5 billion and costing the government $2.4 billion a year (DeLoughry, 9/20/90:A25), at a time when legislators and the general
public had growing concerns over the nation’s budget deficit. Inheriting this monumental problem at the beginning of his tenure, U.S. Education Secretary Lauro F. Cavazos fully understood that the problem was emanating from the postsecondary proprietary trade and vocational schools and, “called seven of the agencies onto the carpet and promised an inquiry into why the trade schools they accrediting have so many defaults” (DeLoughry, 9/20/90: A25). The Education Department took solid steps to curb the defaults in 1989 by levying penalties against institutions with default rates above a certain threshold and by denying access to student aid programs all schools with default rates above 60 percent. Ordinarily such an intrusive movement would have brought loud criticism from college officials, most of whom abhorred the idea of additional federal intrusion into their affairs. However, those within the higher education community (and here the distinction between higher education and postsecondary education is critical) were quick to applaud any plan which put the burden of action on the schools which were responsible for the huge default rates — the trade and proprietary sector. Moreover, Cavazos’ regulations were more lenient than those proposed by former Secretary William Bennett, who also addressed the problem and proposed eliminating aid for institutions with default rates over 20 percent. Cavazo’s penalties, together with regulations requiring disclosure of graduation rates and job placement rates, proved popular with not only college officials but also legislators (DeLoughry, 6/20/90: A1). At the time, some, in fact, even credited Cavazos with moving Congress away from damaging legislation (DeLoughry, 6/20/90). There was one group, however, that was vehemently opposed to the new regulations — the roughly 153 college and trade schools which would be excluded from the federal student
loan program because of excessive default rates (Cage, 10/9/91). In fact, nine proprietary schools and one specialized accrediting agency litigated the matter; although, a federal judge upheld the constitutionality of the regulation (Cage, 10/9/91). Cavazo’s decisive action, however, did not calm Congressional concern about default rates and it refused to increase student aid programs for the 1990 fiscal year (DeLoughry, 6/20/90). Moreover, neither Congress, the Senate, nor other key federal agencies would be dissuaded from further investigation or from proposing damaging legislation.

By the fall of 1990 The Chronicle of Higher Education was reporting that the Senate Permanent Subcommittee on Investigations, chaired by Senator Sam Nunn, “lashed into the accrediting agencies’ practices” (DeLoughry, 9/20/90:A25) and also uncovered serious shortcomings with respect to state agencies that license schools as well as the Education Department. Moreover, the Subcommittee denounced the loan programs for being ripe with fraud. The report concluded “the system of state licensure, private accreditation, and Education Department review of institutions is not working to keep unscrupulous trade schools out of loan programs” (DeLoughry 7/17/91:A15). The Senate was placing the blame for the billion dollar loan default problem on accrediting agencies.

A shotgun approach that implicated the entire accreditation system was taken despite the fact that most agreed that the default rate among trade and proprietary schools was the problem. The fact of the matter was that Secretary Cavazo’s analysis of the 1988 default statistics found that five colleges and eighty-four trade schools accounted for more than 30 percent of all defaulted loans (DeLoughry, 7/17/91). While Cavazo’s investigation threat of 1989 did not include the regionals but rather focused on the seven specialized
agencies that accredited trade schools (in fact, both the Education Department and a Senate Subcommittee issued public statements blaming the for-profit trade schools for the problem (DeLoughry, 9/20/90)), the Education Department, the Congress, and the Senate would generalize the problem and blame the entire accreditation system. Clear evidence of bipartisan agreement that the problem was largely confined to the trade and vocational proprietary sector is found in the discussions of how to manage financial aid in that sector. Both Senator Nunn and the ranking Republican on the investigations subcommittee, Senator William V. Roth, Jr., questioned whether aid for college students and trade school students should be covered under the “same umbrella” (DeLoughry, 9/20/90:A25). Others on the subcommittee expressed the opinion that the peer-review system of accreditation was inappropriate for trade schools — “The system was based on the respect, honesty, and integrity of educators, with the primary motivation in education being the student’s best interests...Those same presumptions are not always applicable to the current proprietary-school industry” (Kim L. Wherry cited in DeLoughry, 9/20/90:A25). It was soon clear, however, that neither the Senate nor the Congress would be content to single out one sector of the postsecondary cohort, despite wide-spread understanding that the loan default problem was largely concentrated in the trade school/proprietary sectors. So heated was the subject of loan default that the Nunn hearings drew standing room only crowds. The room was particularly crowded the day testimony was heard from a former barber school owner who, before being convicted and sentenced to prison, collected over $400,000 in loans for fictitious students and who
claimed to have easily passed superficial accrediting reviews where team members were reluctant to cause problems for fellow school owners (DeLoughry, 9/20/90).

Problems were also heating up in other Congressional committees; W. D. Ford, Chair of the House Subcommittee on Postsecondary Education stated, “the system for determining an institution’s eligibility for aid programs must be tightened before Congress pursues any other changes in reauthorization” (DeLoughry 7/17/91:A15). The Bush administration concurred with that sentiment, as did others with direct involvement in the student loan business. In June, 1991, the executive director of the Texas Guaranteed Student Loan Corporation, testified before the House Subcommittee on Postsecondary Education and advised the Subcommittee to drop accreditation as a criteria for eligibility for student aid because it had failed to “bar low-quality trade schools from aid programs” (DeLoughry, 6/15/91:A19). The House-Senate Conference on the reauthorization of the Higher Education Act would begin in mid-June 1992 and progress into the summer of 1992, culminating in a final bill being sent to the White House for approval (or veto). In early 1991 both bodies began preparation for that event. By the Spring of 1991 the Education Department, the Congress, and the Senate had responded to two other government reports that claimed the current system was failing: (1) The White House Office of Management and Budget urged the adoption of regulations requiring “a performance-based system to insure accountability in student aid” (Jaschik, 4/17/91:A22) as one measure of outcomes assessment and (2) a report from the Inspector General which offered recommendations for regulations in light of its conclusion that the Education Department was not properly evaluating accrediting agencies, was relying too
heavily on information supplied by the agencies, and was not carrying out sufficient independent analysis (DeLoughry, 9/13/89).

The higher education accrediting community did not take lightly Secretary Cavan's analysis, the Nunn Report, or the Congressional refusal to increase aid appropriations in fiscal year 1990; and, it was quick to call for heightened regulation for the offending trade school/proprietary sector. The Chronicle of Higher Education reported in February of 1990 that accrediting commissions and state education agencies "revived a moribund organization last month to try to improve the oversight of for-profit trade schools" (Cage, 2/7/90:A34). Participants in the meeting, seeking ways in which notes could be compared on the actions taken against shoddy proprietary schools, agreed to investigate ways in which accrediting agencies and the states could cooperate to monitor proprietary schools more closely. They need not have bothered; the Nunn hearings, the OMB Report, and the report of the Inspector General were so damaging to the higher education community that it would take Herculean effort to overcome the consequences, and in the process of drafting of the Higher Education Reauthorization Act of 1992, Congress would generalize the problem to all accrediting agencies and propose legislation eliminating accreditation from the quality assurance triad. While the proposal to eliminate accreditation as the gatekeeper of federal financial aid would not find its way into the final legislation, intrusive measures would marginalize the role of the accrediting agencies as the gatekeeper for federal funds until the passage of the reauthorization of the Higher Education Act in 1998.
The most serious blow came in September 1991 when a proposed House bill to reauthorize the Higher Education Act established "state agencies to replace private accrediting groups as the primary reviewers of institutions that participate in federal student-aid programs (DeLoughry, 10/5/91:A1). Clearly, Congress did not believe that accreditation was adequately meeting the quality assurance requirements of the federal student aid program. A maelstrom of criticism (and panic) quickly appeared as college officials were quick to attack the proposal. As an aftermath to the significant lobbying that quickly followed that initial proposal, the House Subcommittee on Postsecondary Education added two amendments to the proposal. The first excused many from intensive state oversight and limited such thorough assessment to those institutions with significant student loan default rates. Thomas R. Wolanin, staff director of the Postsecondary Education Subcommittee also agreed to ask the Subcommittee to review the proposal again in response to the concerns expressed by so many college officials; and, indeed, extensive debate over the bill continued. By mid-October the Subcommittee had approved a second amendment preventing state approval agencies from exercising "planning, policy, coordinating, supervisory, budgeting, or administrative powers over any postsecondary institution" (DeLoughry, 10/16/91:A41) which eased anxiety among college officials somewhat. Nevertheless, the proposed bill still "emphasized state oversight of accreditation while rejecting the private accreditation system" (DeLoughry, 10/16/91:A41), and the Subcommittee was unwilling to abandon the plan for strengthening state oversight. Making matters worse, the House Education and Labor Committee endorsed the plan to end the link between accreditation and student aid
(Jaschik, 11/27/91:A1). As concern heightened, college presidents continued lobbying in an effort to get the proposal withdrawn; trade school officials and banking interests increased their campaign contributions to members of Congress (DeLoughry, 5/20/92). But, no amount of lobbying or campaign contributions could at this point repair the tarnished relationship between the federal government and the postsecondary community.

The Senate was also busy drafting a version of the bill; a version which did not eliminate accreditation. In fact, within the Senate there was strong support for maintaining the role of accreditation in the student aid process. That support was not predicated on a belief that accreditation was fulfilling the objectives of the Senate. Rather, the philosophy behind the Senate bill was to ensure that institutions had multiple reviews. It believed accreditation should be maintained, but state and federal standards for reviewing institutions should be tightened. David V. Evans, staff director for the Senate Subcommittee, stated, “We basically believe that what we should be doing is putting institutions through as many hoops as possible” (DeLoughry, 10/31/91:A1).

While Congress and the Senate debated the loan issue, another problem would surface in the accreditation community. Its emergence would put another wedge in the already adversarial relationship between the Education Department and the accreditation community and is illustrated in a change in Secretary of Education Lamar Alexander’s position with respect to the vocational schools. DeLoughry reported in October 1991 that then Secretary of Education, Lamar Alexander, also favored maintaining accreditation as a requirement for eligibility for collegiate programs but favored eliminating it for vocational programs; a division rejected by the lawmakers (DeLoughry, 10/31/91).
However, by late November, 1991, Scott Jaschik (11/27/91) reported that Alexander proposed an "end to the policy of requiring colleges wishing to participate in federal student-aid programs to be accredited by regional agencies" (p. A1). Rather, Alexander proposed that colleges would receive a "pass" to qualify for federal programs and could hence avoid participating in accreditation. This change in attitude, however, was divorced from the House and Senate debates over the Reauthorization of the Higher Education Act and rather concerned Alexander's extreme dissatisfaction with Middle States Association's stance on diversity. And, as Jaschik (11/27/91) reported, many expressed concern over Alexander's shift from opposition to support of the proposed elimination of accreditation and attributed such a rapid change in position to posturing on the Middle States diversity issue.

The issue of accrediting agencies promoting social or political policy rose to the forefront of discussions in 1990. Middle States had diversity standards in place since 1988, those standards required evaluators to assess institutional efforts to attract minority faculty and students. It did not stand alone with such a standard. "In 1988, after extensive discussion among our 152 accredited and candidate institutions, the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges decided that every accredited institution, as part of its commitment to educational quality, should be expected to make continuing progress toward becoming a multi-racial, multicultural institution" (Weiner, 10/10/90:B1). But, Middle States was the first (and only) agency to deny the granting of accreditation based on the diversity standard. The site reviewers argued that there was an inconsistency
between Baruch's stated mission on diversity and the numbers of minority faculty and denied accreditation (Jaschik, 12/5/90). Elsewhere a site team had denied accreditation to Westminster Theological Seminary for not allowing women on its governing board and for the absence of women faculty. Both institutions accused Middle States of inappropriate micromanaging; the National Advisory Committee on Accreditation and Institutional Eligibility agreed and recommended that the U.S. Department of Education delay Middle States' recognition (Jaschik, 4/17/91). Alexander agreed and ordered an additional study of the issue, "Middle states diversity initiative may undermine institutional autonomy and academic freedom and could in fact lessen variety among the nation's colleges and universities" (Jaschik, 4/17/91:A20). Controversy raged with strong opinions on both sides of the issue; in fact, even the National Advisory Committee on Accreditation and Institutional Eligibility was divided on the issue (Jaschik, 4/24/91). Ultimately, Middle States compromised; its board of trustees voted not to require diversity as a condition for accreditation but to raise diversity issues only when appropriate to an institution's mission (Jaschik, 12/18/91). Subsequently, the Department of Education extended Middle States' recognition (Jaschik, 2/12/92). The dispute over diversity is illustrative of the adversarial atmosphere that existed during this period.

Alexander advocated for the discontinuance of the link between accreditation and federal aid as a solution to both the loan default and diversity problems (Jaschik 11/27/91). Alexander's rationale was that colleges opposing the policies of an accrediting agency could simply decide not to be accredited or work with another agency; an idea COPA President Kenneth L. Perrin, believed would "stimulate accreditation
shopping, where unscrupulous institutions would move around and try to find the accrediting body with the least rigorous standards" (Perlman in Jaschik, 11/27/91:A1).

Courtney Leatherman, reporting in February 1992, observed that accreditation had attracted unprecedented attention and criticism; Stephen Weiser, executive director of Western Association agreed. “Accreditation is going through significant transitions. I don’t know how long it will take, but I certainly don’t think this is just another cycle we’re going through” (Leatherman, 2/19/92:A15). If attention was drawn to the accreditation system because of the debate in both the House and Senate over the reauthorization of the Higher Education Act, it was also drawn because of the extremely adversarial relationship between the accreditation community and the Education Department which manifested itself in a draft of new regulations released by the Advisory Committee on Accreditation and Institutional Eligibility, proposing a harsh tightening of regulations for existing agencies and the easing of requirements for federal recognition for new groups (Jaschik, 2/12/92). The proposal had opponents even within the sharply divided Committee, but nevertheless would go forward to the Secretary confirming the opinion expressed by Richard C. Kleckel, Dean of the College of Education at Auburn University, that “accreditation is on trial today” (Jaschik, 2/12/92:A23).

When finally passed, the amendments to the reauthorization of the Higher Education Act of 1992 made “the most sweeping changes since the law was first enacted in 1965” (Saunders, 6/3/92:34). After all the lobbying, debate, and tainted relationships among stakeholder groups, the final version of HRA 92 maintained the role of
accreditation but "forced accrediting agencies to assume more responsibility for
monitoring the compliance of colleges with federal student-aid rules and for limiting
default on student loans" (Jaschik, 8/5/92:A15). The Education Department, completely
unsympathetic to the needs of the accrediting community, was now empowered by law
not only to investigate colleges with default problems but also to impose standards for
accreditation progress (Greenberg, 9/7/94). Colleges and universities would be required
to "maintain a laundry list of statistics that each institution receiving federal aid would be
required to keep" (Zook, 1/26/94). While colleges and universities argued that the data
collection related to the regulations would be costly, the Education Department
contended that these were not unreasonable things for institutions to be collecting (Zook,
2/2/94). Glidden describes the law's provisions as "new federal treatment of academic
standards and an extension of oversight and reporting responsibilities for accreditors that
replicate federal governmental activities...The effect of the changes means that the role
of accreditation as a reviewer of quality has been fundamentally changed, with the federal
government increasingly getting into the business of dictating standards of quality, while
accrediting organizations are incrementally forced to duplicate administrative and
reporting activities of the federal government" (Glidden, 7/29/97:3). Judith Eaton, who
would become President of CHEA agreed, and later as an advocate for reversing the
restrictions argued that the limited financial resources of accreditation organizations are
neither efficiently nor effectively utilized when accreditation activities go beyond the
primary business of assuring academic quality. "Other parts of the triad are already
charged to carry out these administrative and fiscal oversight responsibilities. This
results in duplication of effort between the federal government and voluntary accreditation” (Etros, 1998:1).

The law also established the State Postsecondary Review Agencies (SPREs), which would be required to review institutions within their state that failed to meet certain guidelines with respect to student loan default. Exactly how the SPREs were to conduct business was unclear, that issue would be the subject of ongoing discussion as the debates over drafting the regulations to implement the provisions of HEA 92 unfolded. What the legislation specified, however, was that the State Postsecondary Review Agencies would be required to conduct reviews of institutions (1) where student loan default rates exceeded 25 percent; (2) where the default rate exceeded 20 percent if more than two-thirds of the students received federal aid or two thirds of the schools expenditures were paid with student aid; and (3) in all cases where an institution was paying more than two-thirds of its expenditures with Pell Grants (DeLoughey, 8/5/92).

The debates and lobbying, however, did not end with the mere passage of the bill, for regulations had to be drafted and implemented to put into place the provisions of the act. Hence, a new round of negotiations began and negotiators prepared for their first round of talks scheduled to take place in public sessions in early January 1993 with conclusion sometime in February; sessions were to feature three panels: one devoted to the federal loan program, a second to general provisions of the act, and a third to accreditation regulations (Zook, 12/16/92). However, before the negotiations over the regulations associated with HEA 92 would be completed, another crisis would loom heavy upon the accreditation community - the six regional agencies withdrew from
COPA in February 1993 and announced that they intend to start a new group by July to represent their interests in Washington (Leatherman, 2/10/93).

Central Monitoring Agencies

The higher education community swiftly saw that the blame for the HBA 92 amendments rested with two entities - "on the organization that had recognized and coordinated accreditation activities for nearly two years" (Glidden, 1996:1) and on the non-degree granting vocational and technical schools because of their high default rates. COPA, the central monitoring agency that should have played a major role in promoting the interests of the accrediting community to legislators, was embroiled in internal problems from a diverse group of accrediting agencies that included the regionals, specialized professional accreditors, for-profit trade schools, bible and theological schools, and national groups that accredited institutions with special interests. By 1991, all six regional agencies were demanding changes "in the structure, mission, and finances" (Leatherman, 3/27/91:A15) of COPA and were threatening to withdraw support. Officials in these agencies claimed that COPA had "failed to keep the regional groups abreast of higher-education trends... As a result, they say they have been left to tackle separately issues that are new to their field. . . The lack of national leadership from the council has contributed to the controversies and confusion that have surrounded the regional agencies' attempts to deal with these issues" (Leatherman, 3/27/91:A15). The first reports of the possible withdrawal of the regionals from COPA appeared in The Chronicle of Higher Education at this time.
By 1993 the regional agencies had firmly and collectively concluded that COPA failed to represent the interests of the higher education community, should have anticipated the problem, and should have lobbied to prevent the crisis. In February 1993 they withdrew from COPA (Leatherman, 2/10/93). While the ACE's Robert Arwell would meet with the regional accreditors to persuade them to keep COPA, regional agents such as Charles M. Cook, Director of the College Commission of the New England Association defended the action, "If we stand guilty of anything, it's expressing the truth about the inability of the council to formulate a program, a vision, for these very disparate interests" (Leatherman, 2/10/93:A15) and Harold L. Simmons, head of the college commission of the Middle States Association who described COPA as "simply unworkable and its mission fatally flawed" (Leatherman, 2/10/93:A15). By April, 1993, COPA voted itself out of existence (Manger, 4/14/93). Ralph A. Wolff reporting on the COPA board's actions noted, "the organization had not been viewed as effective in addressing public and governmental concerns about accreditation, and that its attempt to bring together accreditors from regional commissions, specialized agencies, and proprietary schools have proved unworkable" (Wolff, 6/9/93:B1). The disbanding of the central monitoring agency and leadership such a group might have offered was problematic to the accrediting and higher education communities as they faced another task—the daunting negotiation with the Education Department over the implementation of the new requirements mandated under the amendments to the Higher Education Act.
The HRA 92 Regulations

Much to the concern of the higher education and accrediting communities, the first draft of regulations to support the provisions of HRA 92, released in the summer of 1993, went way beyond the intent of the legislation (Leatherman, 8/4/93). An outpouring of discontent arose from the accrediting groups. The regulations were specific about twelve key areas agencies would be required to review when evaluating a college as well as what the Education Department would consider when it checked the work of accreditors (Zook, 1/26/94). Moreover, the first draft included lengthy definitions of how accrediting agencies should evaluate colleges and universities within these twelve specific areas. It required that colleges be measured on such things as the “cost of tuition, the effectiveness of teaching, the number of federal student-loan defaults, and success of graduates in find the jobs” (Leatherman, 8/4/93:A23). In addition the regulations required accreditors to make unannounced visits to colleges offering vocational programs. Two dozen college presidents and higher education association representatives descended on the Education Department to deliver a doomsday message that predicted the pending regulations governing accreditation and the oversight of colleges would devastate American higher education (The Chronicle of Higher Education, 1/12/94). Agencies responded to that first draft by “sending letters to their member colleges urging them to be prepared to go to battle with the department if the draft is not significantly altered” (Leatherman, 8/4/93:A23). And, indeed, there was an outpouring of letters — over 1,700 — urging that the Education Department reconsider the regulations (Zook, 4/6/94). In response, the Education Department announced a revision
to the controversial draft (Zook, 1/26/94). While, the Education Department's revision "backed away...from some of the most controversial rules it had proposed to regulate American higher education" (Jaschkik, 5/4/94:A31) and imposed fewer requirements on how accrediting agencies should evaluate colleges as well as limiting the authority of the SPREs, the final version of the regulations would not be well received. And, in February 1994 when the regulations on accreditation were published, college officials, noting some improvements over the earlier circulated version, argued the new version still "represented unprecedented and unwarranted federal intrusion into campus affairs" (Zook, 2/2/94:A26) and "went far beyond the authority granted by Congress" by imposing more than 140 new requirements on accrediting bodies (National Policy Board, 1994). Terry Hartle, VP for Government Relations at ACE, protested that "the government has gone well beyond what the statute requires. We think it is extremely burdensome" (Jaschkik, 12/1/93). In fact, Robert Atwell, President of ACE, and David Warren, President of the National Association of Independent Colleges and Universities, suggested that several items in the draft were troubling enough for them to consider suing the department (Zook, 2/2/94). Education Department leaders maintained that there was little room for additional movement and the regulations, and maintained that "Congress had ordered the agency to take the steps that are proposed in the regulations" (Jaschkik, 5/4/94:A31). The regulations, which represented an additional eighteen months of public and private negotiations, were put into place. And, while they were toned down from the first draft (moving the twelve specific areas of evaluation to an appendix and leaving only general requirements within the text as well as limiting the authority of the SPREs), it
was clear that a major effort within the higher education and accreditation communities would be required to overcome the damage that occurred with the passage of HEA 92. How to do that in the absence of a central coordinating body was the next challenge.

Clearly, the accreditation community needed to hold back further government intrusion and restore public confidence in accreditation as an effective mechanism for self-regulation (National Policy Board, 1994). Not only was that going to be extremely problematic without a central monitoring agency, there also existed a pressing need for a mechanism by which a major function of COPA could be accomplished—the recognition of accrediting agencies. Moreover, despite the dismantling of COPA, clearly there was a need for some mechanism by which activities of the numerous agencies could be coordinated as well as a major need for representation in Washington.

There was broad consensus that the recognition function had to be provided for, but there was disagreement as to whether or not a national agency should be put in place to fulfill other regulatory functions (Boland, 1999). The national higher education organizations and the regional accrediting agencies grappled with the issue and found a temporary solution in the formation of three temporary organizations: The Council on Recognition of Postsecondary Accreditation (CORPA), the National Policy Board (NPB), and the Presidents Work Group (PWG). The immediate need for a mechanism by which accrediting agencies could be “recognized” was addressed by forming the Council on Recognition of Postsecondary Accreditation (CORPA). Most recognized that the formation of CORPA was a “stopgap measure” for a mechanism by which COPA’s regulatory functions could be accomplished (The Chronicle of Higher Education,
12/15/93), nevertheless, the group would be responsible for maintaining this function until the formation of CHEA in 1996. The National Policy Board was formed to "undertake the task of creating a new national agency on accreditation, a successor to COPA, but different and stronger" (Bioland, 1999:366); its membership consisted of the leaders of the regional accrediting agencies and the heads of the major higher education associations (Greenberg, 9/7/94). The National Policy Board's proposal to create a Higher Education Accrediting Board would stir a range of sentiment among stakeholders "from enthusiastic support to indifference to outright hostility" (Bioland, 1999:371). It is because of that controversy, and two divergent directions such a national organization might have taken that the NPB moved to solicit the support of what it perceived to be its most important constituency, college and university presidents, by dissolving and forming a President's Work Group to carry on its work and create a national agency, which it, indeed, accomplished with the formation of CHEA.

Accreditors initially responded to dismantling of COPA by meeting in Tucson, Arizona, in January 1994 "to trade ideas on how to improve accreditation and to fend off the government's efforts" (Leatherman, 2/9/94:A21). The threat of further government intrusion created a bond among a group of accreditors and leaders of the national higher education associations who were "united in their sense of urgency and need to act" (Bioland, 1999:367), despite their different perspectives about a new central monitoring agency on accrediting. Moreover, those differences were substantial. On the one hand, the national education associations (still seeking to curb the proliferation of specialized agencies) wanted a strong national organization with national standards that was
empowered to withdraw "recognition." The regional accrediting associations, on the other hand, vehemently opposed the idea of national standards and sought to maintain their autonomy. While no major conclusions were reached at this first meeting in Tucson, it served to define the conflicting goals of the regionals and the national associations. Moreover, there was one item on which both groups agreed: that the new agency should represent the interests of the higher education community, not the entire postsecondary education community. In addition, a newly appointed committee would be charged with drafting the proposal for a new organization (Bioland, 1999). That first draft of a proposal for the creation of a new organization met with "fierce criticism" (The Chronicle of Higher Education, 3/31/95) and "brought to the surface a deep division between the national associations and the regional accrediting agencies" (Bioland, 1999:369).

By the time the National Policy Board met in Phoenix in March of 1995, reaction among stakeholders to the 1994 publication of the National Policy Board's report, Independence, Accreditation, and the Public Interest, a report meant to be "an unfinished statement" (Bioland, 1999:370), made clear to the NPB members that the creation of a new agency would require "direct input and deliberation by presidents and other stakeholders regarding the controversies surrounding accreditation" (Bioland, 1999:371). The most disturbing aspect of the report was the naming of the proposed body, the Higher Education Accreditation Board, which "rubbed many people the wrong way since it implied some kind of super accrediting board" (The Chronicle of Higher Education, 3/31/95:A17).
However, the group concluded in Phoenix that it was critical for college and university presidents to be brought directly into the process of building the new organization, particularly in light of the AAU's position that it would not support any group that the NPB put together. It was agreed that a representative group of college and university presidents would be invited to the June NPB meeting. Courtney Lehterman (6/9/95), reporting for The Chronicle of Higher Education, characterized the controversy as "instantaneous opposition from colleges [that] severely weakened a plan that would have changed the face of college accreditation" (p. A19). "The Phoenix meeting marked the beginning stages of the transition by the NPB and the later Presidents Work Group from strategies to respond to and influence their highly politicized environment to much more consciously isomorphic activities that would bring about wider approval of their work and a more solid foundation of legitimacy for a new organization in accrediting" (Bloland, 1999:374). And, indeed, from the June meeting in Leesburg, Virginia, the Presidents Work Group was formed as the successor organization to the National Policy Board. Eighty people, including forty-six college presidents, met in Leesburg and agreed "that a national body should coordinate and certify accreditation" (The Chronicle of Higher Education, 6/31/95:A15). From the work of this panel of fifteen presidents, the Council on Higher Education Accreditation (CHEA) would be formed.

Bloland (1999) notes that the "formation of a new national organization in the shadow of a previous, troubled agency on accrediting was a difficult, drawn-out undertaking, with a number of pitfalls along the way....[the] primary concern was to establish a sufficient legitimacy to complete the task in the face of the differing agendas..."
of powerful stakeholders and in spite of doubts within the ranks of the creators" (p. 384). He attributes the infusion of college and university presidents as the major participants in the organizational building process as critically important as was the construction of an organizational structure different from that of COPA. The work of both the National Policy Board and the Presidents Work Group would result in a national organization on accrediting that was acceptable to the major stakeholder groups. In March 1996, 94 percent of the 1,603 higher education institutions that voted approved the creation of the Council on Higher Education Accreditation in what has been called "the largest referendum ever taken in American higher education" (http://chea.org/About/index.html).

In creating CHEA, the Presidents' Work Group included within the mission first the organization's role in preserving regulation and next the idea that it is responsible to all relevant stakeholders. That is, it recognized that for the organization to work, it, and the accrediting community it would serve to lead and represent, would have to take into consideration the needs and expectations of all stakeholders. It articulated the mission of CHEA as follows: "The Council will preserve self-regulation. It will serve students and their families, colleges and universities, sponsoring bodies, governments, and industry by promotion academic quality through recognition of higher education accrediting bodies" (The Council for Higher Education Accreditation: An Outline for Its Creation and Administration). It would serve higher education by serving the following functions:

(1) Recognize sound and effective higher education accrediting bodies; (2) coordinate research, debate, and processes that improve accreditation; (3) serve as a national advocate for voluntary self-regulation through
accreditation; (4) collect and disseminate data and information about accreditation; (5) mediate disputes and foster communication between and among accrediting agencies and institutions of higher education; and (6) preserve the quality and diversity of colleges and universities” (The Council for Higher Education Accreditation: An Outline for Its Creation and Administration).

While many of these functions were performed by COPA, CHEA would differ in several ways. First, it is an association that represents the interests of the higher education community, not the postsecondary community; hence, it would not be forced to represent the range of competing interests that COPA was compelled to address. Second, it would not be an association of accrediting agencies as COPA was; rather, its membership would be comprised of degree-granting colleges and universities only.

Since its founding in 1996, CHEA has worked diligently to reconcile stakeholder differences. Indeed, the organization itself represented a major consensus among internal stakeholders; hence, it symbolized at least a temporary reconciliation of the divergent opinions and expectations. Having stayed the internal rifts, CHEA was free to focus on harmonizing the relationship between the accrediting community and the federal government. Among its founding goals was that of representing the interests of the accrediting community and serving “as a national advocate for voluntary self-regulation” (CHEA Chronicle, 8/98:1). One of the priorities for this advocacy was the impending Higher Education Reauthorization Act of 1998. CHEA almost immediately endeavored to ensure that the “critical role of accreditation in American higher education is
emphasized in presentations and discussions relative to reauthorization” (CHEA Chronicle, 8/98:2).

From the very beginning CHEA defined its role vis-à-vis the U.S. Department of Education as complementary rather than competitive.

Whereas the governmental process establishes those accrediting agencies which meet the government’s threshold standards of quality for purposes of participating in federal programs, the CHEA process is designed to improve the quality of accreditation through the identification of best practices, the use of research about assessment and accountability and through dialogue with institutional leadership in a collegial process” (CHEA Chronicle, Fall 1996:1).

By taking such a position, the organization hoped to strengthen quality assurance by working in partnership with the government.

Moreover, the agency’s publications were quick to acknowledge the need for accreditors to embrace change. Braskamp, Poston, and Wergin’s (May 1997) featured article in CHEA Chronicle reinforced the willingness of CHEA to lead change by describing the nature of the relationship CHEA wished to foster with the government as “sitting beside” as opposed to “standing over.” While they first defined some of the problems accreditation has experienced, they quickly moved forward to highlight the positive aspects of accreditation acknowledging that, “while accreditation is essential for a healthy and vibrant academy, we must rethink its role and how accreditation can become a more positive and proactive force” (p. 2). Other similarly targeted articles
appeared in CHEA publications throughout 1997 (i.e., "The Pendulum Swing of Standards and Evidence", "On Being Responsive and Responsible"). These kinds of public declarations together with significant lobbying efforts helped to set the stage for the more cordial relationship with the U.S. government that is reflected in HEA 98.

While the efforts of CHEA were clearly beneficial to redefining the relationship between accreditation and the U.S. government, it was not the isolated efforts of CHEA that ultimately reversed the direction of HEA 92. It is important to view these changes within the context of information complexity and resource scarcity and view the changes with respect to a very changed economic climate, which greatly impacted the general sense of economic well being in the U.S. The lagging productivity that was of such great concern to policymakers from 1973 to 1993 reversed. Since 1994, the U.S. economy has not only grown an average 4 percent per year but unemployment has fallen to about 4 percent and inflation has remained consistently low (in fact 1999 saw the lowest increase in inflation in 34 years—only 1.9 percent) (Mandel, 1/32/2000). This expanding economy has already impacted higher education and accreditation, for at the heart and soul of it is the concept of a "new economy"—an economy that is predicated on high value added, knowledge-based businesses. However, most important to higher education and its system of accreditation is the fact that a key critical success factor for those businesses is the education, training, and life-time learning opportunities for the workforce. Moreover, as noted by Parsons (2000), two political events produced changes to higher education policy: the 1992 election of Bill Clinton and the 1994 midterm election which gave the Republican party a majority in the House and Senate for the first time since 1955. "No
one would have guessed that the foundations of power would shift so quickly and so dramatically in the years immediately following the 1992 HEA reauthorization" (p. 89).

The End of the 1990 Period

The crisis that befell the accreditation community in the 1990's is illustrative of organizational survival concerns that arise when adaptation strategies are inconsistent with the needs dictated by external environmental changes. In the early 1990's, the changes within the information complexity and resource scarcity dimensions that began to take place in the early 1970's remained inadequately addressed by the higher education and accreditation systems. Higher education institutions, accustomed to dealing with change through innovative strategies that tended to focus on short-term solutions to long-term problems, continued to use that approach and failed to develop adaptation strategies that would adequately address structural changes within the information complexity and resource scarcity dimensions. Accrediting agencies, lacking strong leadership from the central monitoring agency, COPA, continued to employ assessment methods that were consistent with the needs of the 1950 and 1960 period and failed to push institutions to develop adequately balanced adaptation strategies for coping with the changing conditions. COPA’s failure to provide this direction ultimately led to the agency’s demise and compromised the autonomy of the entire higher education system. We have seen the results of this failure in the 1991-1996 period which was witness to several events that had major significance to higher education and its system of accreditation: (1) the heated debates over amendments to HEA 92 and the role accreditation would play in the quality assurance process, (2) the demise of the Council on Postsecondary
Accreditation, (3) the negotiations among internal constituencies over the creation of a new central monitoring agency, the Council on Higher Education Accreditation, and (4) the formation and implementation of operating parameters for that new agency. These events were instrumental in forcing the nation’s accreditors and higher education leaders to take a fresh look at the quality assurance system in the U.S. However, conditions within the information complexity and resource scarcity domains of the new economy will do much to alter the role of higher education and its system of accreditation in the ensuing years as the actions of the various constituents had during the early to mid-1990’s.

We have seen in the history of accreditation that opinion leaders had much to say about the changes occurring in the U.S. throughout the 1970’s and 1980’s, and we have seen that by the 1990’s there was a general perception that those changes were structural, not cyclical, and as such, had to be addressed through adjustments to America’s social structures. The changes advocated by the nation’s leading economists and social scientists indeed occurred throughout the late 1980’s and early 1990’s; their effectiveness is clear from the almost 4 percent growth the U.S. economy has sustained since 1994. CHEA’s creation coincided with the birth of this “new economy” in which technological advances play and will continue to play a central role. Its role in helping the accrediting community to address some of issues that continue to challenge the system as well as leading the adjustment necessary to accommodate new phenomena (e.g. technology-based and/or supported instruction, increased student and worker mobility) will be critical. Chapter VII will look at several of the issues that are currently having the
greatest impact on information complexity and resource scarcity as the nation's higher education system enters the twenty-first century.
CHAPTER VII

The Twenty-First Century – A New Context for Higher Education and Accreditation

Chapter Overview

A "new economy" has changed many of the premises upon which accreditation issues must be addressed. Some issues that have been present throughout the century remain unresolved: there is still a proliferation of specialized agencies; participant institutions still complain that the procedure is unwieldy, time consuming and costly, even outdated; external constituencies still argue that the process is too private and should be carried out in a more public forum. The new economy, however, has added some new issues, and new controversies have arisen with respect to those issues. Increasingly, higher education and its system of accreditation have been called upon to address changes in student demographics that have given rise to the need for new instructional methods, that are spawning new cyber-institutions, and that are providing fertile ground for the existing site-bound institutions to experiment with new methods of instructional delivery. As a result accreditors are now being called upon to address issues related to the growing activities in the distance learning area (e.g. how to assess distance education?), as well as issues related to globalization (how to assess educational activities that occur off-shore?). As colleges and universities evolve "from a loosely federated system of colleges and universities serving traditional students from local communities, into, in effect a knowledge industry" (Katz, 1999:10), the need to reconcile the tension between efficiency and innovation will continue. Accrediting agencies, to remain
relevant to the needs of the constituencies they serve, must work to foster the reconciliation of these two competing goals. This chapter will address some specific issues of concern and will be followed by a discussion in Chapter VIII of some models of accreditation that address these needs.

**Information Complexity and Resource Scarcity in the "New Economy"**

Kevin Kelly (1998) in *New Rules for the New Economy* describes the tectonic upheaval that accompanies the new economy, "Technology, which once progressed at the periphery of culture, now engulfs our minds as well as our lives...As each realm is overtaken by complex techniques, the usual order is inverted, and new rules established...The mighty tumble, the once confident are left desperate for guidance, and the nimble are given a chance to prevail" (p.1). Don Tapscott (1996) describes the *Digital Economy* as, "...The dawn of an Age of Networked Intelligence—an age that is giving birth to a new economy, a new politics, and a new society...Businesses will be transformed, governments will be renewed, and individuals will be able to reinvent themselves—all with the help of the new information technology" (p. 2). Higher education and its system of accreditation will not be exempt from the upheaval caused by this transformation. As James Canton (2000) argues, the impact of technologies is ruthless; it will present an unprecedented level of complexity and disruption akin to "digital Darwinism." Indeed, some have gone so far as to suggest that the big university campuses will become relics (Drucker, 1997; Elson, 1992; Oakley, 1997); and while many disagree with this perspective, there is no doubt that the academy will be forced to change in response to this new paradigm.
"Indisputably, higher education is positioned at the heart of the knowledge industry in the information age" (Muller, 1995:69). Richard Katz’s (1999) characterization of the contemporary college as "knowledge servers," helps to define the role of the twenty-first college or university as providers of "knowledge services (that is, creating, preserving, transmitting or applying knowledge) in whatever form is needed in contemporary society" (p. 6). In this new knowledge-based economy, education has increasingly come to be viewed as a continuing process, not something that ends after graduation from a college or university (Weber, 1999). Not only is the pace of knowledge obsolescence accelerating, the quantity of knowledge is doubling every five years (Weber, 1999). Consider the following: ten thousand articles are published every day (Forman, 1995); and the class of 2000 will be exposed to more new data in one year than their grandparents encountered in a lifetime (Oblinger & Verville, 1998). Jonathon Levy (2000) notes that employees need one year of full-time college courses every seven years and that learning will occupy one-seventh of their careers. Ackoff (1999) argues that 50 percent of what is currently relevant in most professions will not be relevant within five years. Hence, U.S. corporate and professional communities are viewing continuing education and training as a source of competitive advantage not as a cost center. Most have come to embrace the philosophy espoused by Peter Senge in *The Fifth Discipline* that, the ability to learn faster than your competitors may be the only sustainable competitive advantage. Benais and Biederman (1996) similarly argue that to survive organizations must find ways to promote and capture employee creativity. According to Wagner (1999), the trend toward increased
adult learning involves more than second chance and is better expressed as “second bite” — “learning that is increasingly required to refresh and boost the skills and knowledge of earlier graduates, simply to keep pace with innovations in products and services of all types and the ways they are provided to those who demand and use them” (p. 136). It is abundantly clear that in the next millennium, education needs will increase, and colleges and universities will face pressure to provide access to high quality, affordable, and convenient learning opportunities. Not only will there be increases in the number of adult students, the traditional college-age population (particularly in Sunbelt states) will also increase, and there will be significant shifts in the ethnic composition of the college age population (Zusman, 1999). However, the 18-25 year old cohort will no longer constitute the majority of the student body. Consider the following statistics: in the United States, the number of adults over the age of twenty-five enrolled in colleges increased by 28 percent between 1987 and 1994; moreover, the U.S. can expect as many as 20 million nontraditional students in the next decade (Ikenberry, 1999). One thing is abundantly clear, these adult learners will have needs that are very different from those of the traditional student. Most will hold full-time positions, many will have significant family obligations; some will be place bound. The traditional youth orientation of colleges and universities will change to accommodate these accelerating student demographic changes. Further, there will be new models of higher education institutions, as well as changed methods of instruction and delivery (Wolff, 2000). Wagner (1999) makes a compelling argument that new needs for continuous learning give rise to the need for reshaping of content, organization
and methods of programs and teaching. And, indeed, we are seeing the character of learning changing. We are seeing a shift from teacher-oriented learning to student-oriented learning where old “sage on the stage” models of learning are being replaced with learning that is more experiential, team-based, and multidisciplinary, and is increasingly technology enhanced or technology supported (Wolff, 2000). Similarly, Oblinger and Verville (1998) propose that colleges and universities are moving away from “campus centric models” to an emerging model that places students in the center. “These forces are driving us toward an open learning environment, in which the student will evolve into an active learner and consumer...unleashing strong market forces” (Katz, 1999:10). Moreover, students will organize their learning in ways that best serve them, not the education system; “academic departments and curricula do not organize knowledge, they organize teachers and discourage knowledge” (Ackoff, 1999: 178). Duderstadt (1999) also observed that higher education is shifting from “passive students to active learners, from faculty-centered to learner centered institutions; from teaching to the design and management of learning experiences; and from students to lifelong members of a learning community” (p. 41). As higher education community faces new competitive forces, the words of Jonathon Levy (2000) ring clear; whereas “colleges own the teaching franchise, no one owns the learning franchise.”

This point was emphasized recently by James Geringer, Governor of the State of Wyoming and Chairperson of the Education Commission of the States, who was a keynote speaker at the January 2000 meeting of CHEA. Asked to speak on the topic of Quality Assurance: Perspectives and Needs, Geringer noted that higher quality
education is central to the new economy and that while high quality has generally been associated with high costs, today the rules have changed—governors are demanding high quality and lower costs. Inherent in that statement is a warning that government officials will not view favorably cost escalation and that educators will be expected to provide educational opportunities for increasing numbers of students with little or no increase in resources. However, high quality/low cost higher education will not be possible under the model developed, refined, and implemented during the twentieth century (Hanna, 1998). Gerringer (2000) made a strong point to the accreditors in that audience that quality can be accomplished only by the academy thinking in terms of learner needs, not teaching franchises. Gerringer (2000) is not alone in his argument that there must be a revolution in teaching and learning. Peter Ewell (1998) contends that current modes of "instruction that emphasize information transmission are relatively ineffective" (p. 3), and argues that higher education will be called upon to "shift the axis of what colleges do from delivering content to providing students with multiple and diverse opportunities to actively engage in knowledge-construction and skills building on their own" (p. 3). Similarly, Carl Raschle, at the 1999 United Engineering Foundation Conference, Engineering Education Unbounded, noted that what is evolving is a whole new information transportation system for learning where there will no longer be just one way to get from point A to point B. Increasingly the learning infrastructure will be such that individuals will make their own choices about how to get from A to B; that is, every student will be in the driver’s seat, and we will move further away from credit driven learning and closer to goal based learning. Alan Wagner (1999) also speaks
of this new learning culture as he defines lifelong learn as "a continuum of learning extending from the very early years to trebleme age...the concept goes wider than recurrent adult and nonformal education. It emphasizes learners, and learning in preference to sectors, segments, institutions, and boundaries" (p. 136).

There is clear evidence from the commercial sector that the procurement and development of knowledge workers will continue to be an issue of critical concern. In California, for example, Silicone Valley companies face a major challenge -- too few digitally skilled workers. A panel of SUN Microsystem executives at the 1999 United Engineering Foundation Conference noted that the company is faced with a two-part dilemma: a surplus of aging engineers in need of training, and a shortage of young engineers—two cohorts of learners who value time more than money and are already stressed with information and sensory overload. How to provide a means by which their highly mobile, global workforce can participate in educational activities has become a challenge they are addressing with technology. SUN is not alone in its quest to promote lifelong learning. IBM considers knowledge workers so critical to its success that it has created the position of Vice President of Talent (Wiggenhorn, 1999). Anderson Consulting requires 1,400 hours of training over the first twelve years of an entrant's career (5 percent of time); training that is goal based with coaches not instructors and focuses on learning by doing (Sterling, 1999). Sterling notes that Motorola's CEO, Christopher Galvin, boldly made the statement that Motorola no longer wishes to hire engineers with a 4-year degree; instead it wants employees to have a 40-year degree. Witness also the dramatic increase in the number of corporate universities; from four
hundred to over one thousand in the last decade; a statistic that has spawned an argument that it is possible (although no reliable statistics exist) that U.S. corporations are spending more money on education and serving more learners than traditional higher education institutions (Ikenberry, 1999). Motorola, American Express, Xerox, Apple, Disney, and Intel are but a few of the corporations that offer one or more accredited academic degree programs and whose core business is not education (Hanna, 1998). James Cantor speaking at the 2000 AACSB conference argued that the establishment of so many corporate universities is clear indication that business schools are not meeting the needs of their customers. He further noted that the new economy will produce over a million new jobs, all of which will be information technology driven creating a "competition for talent on the planet that is only heating up." Moreover, because the U.S. is not producing these workers fast enough for corporations to sustain growth, companies like Intel and IBM are going off-shore to places like to India for talent. If accreditation is to remain viable and relevant, it must address these critical "new economy" issues in a manner that fosters innovation and allows efficiency within the institutions it serves.

Assessing Distance Education

In the Fall of 1999, a commission consisting of twenty-four college and university presidents, created by the National Association of State Universities and Land-Grant Colleges and the W.K. Kellogg Foundation, issued its report on the role of public universities in the United States. The Kellogg Commission on the Future of State and Land-Grant Universities described a "learning society" in which life-long learning
would be a critical component. The Commission viewed distance learning as a mechanism by which the universal access required by that focus on life-long learning could become a reality and urged accrediting agencies to set standards not only for distance education but also for lifelong learning programs (McCullum, 11/24/99). This would not be the first group to recognize the role that distance learning could play in the “new economy” nor would it be first to advocate that accrediting agencies set standards.

When Congress began its work on the Reauthorization of HEA 98, lawmakers agreed that the barriers to distance education that were created under HEA 92 should be removed. Under the HEA 92 “50-percent rule,” students attending institutions in which more than 50 percent of the course work was delivered through distance education were ineligible for federally supported financial aid as were students attending institutions in which more than 50 percent of the students were enrolled in distance education programs (Haworth, 3/13/98). To deal with the issue of defining eligibility for financial aid for distance learning students and to monitor the quality of those programs, both the legislative and executive branches of government turned to the institutional accreditors “to develop specific standards for distance learning programs, distinct from their requirements for on-campus programs” (Haworth, 3/13/98:A38).

Whether or not accreditors should develop separate and distinct standards for distance education became an issue of debate that still has not been settled. David A. Longanecker, former Assistant Secretary for Postsecondary Education at the U.S. Department of Education, noted “this is going to be a serious issue for the next five years...it’s leading us to a very different concept of quality assurance than we’ve
traditionally had—but I'm not sure what that is. Our concern is that the old forms of accreditation really aren't appropriate for the new delivery mechanisms” (Olsen, 8/6/99:A29). During the early discussions over HEA 98, the U.S. Department of Education argued that accreditors, already playing a central role in the student aid eligibility process, should view electronic delivery of courses and programs differently from site-bound courses. To accreditors the development and application of separate standards exemplified yet another expansion of “purpose” for accreditation. Karla Haworth (1998), reported the responses of some of the leaders in accreditation to this latest expansion of purpose: Western Association's Ralph Wolff noted, “They're basically deputizing accrediting agencies to be federal agencies...now legislation shouldn't overregulate accrediting agencies that aren't government agencies.” Terry Hartle, senior vice president for government and public affairs at the American Council on Education, argued against any further regulation by the Department of Education; Judith Eaton, president of CHEA, considered the request movement in the wrong direction of easing the burdens Department of Education places on accreditors; Steven Crow of North Central Association believed that asking accreditors for two sets of standards was problematic (p. 38). Nevertheless, CHEA, while adverse to further government intrusion was addressing the issue and in a report issued in early 1998 argued that “current accreditation mechanisms can work for distance education programs” but raised concern “about how new technologies will affect the quality of instruction” (McCullum, 1999:A34). CHEA, representing the opinions of the accreditors and its member institutions of higher education, maintained that it was not as concerned
with distance education as an instructional delivery mechanism as it was with the diminishing of student services. In particular, the CHEA report emphasized the importance of student/professor contact in the educational process and urged accreditors to consider such contact when evaluating distance education programs and courses (McCallum, 1999).

But, CHEA did not have to place quality at the center of the debate, quality had already been put at the center amid the debates over ownership and control. When the American Federation of Teachers called upon its members to oppose technology delivered courses that did not meet faculty standards of quality it raised the issue under the guise of quality, not job security (Blumenstyk, 1/26/96). While the debate over ownership rights to distance learning courses and controls of other activities related to distance learning may not directly involve accreditors, as an unresolved and contentious issue, it taints discussions of assessment and hence is worthy of some discussion.

AAUP's 1999 policy, Distance Education and Intellectual Property, was more forthright than the American Federation of Teachers' pleas to the faculty. In addressing the issue of faculty rights AAUP argued that the faculty should retain the primary rights to courses, retaining control over future use and distribution; unless the materials were "made for hire, if they are joint works with the institution, or if a professor contractually agrees to transfer the copyright" (Schneider, 6/25/99:A34). While AAUP contends that any university rules governing distance learning matters should be approved by the faculty, and considers policies specific about faculty rights to distance learning courses (such as that of University of Texas) worthy of emulation (Guernsey & Young, 6/5/98),
some institutions (e.g., Burlington County College in New Jersey) have adamantly declared that the institution owns all rights to such materials (Carnevale & Young, 12/17/99). Professors at Athabasca University in Canada were so angry over that university’s position that the rights to all distance learning courses belonged to the university (including the right to sell those courses to other universities), they threatened to litigate the matter, forcing renegotiation of the matter and creating much bad will (Guernsey & Young, 6/5/98). Faculty contract negotiations became antagonistic over the issue at Mott Community College where a compromise was ultimately reached whereby the college retained ownership of the videotapes and Websites for electronic courses but their intellectual content became the unrestricted property of the faculty member (Carnevale & Young, 12/17/99). Others take a more conservative approach. At Drexel University, for example, the university owns the course but the faculty member shares the income if the course is used (Young, 2/18/00). Similarly, Penn State’s “World Campus” returns 80 percent of the profits from distance education programs to the school or college as an incentive (Chronicle of Higher Education, 11/20/98). A model for “shared property rights and shared reputations” was advocated by Gail Chambers (11/19/99). She characterizes pure faculty ownership as the equivalent of a commercial marketing cooperative and cautions that such cooperatives “exist to deliver the work of individual producers to the market” (p. B8). To return the benefits of such a pooled distribution to private members of a public institution, however, proves a problematic concept. On the other hand, institutional ownership has the potential to change the higher education system into something akin to the HMO—a move that
would make higher education even more commercial than it currently is. Chambers (1999) argues that a shared model enables both professors and institutions to own courses and share control of those courses. From the level of debate it is clear that the absence of accepted standards has heightened resentment and has clouded other issues related to distance education.

Of course, distance education is not a new phenomenon nor is the idea that distance education can be a cost effective way to deliver education. As Ewell (1998) argues, the role of technology in delivering instruction is not revolutionary in itself. "Rather, it renders the use of alternative instructional approaches far more feasible and efficient than in the past and makes their consequences for institutions unavoidable" (Ewell, 1998:3). The issue of extending access of higher education by increasing the productivity of the faculty has long been addressed by governments of countries with more limited resources than those that have typically been available in the U.S. In fact, there are several countries that have made distance learning a part of their national agendas for education, and the literature abounds with examples of their successful implementation of distance education programs. Perhaps the most renowned is the British Open University but there are many other examples, among them, those in Spain, Germany, The Netherlands (Tait, 1991), and Finland (Immonen, 1991), as well as many Eastern European countries (Moble, 1991), India (MacLean, 1992), Pakistan (Elsiddig, 1993), and Japan (Muta, 1994).

The roots of distance education date back to radio transmission of courses early in the century. As technology became more sophisticated, so did distance education. By
1960 engineers at the Kennedy Space Center (then Cape Canaveral) were receiving graduate instruction from the University of Florida in Gainesville and Stanford University was using television instruction to reach high technology companies in the San Francisco Bay Area (Bisesi, 1986). As technology advanced, distance learning moved from delivery systems as simple as broadcast radio and television to sophisticated multi-media delivery systems involving computers and advanced telecommunications.

What has changed and heightened concerns is the intensity with which distance education is infiltrating the academy. Debates over the use of distance learning as a mechanism for increasing access have heightened and have become particularly heated with respect to new institutions that are breaking down traditional models of faculty/student interaction. In some states unless new bricks and mortar campuses are constructed, the only way to accommodate rising demand will be through electronic delivery of instruction. Consider the following statistics: In academic year 1994-1995 750,000 students were registered in distance education courses (The Chronicle of Higher Education, 10/17/97); by academic year 1997-1998 that number had risen to 1,373,670 registered students in 1,680 institutions offering about 54,000 courses. Almost 44 percent of all higher education institutions offered distance educated courses, an increase of one-third since 1994-1995. Most of the activity occurred in public institutions (78 percent of public four-year and 62 percent of public two-year institutions offer courses via distance education, as opposed to 19 percent of private four year and 5 percent of private two year institutions) and among the larger institutions (87 percent of institutions
with more than 10,000 students offered courses via distance, as opposed to only 19 percent of institutions with fewer than 3,000). Between 1995 and 1997, the largest growth was in the use of synchronous computer-based technology; with no growth in the use of video-based technology (http://nces.ed.gov).

If those within the academy are concerned about the proliferation of distance education programs, that concern is not evident from the number of consortia arrangements, which, like student enrollments, are increasing. The Southern Regional Education Board’s consortium of sixteen Southern states surveyed 100+ colleges that comprise the Southern Regional Electronic Campus and estimated that there were some 15,000 students enrolled in more than 900 courses serving 25 degree programs (The Chronicle of Higher Education, November 27, 1998:A21). Similarly, the Community College Distance Learning Network, a circle of about forty two-year colleges offers an array of over five hundred courses. Kirkwood Community College, a consortia member, when asked what brought them into the consortium, answered that they were responding to competition from for-profit institutions such as University of Phoenix and Jones International University which are all marketing distance education courses to students in their area. Perhaps the most widely discussed consortium is Western Governors University, founded by the seventeen western governors to meet the challenge of growing enrollment demands and constrained resources, but there are other statewide efforts (i.e., Florida, Indiana, Iowa, Massachusetts, and Pennsylvania) and systemwide efforts (i.e., Connecticut State University System, State University of New York, and University of Texas System).
Politics has in some ways hindered growth (sponsors did not know what to do, states erected walls, federal government regulations were out of date), but those problems become insignificant in light of the potential profitability of the distance education market. Richard (1999) notes that a leading information services company believes "the size of the higher education enterprise in the United States during the next decade could be as large as $300 billion per year, with thirty million students" (p. 11). Moreover, they believe the world market will be $3 trillion a year (Katz, 1999). The potential size of the market together with the tremendous economies of scale—the marginal cost of an additional student is extremely low—has gained the attention of some entrepreneurs, competition Katz (1999) believes will put at risk the universities unique economic standing as quasi monopolies. "New competitors in select areas of undergraduate, adult, and specialized education and training are responding to perceived financial opportunity in domains that were previously reserved for traditional educators...newly accredited purveyors—rich in cash and technology and unencumbered by tradition, bricks, and mortar—will seek to deliver those high-yield courses that currently subsidizes much of today's educational enterprise" (Katz, 1999:xv).

Consider some of the private entrepreneurial activities. In December 1999, Rupert Murdoch's News International announced it was one of five companies negotiating with Universitas 21, a network of institutions in Australia, Britain, Canada, China, New Zealand, Singapore and the U.S., to deliver distance education programs via the World Wide Web; they intend to capitalize on what they predict to be a huge global increase in

Similarly, Harcourt Brace announced its entry into the virtual university market. And, in 1999 Britain’s Open University announced plans to enroll students in its new sister institution, United States Open University. These kinds of activities are removing traditional borders and according to James V. Koch, President of Old Dominion University, they will succeed. He claims they are more flexible and adaptable and broaden consumer choice by providing students with a broad selection of courses and programs from which to choose; moreover, the new cyber universities do not deal with bureaucracies that are encumbered by traditional cultures (Koch, 1999). However, the new consortia are presenting some new problems to accreditors, since many reach expand beyond the area of more than one regional accrediting agency. While Western Governor’s University temporized the problem by establishing an inter-regional accrediting body, the Western Interstate Commission for Higher Education, a longer-term solution must be developed. That solution could be applicable to consortia developing within the United States as well as newly emerging for-profit cyber-schools, some of which have been known to “shop” for a regional accrediting agency.

The entrance of some of the nation’s more elite universities has also heightened debates about distance learning. By 1997 The Chronicle of Higher Education was reporting that the elite universities were getting serious about distance education and cited institutions such as Duke, Cornell, Rice and Stanford as institutions that had recently created or expanded their distance learning endeavors (some hoped to capitalize on the continuing education needs of their existing alumni base) (Blumenstyk, 6/20/97).
With elite institutions participating in the distance learning market, it becomes difficult to remain skeptical. Nevertheless, evidence of such skepticism exists.

A survey of accounting department chairpersons found that only 36 percent believed that Internet courses should be offered in accounting programs, and only 6 percent believed that full degree programs should be offered; 82 percent believed the absence of interaction among faculty and students made such courses less valuable. (Saunders, 6/3/92). A similar study by a “history and computer association” reported by Trinkle (1999) finds professors alarmed by the rush to technology with 65 percent calling their institutions’ technology policies “misguided or insufficient” (p. A60). Trinkle (1999) claims that much of the criticism about distance education misrepresents or ignores the realities of American higher education today and cites a report by Colin McCormack and David Jones in Building a Web-Based Education System that discredits the contention that distance education is too impersonal. McCormack and Jones concluded that distance education was more successful than large survey courses as evidenced by examination scores that were 20 percent higher in the on-line courses; student comments indicate there is more peer contact with others in the class and that students spend more time on class work and understand the material better (Trinkle, 8/6/99:A60).

Whether or not distance and classroom education are equally effective was a question researched by Thomas L. Russell, who studied the existing research (more than 400 studies) on the question. He found that most studies showed no difference in the effectiveness of the two media (Blumenstyk & McCol午, 4/16/99). On the other hand,
a report from the Institute for Higher Education Policy (a study undertaken at the request of the American Federation of teachers and the National Education Association – two organizations whose positions are less than favorable with respect to distance learning), argued that much of the research is not very useful because so few involve original research on the effectiveness of the process and much of it is of questionable quality (Blumenstyk & McCollum, 4/16/99).

Jane Wellman, Senior Associate for the Institute for Higher Education Policy, at the 2000 CHEA Conference remarked that comparability of quality between traditional programs and distance learning programs is the most important policy question being asked by government. She notes that accreditors are paying a lot of attention to distance education and that review by accreditors has been rigorous and probative. However, she believes no evidence exists that distance learning is being insufficiently addressed by accreditors; in fact, she notes that distance education is probably given a more rigorous review than campus-based activities and that accrediting groups are paying a lot of attention to the issues of whether standards should be revised. She further notes that most have reached the conclusion that rather than setting up different standards for review, they must accommodate existing standards, albeit it with some stretching and adjustment.

There is no question of faculty ownership rights in some of the new proprietary schools, which represent the most formidable competition for the existing system and are of greatest concern to entrenched interests. Ikenberry (1999) borrows a term from the corporate sector in noting that low entry barriers help to give rise to these new providers; no longer is success predicated on huge investments in bricks and mortar, an
accomplished faculty, or a vast library. Consider the University of Phoenix where by 1999 enrollment had grown by 13,000 students—up 22 percent—60 percent increase in on-line distance education enrollment in 1999—10,382 students enrolled in 1999 compared with 6,512 in 1998 (Carlson, 10/29/99). James Duderstadt (1999) paints a picture of two futures, one of which is gloomy in which “aggressive for-profit entities and commercial forces drive the system toward mediocrity that has characterized other mass-media markets such as television and journalism” (Duderstadt, 1999:39). At this time, it is not clear which of these directions will come to pass. However, what is clear is that before the academy condemns these new institutions, it is wise to consider the perspective of one business. According to William Wiggensborn, President of Motorola University, Motorola employees are happier at Phoenix than any other U.S. institution and several years ago Motorola would not even pay their employees to go to Phoenix. Resnick (9/24/99) raises an interesting point that speaks to the ability of traditional bricks and mortar campuses to compete amid the growing number of proprietary institutions, that is, for profit organizations, unlike their not-for-profit counterparts, are not exempt from taxes. “An institution like the University of Phoenix must pay approximately 45 percent of its earning in federal and state income taxes. A similar non-profit can reinvest that 45 percent in improving its programs. It seems to me it is the well-managed non-profits that have the advantage” (p. B13). Nevertheless, these new players do have some cost advantages because they can operate without the investing in physical facilities and tenured faculty.
If the debate over whether or not accrediting agencies should review distance learning activities differentially raised arguments, the debate over whether regional accreditors should legitimate newly emerging cyber-universities by reviewing them for accreditation escalated the debate to new heights. Perhaps the most controversial accrediting action in recent years has been North Central Associations' granting accreditation to Jones International University. AAUP was outraged. A 1999 opinion piece by James Perley, Chair of AAUP's Committee on the Accrediting of Colleges and Universities, and Denise Marie Tanguary, a member of the Committee, questioned North Central's action.

Now, commercial interests are avidly pursuing those developments, a reality that threatens to redefine higher education. While on-line courses offered by traditional institutions raise a number of questions about the equivalence and quality of offerings, and about faculty responsibility for the curriculum, totally on-line institutions raise questions about the meaning and preservation of higher education itself. Such institutions raise the specter of a higher education system that is nothing more than a collection of marketable commodities—a system that could turn out to be all but unrecognizable to the scholarly communities that invents and reinvents higher education on a daily basis" (p. 84).

To North Central, however, "the only unusual aspects of the Jones accreditation were the procedures used to review the curriculum and conduct interviews—many of which the evaluation team held on line" (Olsen, 8/6/99:A29). Nevertheless, Steven
Crow, Executive Director of North Central Association of Colleges and Schools, was compelled to counter the opposition with his own opinion piece. Crow (10/29/99) argued that it would have been out of character for NCA to deny an institution the opportunity to be evaluated and suggesting that “the primary issue for the AAUP and other critics is not the quality of learning that an on-line institution such as Jones International Provides” (p. B5). He further claimed that “the critics are reacting to the specter of reduced faculty control over the design, teaching and evaluation of curricula at distance education institutions” (p. B5). In fact, according to Crow, NCA applied the same standards that have been applied to traditional colleges and universities; moreover, in a process that extended over several years subjected Jones to an extensive preliminary review designed to “screen out the poorly conceived, the academically dubious, and the inadequately financed” (p. B5). Others publicly joined the debate. Barry P. Resnick, Dean of the Ernest L. Boyer Graduate School of Education at William Howard Taft University called the debate “overblown” claiming that “quality faculty members have nothing to fear from distance education or for-profit institutions” (Resnick, 9/24/99:B13).

David P. Noble, Professor of History at York University in Toronto, said the Jones case is “the inevitable result of a ‘uniquely lax system of regulation’ of higher education in the United States... the commoditization of higher education... all the fuss about Jones and its virtual cousins simply ‘diverts attention from how much our established institutions resemble them’” (Olsen, 8/6/99:A29). Robert Glidden (2000), commenting on the debate at the 2000 CHEA Conference challenged Perley to define the value of a full-time faculty member. An unidentified woman attending that same workshop commented that had
Jones been reviewed by SACS, accreditation would never have been granted; Steven Crow responded by cautioning that those who have not fully reviewed the Jones case are not in a position to comment on North Central’s decision.

Government officials have increasingly viewed distance education as a way to increase access and faculty has increasingly expressed concern over plans to expand its use. Both the States of California and Washington are anticipating sizeable enrollment increases over the next few years. In Washington the State Higher Education Coordinating Board recently asked the Legislature to increase spending on on-line education to avoid constructing new buildings and campuses, arguing that Web-based courses could absorb some of the projected 70,000 additional students. Faculty from the University of Washington had previously protested Governor Locke’s plans for online learning “criticizing the governor for backing what they considered to be unproven education policies” (Campeau, 2/4/2000:A50). Similar plans to expand distance education in California heightened concerns over campus autonomy. Selingo (2/5/99) reports one faculty member as saying, “This is a plan to break the power of the faculty over the curriculum and course content...It’s to comply with the current thinking of administrators that the real goal of higher education is to train people for jobs (p. A32). Even student reaction was less than positive and claimed that the plan, “treats students as products...Quality means caring and engagement...It does not mean outcomes assessment.” (Selingo, 2/5/99:A32), Higher Education Director for the American Federation of Teachers, comments on these kinds of activities, “The same legislators who are not interested in providing more facilities, not interested in beefing up video-
conferencing programs, not especially interested in teacher salaries, and certainly not interested in replacing adjuncts with full-time faculty members are in fact very interested in spending a ton of money on something we don’t know a whole lot about” (Olesen, 8/6/99:A29). Despite these concerns from faculty, we can expect supportive legislators vis-a-vis distance learning. For example, grants from the U.S. Education Department’s Learning Anytime Anywhere Program have supported the development of Internet-based courses, and funds for that program will double under the appropriations bill signed by Clinton in December, 1999 (Carnevale 1/28/00:A46). Moreover, legislators (e.g. Bob Kerry) believe that funding for distance learning will be a “growing number” (Carnevale, 1/28/00:A46).

Whether existing forms of accreditation are appropriate remains the topic of continuing debate. The topic was the focus of the 2000 annual CHEA meeting at which time Kayeem Dunn, Executive Director of the Foundation for Interior Design Education Research (FIDER), a specialized accrediting agency for interior design, led a workshop on the topic. She conducted some very informal research of specialized accrediting agency practices by addressing the question via an Internet chat on the Association of Specialized Accreditation Website and found that of those agencies that responded to her query, most are currently using the same procedures for distance learning. In FIDER she noted that the strong focus on outcomes assessment was helpful in the evaluation of distance learning initiatives. In the case of FIDER, the fact that there is an actual end product facilitates the use of outcomes assessment; nevertheless, within interior design accreditation, she found that a focus on outcomes liberates the reviewer from being
concerned with whether or not the instruction was site based. Dunn also found this perspective among the specialized accrediting agencies in the professions of Library Science, Veterinary Medicine, and Marriage and Family Therapy. In Social Work there was some consideration given to adding special distance learning guidelines but at the present time, distance learning is considered "just a method of delivering instruction" and they will remain flexible. Dunn found that in business school accreditation the mode of delivery was not considered a key to quality; rather, it was more important that the right questions be posed and that distance education be consistent with the mission of school.

At that same conference, Lee Fritschler, U. S. Department of Education Assistant Secretary for Postsecondary Education commented that distance learning raises a lot of challenges for everyone with some, such as Peter Drucker, predicting the end of universities as we know them, and others thinking we will take it all in stride. He views distance learning from two perspectives: that of the traditional site based university offering courses and even programs via distance learning and that of the virtual universities. It is the latter that raise concern, largely because they are becoming so popular and because the expansion of educational opportunities will be so significant. Fritschler's statement that we cannot have differential standards for virtual universities is consistent with Senator Bob Kerrey's view. As chairperson of the new Congressional Commission on Web-Based Education, Kerrey said that the panel will probably not recommend new laws to regulate distance learning (Carnevale, 2/18/2000). The Commission will hear the testimony in its study of the growth and accessibility of online education and make recommendations to the government in the Fall of 2000. Testifying
before the Commission, witnesses from the accrediting community, the business community, and the government have expressed the belief that the higher education community should continue to regulate itself vis-à-vis distance education. At the same time Department of Education officials are grappling with issue of assessing accrediting agency evaluation activities of distance learning as part of the “approval” process for accrediting agencies. In a surprising move, the National Advisory Committee on Institutional Quality and Integrity, deferred until the Fall 2000 its decision on whether or not to grant permission to accredit distance education programs to the Accrediting Commission of Career Schools and Colleges of Technology (the first agency to be reviewed under the new HEA 98 accreditation regulations). By so doing it shot “down the idea that an agency’s existing standards or experience in accrediting traditional programs can easily translate into the new world of on-line learning (McMurtrie & Mangan, 12/17/99; A36).

Nevertheless, the call to differentiate standards that began during the negotiations for HEA 98 seems to have settled into a general agreement that the issue can be addressed through existing accreditation activities. Exactly how accreditors are treating distance learning is difficult to discern at this point. As Steven Crow, of North Central Association, noted at the 2000 CHEA Conference, it would be difficult to discern activities in the area of distance learning simply by conducting a content analysis of existing standards. Crow emphasized that the written material has not yet caught up with the latest technological developments. For example, library resources are still discussed in the traditional manner; but North Central evaluators get to the intent of the library and
learning resources by viewing how they are used in the curriculum. He suggests that
evidence of the real activity is occurring within the self-studies and within the review
team reports, where evaluators are taking the existing standards and making them fit what
is happening. Crow suggests that electronic delivery is not a particularly important
accreditation issue and notes that asynchronous learning is not new, emphasizing that
nothing suggests electronic delivery lowers quality; in fact for the most part, it is of even
quality. Rather, Crow suggests that many contemporaneous concerns are being
addressed within the context of electronic delivery, citing the example of compressed
learning and discussions over whether the contact hour should continue to be used as the
correct measure of learning time. Similarly, student service and student integrity issues
also emerge when one debates distance learning; however, to Crow these are issues that
accreditators are dealing with because they touch the heart of traditional education. Crow
maintains that many make the mistake that distance learning has no boundaries; however,
maintains that when reviewing distance learning programs, North Central will always
view such activities within the context of the institution.

This perspective is consistent among the regional accrediting agencies. They
have all addressed distance learning primarily by accommodating it within existing
accreditation standards. CHEA, addressing this approach, developed a set of distance
learning guidelines which can be used as a supplement to regional accreditation standards
(Eaton, 2000). At the same time, CHEA defines some of the challenges distance learning
presents to core academic values:
Table 8
Core Academic Values

<table>
<thead>
<tr>
<th>Core Academic Values</th>
<th>Challenged by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional autonomy</td>
<td>Consortia arrangements</td>
</tr>
<tr>
<td>Collegiality and shared governance</td>
<td>Dispersion of faculty and students</td>
</tr>
<tr>
<td>Intellectual authority of faculty</td>
<td>Commercial courseware, standardized courses, part-time faculty, disaggregation of faculty responsibilities</td>
</tr>
<tr>
<td>Degree</td>
<td>Competition from credentials: reduced dominance of degree-granting</td>
</tr>
<tr>
<td>General education</td>
<td>Pervasiveness of training</td>
</tr>
<tr>
<td>Site-based education</td>
<td>The diminishing importance of place</td>
</tr>
</tbody>
</table>

Source: Core Academic Values, Quality, and Regional Accreditation: The Challenge of Distance Learning, Judith A. Eben, 2000.

To address these challenges, a transitional framework based on the following fundamental principles was developed by CHEA: (1) maintaining core academic values is important; (2) the purpose of each of the core values should govern the response to change; (3) distance learning is a change worth accommodating; and (4) learning can be a key strategy for meeting distance learning challenges. The framework builds on existing accreditation standards by providing a way in which the "re-calibration of capacity and process standards" can occur and can be expected to serve as a guideline to accrediting agencies as they continue to address the issue.
Table 9
Transitional Framework

<table>
<thead>
<tr>
<th>Value</th>
<th>Purpose</th>
<th>Challenge</th>
<th>Transition Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Autonomy</td>
<td>Independence and identity</td>
<td>Retain while risking</td>
<td>Strategic coupling</td>
</tr>
<tr>
<td>Collegiality</td>
<td>Participation</td>
<td>Sustain participation</td>
<td>Electronic participation</td>
</tr>
<tr>
<td>Faculty</td>
<td>Academic stewardship</td>
<td>Sustain the authority</td>
<td>Redefine the authority</td>
</tr>
<tr>
<td>Degree</td>
<td>Organizing</td>
<td>Clarity role of degree and distinguish from credentials</td>
<td>Decide when to use each</td>
</tr>
<tr>
<td>General Education</td>
<td>Social, civic, life education</td>
<td>Sustain and expand</td>
<td>Advocacy</td>
</tr>
<tr>
<td>Site based education</td>
<td>Community of learning</td>
<td>Create community without place</td>
<td>Identify added value of place</td>
</tr>
</tbody>
</table>


Transnational Recognition of Academic Achievement

Advanced technology has also rendered national borders less important. Economic and cultural boundaries are disappearing and economic integration and interdependence has increased. Richard Lyman (1995) provides an historical perspective of scholarly mobility by noting that student participation in off-shore educational activities nearly quadrupled between 1960 and 1980. While growth slowed in the 1980's, the imperatives of the new economy as well as the removal of barriers to free movement in Eastern Europe and the active promotion of mobility in the European Community has expanded activity. Within the U.S., international students outnumber the U.S. students going abroad by nearly six to one (Lyman, 1995), which may account for why there is more focus outside the U.S. on the issue of transnational degree and credit recognition. Nevertheless, U.S. accreditors are impacted by increased workforce and student mobility and in recent years have
increased activities related to off-shore accreditation and collaboration with counterpart organizations around the globe. Accreditation has become a key consideration in the development of mechanisms to enable the transnational recognition of academic achievement that is needed to accommodate workforce mobility proposed by integration efforts. As Marjorie Peace Leann (1997) notes, “programs accredited in one country seeking official recognition or accreditation in other countries is an emerging practice that will occur more frequently” (p. 7).

In Europe, for example, while the European Union may have fallen short of its goal to fully integrate the European economies, it has, nevertheless, opened up a large market within which trade restrictions have been significantly reduced and the mobility of goods and people has increased. Within the European Union, restrictions on employing individuals from other European countries without further licensing or certification have been lifted, easing the ability of professionals to practice in other European countries without further licensing or certification and providing corporations operating within the region with access to a vast pool of talented workers. Both the Western European ERASMUS (European Community Action Scheme for the Mobility of University Students) program and its Eastern European counterpart, TEMPUS (Trans European Mobility Scheme for University Studies) were designed to facilitate this goal by promoting the cross-border movement of students and staff (Lyman, 1995).

The idea of a “United States of Europe” emerged at the end of the Second World War. Today the European Union consists of twelve countries whose goal is the creation of a single European market to support the development of industries critical
to the European community. The idea of an integrated, borderless union, where goods and people flow freely is a strategy which seeks to address the threats of international competition as a means of economic survival (Lorbiecki, 1993) and is, of course, not unique to Europe. Other regional efforts at economic and political integration have emerged. The North American Free Trade Agreement was signed in 1994 to eliminate all tariff and nontariff barriers to trade between the U.S., Canada, and Mexico. Annex 1270.5 of the agreement encourages development of standards and criteria for licensing and certifying professionals (Lein, 1996). Further, while not as fully integrated as the European Union or NAFTA, other regional organizations include the Latin American Integration Association, the Central American Common Market, and the Caribbean Free Trade Association. These newly integrated regions are increasingly characterized by freer domestic and international capital markets, falling regulatory barriers, and “multinationals that are no longer considered synonymous with the loss of sovereignty by nation-states” (The Economist, 1993).

Increasing globalization and the mobility of populations has created a need for methods of assessing the quality of educational credentials and licenses of individuals no longer bound by national borders. Examples of off-shore campuses seeking and obtaining accreditation by a host country have become more common. The need for common professional preparation as a mechanism for professional mobility has been instrumental in forging relationships between and among professional organizations and is causing a fresh look at the setting of global and regional standards. Hence, the issue of assessment has moved beyond the scope of national debates and into the international
area. While no single nation has addressed this global issue, a number of organizations have begun to review the problem, and some new organizations have been created solely out of this growing need for transnational recognition. For example, at the 1996 "Convention on the Recognition of Qualifications Concerning Higher Education in the European Region" co-sponsored by the Council of Europe and the United Nations Educational Scientific, and Cultural Organization, the framework of a procedure for recognizing degrees was agreed upon together with a method for updating and simplifying the evaluation of foreign academic credentials. At that convention, a treaty was ratified to expand student mobility and simplify procedures for recognizing foreign university degrees among European countries and some others (such as U.S., Canada, Australia, and Israel) which are involved with large numbers of academic exchanges (Bollag, 1996).

Another initiative is the Center for Quality Assurance in International Education which addresses issues related to standards that cross national boundaries. The founders of the Center for Quality Assurance in International Education were brought together because of a "crisis of perception" (Deupree & Leen, 1997:vii) regarding the quality of branch campuses operating in Japan and efforts by the College Board, USAID, and COPA. The organization was formed in 1992 to bring together "quality assurance concerns with quality of access concerns" (Deupree & Leen, 1997:vii). Indeed, the group offers standards "as a self-managed, regulatory tool for voluntary adoption by institutions" (Deupree & Leen, 1997:89). The standards were drafted by a group of people representing the interests and perspectives of world renowned organizations such
as NAFSA: Association of International Educators, Institute of International Education, Association of Specialized and Professional Accreditors, the Council of Europe, and the Center for Quality Assessment in International Education. They encompass five areas: (1) clearly stated goals that relate to and support the institution’s mission and address the needs of students in the host country; (2) content, structure, and rigor of the course/program offerings; (3) marketing of and admission to the program; (4) human resources to support the course/program offering; and (5) financial and physical resources to support the course/program offering. There are several other sources of standards, “as varied as the standards themselves” (Deupree & Lenn, 1997:16) and include those of the Middle States Association, Council on Postsecondary Accreditation, NAFSA, and North Central Association. The Center for Quality in International Education has focused on the question of international licensing standards for architects, engineers, nurses and others. Its goal is to produce not only uniform licensing guidelines but also increase worker mobility and improve professional training in developing countries.

Increasingly the need for institutions of higher education to diversify their funding sources, technological advances which facilitate distance learning, corporations with off-shore facilities eager to employ an educated local workforce, and demand for higher education among students in developing countries has transformed higher education into an industry. Hence, quality standards for campuses (U.S. and non-U.S. institutions) have become an increasingly important matter particularly because of increased entrepreneurial activities related to the establishment of overseas programs (Deupree & Lenn, 1997). Lambert (1995) notes, for example, that
Much of the extensive literature on the financial aspects of foreign student flows stresses the importance of income from foreign student tuitions or the extra money that such students bring to the community...since universities have relatively inelastic costs, foreign student tuitions should be considered as marginal income (p. 31).

In the United States alone an annual $7 billion contribution to the economy can be attributed to foreign students (Maslen, 1997). Competition for this marketing is intensifying. Maslen (1997) reported that thirty higher education CEO's from Australia spent thirteen days in November of 1997 visiting Japan, the Phillippines, and Thailand; in April of 1997 a similar mission visited Malaysia, Singapore, and Vietnam. The goal is to increase Asian student enrollment in Australian universities; already a lucrative $1.5 billion annual contribution to the Australian economy. Similarly, the United Kingdom, with foreign students contributing $1.5 billion to its economy is endeavoring to increase its share of the international student market (Maslen, 1997). Lambert (1995) reports that both Germany and Japan are also increasing their efforts to recruit more foreign students.

The United States, the United Kingdom, and Australia are the largest exporters of higher education, while the U.S., France, Germany, the United Kingdom, and Canada currently import the largest number of international students. Marjorie Peace Lenn (1997) notes that in 1992 the United Nations Economic, Scientific, and Cultural Organization (UNESCO) estimated the world market for international students to be in excess of 1.2 million. This number included only students studying outside their country of origin—it did not include the larger number of students, those who were being...
educated in their home country from an international source because that number is still unknown. According to Lean (1997), not only is the scope of international activity unknown, U.S. higher education statistics do not provide an accurate count of the number or location of off-shore programs; a deficiency another organization, the Global Alliance for Transnational Education, is trying to remedy.

The Global Alliance for Transnational Education (GATE) was founded in 1995 to "establish and protect standards in higher education programs that are exported" (http://www.his.unt.edu/gate.htm). A certification process to ensure quality was recently developed because accrediting organizations "aren't focused on education that goes across borders." Such certification is critical to legitimate institutions seeking to procure a share of the lucrative higher education market in developing countries. In fact, two of the first programs to undergo the GATE certification process were Monash University in Australia—which operates twenty programs enrolling 2,000 students in Hong Kong, Malaysia, and Singapore—and International University—which offers courses via Internet to students around the world (Rubin, 10/24/97). In addition to its certification objectives, GATE has been developing a global education database that can serve as a resource for businesses and nations of the world.

Another organization, the International Network for Quality Assurance Agencies in Higher Education was established in 1991 to "collect and disseminate information on urgent and developing theory and practice in assessment, improvement, and maintenance of quality in higher education" (http://www.ea.maastricht.maastricht.nl/qac/what.htm). This organization of accrediting agencies from fifty countries recognizes multiple
accreditation "as a predictable result of the increased emphasis on marketability as
countries seek economic viability and institutions reach for students beyond their own
borders" (Leen, 1996:8). As such, it facilitates links between accrediting bodies, assists
members to determine the standards of institutions, and enables members to be "alert of
dubious accrediting practices and organizations" (http://nica.martu.mari.eu/html/
ingathe/whatis.htm).

Until the 1980's, U.S. institutional accreditation bodies had not been particularly
vigilant about separately assessing off-shore activities; rather, these international
programs had been assessed as part of the total institutional accreditation, visitations by
site teams were uncommon, and some regional associations declared "accreditation halts
at the water's edge" (Crow, 1997:21). With the increase in off-shore activities, however,
the regional associations in the 1980's began to pay closer attention to off-shore activities
and provide materials to help with their assessment. Crow (1997) notes for example,
Principles of Good Practices in Overseas International Education Programs for Non-U.S.
Nationals, was adopted in the early 1980's as the guide to assessing programs by the
regionals under the aegis of COPA. He further notes that this guide was probably dated
before it was published, and a more useful guide was published by the Center for Quality
Assurance in International Education, A Foreign Policy for U.S. Higher Education, and is
widely used by the regional accrediting agencies. Crow (1997) finds that accreditors are
using both volumes; however, notes that Principles of Good Practices emphasizes
control, whereas, A Foreign Policy for U.S. Higher Education emphasizes evaluation.
According to Crow the regionals developed policies independently and most expect to
find within the mission of the institution purposes and rationale for international activities (Crow, 1997).

Partly because of the lack of international standards by which higher education activities that cross national boundaries can be assessed, this intensive globalization has created some challenges for the higher education community and its system of accreditation, particularly among developing countries where less than noble entrepreneurial activities can become problematic. These problems encompass both issues related to distance education and issues related to global recognition of courses and degrees.

As developing countries increase access to primary and secondary education, demand for higher education increases. When the publicly supported sector cannot accommodate this demand, there are often opportunities for the development of a private sector, particularly since there is often a pool of highly qualified students – "a ripe market for proprietary schools, some of questionable quality" (Voros, 1993:70). Similarly, when there are major deficiencies in the higher education sector, opportunities for entrepreneurial endeavors are created. In Central and Eastern Europe for example, management education has become a critical factor in the region's efforts to develop sustainable economies. Many of the current faculty were educated in principles of Marxism where issues such as money and management were de-emphasized, and economics courses (if offered at all) did not impart information on stock markets, asset ownership, etc. As such, management education and training have become central to the efforts to build a market economy. As noted by the American Council on Education
(1992), however, "educating an entire society on everything from how a checking account works to total quality management is painstakingly slow" (p. 8). Such massive needs have created opportunities for western business programs at all levels; unfortunately, management programs that are operating in the region vary considerably in quality. It has become increasingly difficult for students in these emerging economies to differentiate the legitimate schools from those that are merely opportunistic and delivering substandard education. Some countries have national policies for programs from other countries (i.e., Hungary, Estonia, Korea, Singapore, China) (Lean, 1997). Bollag (1996) notes that since the collapse of Communism approximately 1,000 business schools have opened in the region, many exist "mainly to generate profits for their operators and offer little in the way of professional management training." Voros (1993) notes that Hungary is a useful point of reference because much of what has been happening in the field of management education has been ineffective because it simply transports existing western models of management education with little modification for local issues. He notes two errors that often occur when transporting programs: "Outside Domination Trap" – where the existing system is simply replaced with a new one from outside creating a dependency on outside initiatives and leaving the system powerless to undertake self-directed change and "local Convenience Trap" – development of programs that simply tack on to the existing system some outside elements. Under both conditions, sustainable development is not achieved. Others have cautioned that local factors must be taken into consideration when institutions offer training in international arenas (Bollag, 1996, Lorbecki, 1993).
The use of new technologies substantially lowers the entry costs and barriers for new providers which presents another challenge. Lisa Guernsey (12/19/97) reports that some unscrupulous institutions, using the Web as their primary marketing tool, are offering programs that are nothing more than scams. She cites one institution, Columbia State (sounds like Columbia University), that is aggressively promoting itself online and offering a college degree in twenty-seven days. Moreover, many institutions are advertising themselves as "accredited" yet are not recognized by accrediting agencies. In fact two Websites are available and provide information about the authenticity of distance learning programs, http://www.degreest.net/, a Website maintained by John Bear, author of Bears' Guide to Earning College Degrees Nontraditionally; and http://www.angelfire.com/mov/EmireMohammed/, a Website maintained by a Canadian student and entitled Distance Ed for Dummies. While the FBI investigated some diploma mills, many have not really done anything illegal. One way these issues might be addressed is through the government approved and CHEA recognized national accrediting agency for distance learning programs, the Distance Education and Training Council, which has been accrediting distance learning programs since its founding in 1926. It defines its goal as "promoting sound educational standards and ethical business practices within the distance study field" (http://www.detc.org/facts.html), and currently lists over seventy accredited institutions offering degrees via distance learning. The organization has begun to evaluate institutions outside of the United States.

The professions involved in internationalization include engineering, architecture, law, medicine, nursing, veterinary medicine, physical therapy, actuarial science,
agriculture, business, dentistry, pharmacy, psychology, occupational therapy, land
surveying, forestry, chiropractic, nurse anesthesia, music, art, theater, dance, interior
design, and dietetics (Lenn, 1996). John Maudlin-Jeronimo (1997) notes that some U.S.
professions have established a single accreditation agency to review programs in more
than one country. Others do not accredit off-shore but have strong relationships with
international counterpart organizations. The Accrediting Board for Engineering and
Technology (ABET), for example, does not accredit off-shore institutions. However, a
1988 agreement, the Washington Accord, recognizes course and degree equivalencies in
Australia, Canada, Ireland, New Zealand, the UK, South Africa, Hong Kong and the US.
Currently Mexico (Russia, New Guinea, India, and Japan are seeking entry). The Accord
was signed by participating ABET counterpart organizations, not by ministries from
those countries, and includes approximately thirty-five hundred programs around the
world. ABET has become a resource to corporations seeking to employ engineering
graduates from other countries, as many will call ABET to assess the equivalency of a
potential employee's degree (Peterson, 2000). While ABET does not accredit off-shore
institutions, it does review programs in countries where no engineering or technology
accrediting agency (or accrediting agency equivalent) exist. It currently recognizes
seventy-three programs in ten countries as “substantially equivalent” to their U.S.
accredited engineering programs. (Peterson, 2000).

A similar situation exists in architecture education. Faced with the decision of
whether or not to accredit Canadian architecture programs, the National Architecture
Accrediting Board (NAAB) chose not to accredit off-shore programs; rather, it has
worked toward an international exchange of information and coordination of common standards by helping countries establish architecture accreditation standards that are both comparable and convertible.

The AACSB began studying the issue in the early 1990's. In an effort to globalize AACSB as an organization, in 1994 the Association formed its International Peer Review Marketing Team. Its charge was "to design and prepare for implementation of a plan to expand peer review services and AACSB recognition to other countries and regions of the world" (AACSB Newsletter, Summer 1994). In its exploratory work, the task force found that peer review was closely associated with accreditation and had a very negative connotation in some foreign settings—peer review was often perceived as regulation as opposed to improvement. Consequently, accreditation had to be positioned as one of the several services the AACSB could provide. Ultimately, the task force focused on Canada and Mexico as first sites in partnership efforts but subsequently selected European and Mexican institutions to participate in a pilot study for AACSB accreditation (AACSB Newsletter, Summer 1996; AACSB Newsletter, Winter 1997). International activities became so common that by the spring of 1997, the membership of the AACSB voted to rename the organization The International Association for Management Education (AACSB). The change was initiated because of the obsolescence of three key words in the old name, one of which was "American," a term that clearly failed to reflect membership growth or international peer review activities. At the time of the change, it was noted that while the organization's membership is predominantly U.S. business schools, membership of non-American business schools is the fastest growing
membership segment. The Board of Directors also adopted a policy to extend accreditation to schools throughout the world, and the Association reported the appointment of its first Director of Global Accreditation (AACSB Newsline, Spring 1997). The association currently has 110 international members representing thirty-five countries.

Many foreign countries (particularly those that are experiencing increased autonomy from their ministries, as in Europe) view U.S. accreditation as another intrusion on institutional autonomy. The issues of American accreditation having a negative connotation was addressed by Coleman, et al., (1994), in their survey of heads of Canadian business programs. Noting that a number of Canadian authors had recently questioned the quality of that nation's business education, they sought to determine whether business school heads regarded AACSB accreditation as viable within the Canadian context. A slight majority (54 percent) saw limited utility to AACSB membership and 65 percent thought AACSB accreditation was either not useful or marginally useful (only 20 percent found it useful). Further, over half of those surveyed viewed the creation of a Canadian accrediting agency negatively and found no advantages to forming such a body. (Coleman, et al., (1994), attribute these findings to the small number of business schools (about fifty) which allows Canadian business school deans to develop informal knowledge of their counterpart deans and schools. Moreover they have joined together to address issues on a more formal basis through the Canadian Federation of Deans of Management and Administrative Services (CDFMAS).

Hence, while U.S. accrediting bodies may be debating the issue of extending
accreditation to foreign institutions and programs, not all countries welcome U.S. accreditation.

Like ABET and NAAB, the AACSB has substantial international activities and lists twenty worldwide counterpart associations. These organizations have been collaborating and in fact in 1993 held an international forum in Barcelona, Spain, hosted by the European Federation of Management Development (EFMD) and co-sponsored by the AACSB and eleven other national and regional associations of management schools. The conference was widely attended by deans and faculty from many countries. A second forum held in June of 1998 in Chicago drew over 1700 management educators from eighty countries and focused on events shaping management education, best practices, and providing management education leaders with an opportunity to network (AACSB Newsletter, Winter 1997).

Perhaps the best known and most active of these twenty agencies is the EFMD which defines what it wishes to become as

A European network of organizations and individuals, who are stakeholders in management development; a bridge between different cultures and to other relevant networks worldwide; a promoter of quality in management education and stimulator of learning and innovation in people development; a spokesman and ambassador for European management development for the European and international public" (http://www.efmd.be.html).

The organization boasts 390 member organizations in over forty countries from a variety of backgrounds including business schools, companies, public service and training
agencies. In its objectives it notes its particularly close ties with the AACSB particularly with respect to joint conferences and the planning of joint assessment initiatives (http://www.efmd.be.html).

EFMD launched an international association of quality assessment and accreditation agencies, The European Quality Link (EQUAL), to create "a permanent forum for exchange of information, benchmarking and cooperation between the members in order to promote continuous improvement of quality in management education across Europe...EQUAL's particular concern is to improve quality of the processes through which institutions and programmes are assessed." Another objective is to "reflect" on what a European-wide accreditation system might achieve and to set up a European accreditation system known as EQUIS. EQUIS was launched in 1998 by EFMD with eighteen schools participating in the pilot accreditation project (http://www.efmd.be/html/pioneerschools.html).

According to Marjorie Peace Lenn (1997), however, "Multiple accreditation may barely become the norm before it is supplanted by regional and eventually global accreditation" (p. 8). She provides examples of some initiatives: European Group on Academic Assessment (a group of education ministers founded in 1994); Conference of European Rectors (founded in 1995), African Association of Universities (focused on regional accreditation); and other forums in English-speaking Caribbean, South American, and the Asia Pacific region. The activities of accrediting agencies in off-shore activities can be expected to grow in the new millennium as will the number of new organizations formed to address issues related to transnational recognition of degrees and
courses. The implications of globalization to accreditation are profound and best realized by considering a scenario described by Lenox (1996):

By the end of the twentieth century, U.S. higher education will experience the beginnings of the globalization of the professions through the multinational adoption of common education standards. In the first quarter of the twenty-first century, national quality assurance systems will have evolved into internationally accepted processes for professional education and practice. By the middle of the twenty-first century, national identity among the professions will be passé. In its place will be the first truly “world class” engineer or nurse or architect or physician. Propelled by the many regional and global trade agreements that encourage the movement of professional services as well as goods, our national borders for higher education—and particularly for professional education—will be blurred. Admission standards, testing, accreditation, certification, and licensure—forms of quality determination and assurance, which until now were nation-based—will become global in nature. The professional graduates of the globe’s quality institutions of higher education will enjoy unprecedented marketability and mobility. Those countries that, in the late twentieth century, did not pay attention to this inevitability will have forfeited their professional labor force to those prepared for the global professional marketplace of the late twenty-first century (p. 11).
Information Complexity and Resource Scarcity in the "New Economy"

Distance learning and assessment of off-shore educational activities are but two of the issues higher education and its system of accreditation must address in the new century. As the U.S. enters the twenty-first century, higher education and its system of accreditation must come to terms with high levels of resource scarcity. While the use of nontraditional methods of instructional delivery (e.g., information technology) may ultimately serve to reduce some resource scarcity; the costs associated with traditional instructional delivery (e.g., faculty and maintenance of "bricks and mortar" campuses) will continue to rise. Higher education institutions can no longer expect government expenditures or large tuition increases to cover these increasing expenses; rather, they must seek alternative sources of revenue to supplement the traditional revenue streams. Moreover, higher education institutions can expect to be held accountable to the public and must demonstrate that the outcome of its funding is indeed adding value.

As the twenty-first century begins information complexity remains high but has declined from its 1970-1980 height. Although it can be expected to remain relatively high, it is decreasing as adjustments are made to accommodate the changes brought to bear by a changed economic infrastructure. Nevertheless, one thing is clear from the historical analysis of accreditation in the twentieth century - conditions within the information complexity and resource scarcity dimensions will change. While we can predict some of those changes, there will be some in that are impossible to envision at the present time, and the appropriate balance between innovation and efficiency will be dictated by those changes. Therefore, if the system of accreditation is to remain a viable
participant in the quality assurance process, it must strive to continually address external
conditions; it must organize itself so that it can respond rapidly to environmental
changes; and it must be flexible enough to ensure that the competing needs of all
constituencies can be met. Contemporary debates and discussions over accrediting
purpose and processes together with some newly emerging models of accreditation are
clear indications that the accrediting community understands the challenges it faces in the
new millennium. Some of those debates together with new models of accreditation are
discussed in the Chapter VIII.
CHAPTER VIII
New Philosophies, New Models

Chapter Overview

A major premise of Lawrence and Dyer's (1983) model of organizational/industrial adaptation is that to survive, organizations/industries must continually adapt in response to changes in the information complexity and resource scarcity dimensions by learning and striving to reconcile the competing goals of innovation and efficiency. Through their application of the model to seven industries, they are able to demonstrate the model's efficacy and provide examples of how some industries successfully reconciled these competing goals in response to changes in environmental conditions (i.e. AT&T, the agriculture industry, and the residential construction industry). Their analyses of the seven industries also provide examples of industries in which such adaptation did not occur. The "present plight of the steel industry" (p. 84) is an excellent example of what happens when firms fail to adapt and remain "stubbornly attached to old strategies" (pg. 84). They also present examples of industries in which some firms have achieved readaptive results (e.g. the coal industry in which firms such as Exxon Coal, and Consol are bringing new management skills and technologies to the industry) and others (e.g. Island Creek Coal Company and North American Coal Company) that have failed by clinging to authoritarian human resource practices and maintaining centralized functional bureaucracies.

The historical analysis of higher education and its system of accreditation presented in this dissertation illustrates how the accreditation community adapted its
purposes and processes throughout the twentieth century in response to major changes within the information complexity and resource scarcity dimensions. We have seen the impact of those conditions on the competing goals of efficiency and innovation. Throughout the first three-quarters of the century, environmental circumstances made great the need for innovation and minimized the need for efficiency. During the 1970's and 1980's this skewed balance of efficiency and innovation fostered an inertia that led to crisis in the 1990's which almost rendered accreditation extinct. The crisis of the 1990's clearly demonstrates that attention to variables within the resource scarcity and information complexity dimensions is critical if adaptation and reconciliation of innovation and efficiency is to occur. Without that reconciliation, accreditation cannot remain a viable participate in the quality assurance process, for within the reconciliation of the competing goals of efficiency and innovation lies the reconciliation of competing stakeholder expectations.

In the aftermath of HEA 92, the accreditation community unmistakably understood that accreditation’s relevance and credibility to the higher education community is supported was in jeopardy. The disbanding of COPA and the creation of CHEA presented an opportunity to reconcile the conflicting internal stakeholder needs and brought to the forefront the need to address change. In the years that followed the negotiations over HEA 92, much debate and discussion occurred over how accreditation might change, how it might address shortcomings that throughout the century had not been resolved, and how it might lead institutions to adapt to the needs of the new economy.
Some of the ideas that those debates and discussions have spawned are discussed in this chapter together with some examples of new models, some of which have their roots in European quality assurance models. These new models are centered on the premise that outcomes assessment provides the best evidence of institutional and programmatic efficacy and is the most effective way in which issues unique to the "new economy" (i.e., distance learning and assessment of off-shore educational activities) can take place.

The Aftermath of HEA 92

In the aftermath of HEA 92, there was no question that if further federal intrusion was to be curtailed and accreditation was to remain a viable participant in U.S. quality assurance process, reform would be imperative. The National Policy Board (1994) emphatically warned, "Congress stands ready to put an end to accreditation as we have known it. The most significant choice we face is between stronger, more accountable, self-regulation, and more restrictive and onerous government intrusion" (p. 2). Arwell (1994) agreed stating, "...all of us should recognize that standing still really is not a choice. If we don't fix accreditation, someone else—most likely the federal government—will try to do the job instead" (p. 12). Others agreed with this perspective. Ralph Wolff (6/9/93), for example, noted, "we might argue over the causes or even the validity of the challenges to accreditation...we have constructed a Potemkin Village in which there is less behind the façade of accreditation than we might like to acknowledge...If accreditation is to regain some of its lost credibility, everyone involved
in the process needs to refocus on standards and criteria for demonstrating educational effectiveness" (p. B1).

Ewell (1994) warned the accrediting community not to view the problem as a short-term, public relations issue.

The presumption of politics as usual ignores substantial growing evidence that the rules of the accountability game have changed, as well as the ground on which it might be played. These changes, in turn, are the product of some structural and fiscal realignments in American higher education that have been in the making for at least a decade...We are right in the middle of what amounts to a major transformation, visible particularly in the relationship between academic institutions and the wider society...Old rules no longer apply. Our situation is in this way reminiscent of far larger realignments like the breakup of the Soviet Union—events that without warning eliminate not only salient elements of our immediate operating environment but the very categories in which we think" (p. 26).

In 1994 Atwell correctly observed that the reform process would be lengthy and difficult particularly given the "structure and procedures of the regional accrediting bodies, plus the ways in which accreditation has been written into statutes and regulations" (p. 12). He was correct – the parameters of change quickly became the subject of considerable discussion and experimentation that continues at the present time.

Some positions were extreme. Marchese (1991), for example, advocated surprise audits and national standards. Less extreme were his suggestions for more frequent and
visible visits; a sharper focus on undergraduate education, emphasis on outcomes, and appropriate reporting to the public. Ewell (1994) argued that educators must rethink and restructure education and that public involvement and consultation should be a part of that rethinking and restructure; moreover, he argued that the outcome of accreditation should be public. Greenberg (1994) argued for the abolition of the regional agencies and the establishment of national standards expressing the belief that it was inappropriate to split the national geographically. Barbara Uehling suggested that three different types of accreditation be considered and the generalized accrediting process served by the regional associations be divided into different processes; the first would focus on program improvement and would be as consultative and supportive as possible. The second would be a binary judgement for recognition or non-recognition; and a third would have criteria which could be used to compare institutions. Each of the three would have different review team compositions and the use of results would differ (e.g. there would be no public report of the outcome of the first). She further argued for specialized accreditation to be linked to institutional accreditation.

The inability of the National Policy Board to advance the idea of national standards (as discussed in Chapter VI) together with the entrenched interests of the regional associations; however, soon made clear that many of these suggestions would never be implemented. However, the National Policy Board (1994) argued and most agreed with the fundamental premise that “the issue [was] not that regional accreditation [had] failed, but that national demands on the accreditation system [had] changed dramatically” (p. 4). And, while many of the perspectives on reform would not be viable,
reform was indeed necessary and some perspectives on change were worthy of consideration and even experimentation.

The negotiation among internal constituents that preceded the creation of CHEA was predicated on two premises: that accreditation was much more preferable than government intrusion and, hence, should be preserved and that an umbrella agency would be an important element in the preservation of accreditation. The lengthy period of debate that followed this fundamental agreement reconciled several important points of contention. First, the structure of the system would remain unchanged; that is, there would be no national institutional standards. Second, the agencies could not and would not proceed on a "business-as-usual" mode but change would be necessary. Among the most viable was a position advocated by Graham, Lyman, Trow, and Fusco (1995), Dill (1996), and Van Vught (1994) that posited a view of reform predicated on a movement to a meta-evaluation or portfolio approach.

Among the first studies published in the aftermath of HEA 92, A Study on the Accountability of Colleges and Universities, was undertaken by Graham, Lyman, Trow, and Fusco (1995) and funded by the Andrew W. Mellon Foundation. The authors dealt directly with the issue of internal and external accountability charging that while both were necessary, the two hemispheres contradict rather than complement one another. Their contention was that "higher education does not lack accountability; rather, it lacks enough of the proper kind and is burdened with too much of an unproductive kind" (p. iv), and they argued that any additive solution to the current complex matrix would produce even worse results. Describing the current accreditation system at its worse as
"an odd combination of arrogant intervention and irrelevant ritualism," (p. 19) at its best as encouraging "self-justification rather than self-critical candor by the institution under review" (p. 19), they present a proposal for strengthening both the internal and external system. This would be accomplished by shifting the focus of institutional accreditation from "an assessment of the quality of an institution to an audit of internal quality-control mechanisms of the institution" (p. iv). That is, the model proposed would determine whether "the institution has in place procedures and practices that enable it to learn about itself, its weaknesses as well as its strengths, and to use that knowledge to address those weaknesses" (p. 18). To Graham, Lyman, Trow, and Fusco (1995), the problems associated with programmatic accreditation could be minimized by having specialized accreditation feed into the general, institution-wide process and focus the review on student learning.

Dill (1996) promotes a similar approach, noting that deficiencies in the U. S. system of quality assurance can be attributed in part to the fact that the system is insular and fails to incorporate aspects of international models that have proven successful. Observing that within the international quality assurance community accreditation is "generally not perceived as sufficient to assure the quality of teaching and learning" (p. 21), he stresses the need for a portfolio of quality assurance elements and encourages U.S. educators to look at the established quality assessment mechanisms in Europe, New Zealand, and Hong Kong to see how such reform could be modeled. The model he suggests is similar to that proposed by the Graham, et al., (1995), and advocates that
assessment—aimed at improvement—occur within institutions and that academic audits—as a means of accountability—be conducted by the regional agencies.

Van Vught's (1994) position is similar to that of Graham, et al., (1995), and Dill (1996). He notes that a quality assessment system that only consists of peer review without any reference to the needs outside the higher education system implies the risk of extreme isolation of the higher education institutions from the rest of society...a quality assessment system that is limited to only providing accountability to external constituencies denies some of the basic characteristics of higher education institutions and therefore implies the risk of not being taken seriously by the academic experts” (p. 370).

Like Dill (1996), he encourages the incorporation of models of assessment that have been successful outside of the U.S. and contends that best practices from the U.S., Canada, and Western Europe can be combined to form a general model of higher education quality assessment.

There are similarities between Van Vught's (1994) model and that advocated by Graham, et al., (1995), and Dill (1996). All three models would combine both the intrinsic and extrinsic dimensions of quality, incorporating the traditional English model of peer review and the French model of providing accountability. While all caution against “one size fits all” models, there are some common elements that all believe should be part of any quality assurance system. The objective of the process should be diagnostic and not linked to budget. The starting point should be an internal assessment.
to identify strengths and weaknesses, and there should be a review committee whose report should be available to an external audit committee. Most important is a changed role for the accrediting agency in that it should audit the internal review processes, shifting the focus from the current practice which forces institutions to emphasize strengths and downplay (or even hide) weaknesses. As such, the accrediting agency audits the quality assurance processes, rather than accrediting the quality, and strengthens the internal process while serving the external accountability function.

Dill (1996), helps clarify the meaning of these three perspectives by making a distinction between accreditation, assessment and the academic audit. He notes that assessment moves a step beyond accreditation and makes "graded judgments about academic quality levels rather than binary judgments relative to threshold standards" (p. 21). He further observes that the international definition of assessment differs from that of U. S. educators who use the term in relation to outcomes assessment which describes what students have learned; rather, he uses the term, assessment, in its international context which is closer to what can be described in the United States as systematic program review. Assessment is defined by the Higher Education Quality Council in the United Kingdom as "external review of, and judgments about, the quality of teaching and learning in institutions" (Van Vught, 1994:364). Evaluating the quality of specific activities, assessment is focused at the subject or program level, defines quality relative to the institution's mission, and tends to run in five to ten year cycles (Dill, 1996).

Defined as such, assessment is central to quality assurance in Western Europe and is the best illustrated in the French and Dutch systems of quality assurance, both of which
were developed to accommodate deregulation by the European central ministries and increased institutional autonomy. New systems of quality assessment were developed — some initiated by the central government (France), others negotiated between government and higher education leaders (Netherlands) (Van Vught, 1994). In the case of France, the Comité National d’Evaluation (CNE) was established by the French Parliament in 1984 to review both institutions and disciplines and examine general higher education policies. In reviewing institutions, it looks at education, research, and management. Internal evaluation through self-evaluation reports form the core of both the disciplinary and institutional reviews and are followed by site visitations in which qualitative judgments are made. The CNE does not use performance indicators but “takes into account the context, the specific situation, the evolution, and the specific objectives of each institution being evaluated” (Odile Ottenweelter, 1997:80). In its disciplinary review, one site team reviews all self-evaluations and visits all programs in the discipline across France. The advantage of disciplinary reviews is that it is possible to compare programs at both the national and international levels, the latter comparison is, of course, useful in the overall European Community’s goal of developing degree equivalencies (Odile Ottenweelter, 1997). Further, the disciplinary site teams often include foreign experts which are helpful in placing the disciplines within an international context. Site team reports are published and made available over the Internet but funding decisions are not directly tied to the evaluations. This is similar to the Dutch model which is also disciplinary based with all programs in the discipline visited by the same committee. The major difference between the French and the Dutch systems is ownership; the former
belonging to the government; the latter belonging to the higher education community. The Dutch, in fact, use the term *kwaliteitszorg* to indicate that the system is not one of quality control but one which is focused on improvement (Vroijenstijn, 1990).

Dill (1996) also provides information on the academic audit, where the focus is on the processes that produce quality. It assumes that the institution has in place an assessment process, and its goal is to verify the effectiveness of the institution's assessment procedures and their implementation. A good example of an audit system is found in the UK, where the Higher Education Quality Council defines the academic audit as "external scrutiny aimed at providing guarantees that institutions have suitable quality control mechanisms in place" (Van Vught, 1994:364). The system began in 1990-1991 through the introduction of an Academic Audit Unit whose function was to provide 'meta-evaluation' -- that is, it did not evaluate the quality of the institution or its programs but evaluated whether or not the institution's evaluation methods and quality processes were adequate. After the passage of the 1992 Higher Education Act, the Academic Audit Unit was subsumed by the Higher Education Quality Council into its Division of Quality Audit at which time a system whereby institutions were assessed by one agency (the H.E.Q.C) and audited by another (A.A.U.) was set in motion. Under the 1992 Act, a system of government funding councils (one for England, one for Wales, and one for Scotland) was established to make funding decisions based on visiting committee ratings of "excellent, satisfactory, or unsatisfactory." While the Higher Education Quality Council is 'owned' by the universities, the funding councils are 'owned' by the
government. The UK quality assessment procedures focus on the subject level; while the audit focuses on the institutional level.

The Western Association of Colleges and Schools has embraced the concepts posited by Graham, et al., (1995), Van Vught (1994), and Dill (1996). Ralph Wolff (2000) in describing the new two step review process, noted the need to experiment with new models is predicated on the changed context in which accreditation functions as well as the fact that, given the complexity of today's institution of higher education, it is virtually impossible for a site team to evaluate an institution in the traditional two to three day site visit. Throughout 1998, with funding from Pew Charitable Trusts and The James Irvine Foundation, WASC explored the development of new processes for accreditation. New models of self-study were developed that focused on student learning and educational effectiveness and experiments were conducted in collaboration with some of the major California research universities. This led to a new plan for accreditation detailed in Invitation to Dialogue II (www.waschweb.org/senior/capacity/standards/capacity.html), which will be voted on for approval by the membership of WASC in November 2000.

The first step in this two step review is a Capacity Review which uses audit methodology to look at core institutional structures and capabilities. It has been designed to "emphasize the interconnections among topics and to discourage institutions from responding to standards on an element-by-element or check-off basis" (http://www.waschweb.org). The four standards — institutional purposes and character, core functions, key resources, and leadership/planning/decision making — have been
constructed around four interrelated elements. The first, is a preamble which describes the essential nature of the standard and attempts to capture best practice by describing “an institution that fulfills the standard in an exemplary fashion” (http://www.wascweb.org). The second is a threshold criteria that defines the essential requirements for accreditation; each is supported by guidelines which “identify the types of evidence or documentation that institutions should be able to produce in order to demonstrate that they meet the associated criterion” (http://www.wascweb.org). Finally, questions for institutional engagement are provided to “help institutions explore a constellation of issues that arise from the threshold criteria” (http://www.wascweb.org). A year later, the Capacity Review is followed by an Educational Effectiveness Review which focuses on outcomes.

In describing the process, Ralph Wolff (2000) noted that WASC is asking colleges and universities to articulate “what do you have to show us,” “why did you select those elements,” and “what do they mean to you.” Their goal is to have at least part of the accreditation effort become web-based, real-time data, so that once an institution compiles it, it will be continually updated. Hence, the next time there is a review, the school can then focus its efforts on data analysis. Moreover, Wolff was very open about the fact that WASC is just not sure that all of this will work but they are working in partnership with the major research universities in California to pilot this in a collaborative effort. Both sides admit this is experimental and that they will learn as much from what does not work as what does.

The shift in philosophy manifest in the WASC changes point to an important conclusion. To remain viable participants in the quality assurance process, accrediting
agencies must continually adapt to a rapidly changing external environment and balance the needs of their key constituencies. To do that they must shed their traditional regulatory role and work in partnership with institutions particularly as old, mechanistic models of assessment are replaced with new models that are more systemic in nature. It is exactly this kind of open attitude exemplified by WASC as it moves toward a system of meta-evaluation that will do much to assure the viability of accreditation as the twenty-first century progresses. Such a method shifts the evaluation focus away from quantitative data based inputs to review of whether appropriate processes are in place and outcomes assessment. It is through such models that accreditors can meet the challenge of developing “new ways for member institutions to meet the needs and expectations of our transforming society” (Cauvel, 1995:315).

The Southern Association for Colleges and Schools (SACS) has also piloted alternative methods to accreditation. Thomas E. Corts (2000) of Samford University recently chaired a CHEA workshop that addressed alternate approaches to accreditation review. He noted that SACS viewed accreditation as fulfilling three purposes: (1) a “Good Housekeeping” seal, assuring appropriate business principles were in place, (2) a gatekeeping function, and (3) a mechanism by which quality, effectiveness, and continuous improvement could be stimulated. It is the latter element that SACS thought weakest and endeavored to improve by allowing some of its strongest institutions to utilize an alternative approach to accreditation. That approach was utilized not only by Samford University, but also by the University of Virginia, and the University of Georgia, all of which had representatives on the CHEA panel.
Harold H. Kolb has directed the University of Virginia’s reaccreditation activities through three separate evaluations. He observed that the first two involved traditional accreditation dimensions (self-study, site team review, etc.) and that despite the fourteen volumes that were produced nothing much happened as a result of the review. At best the first two evaluations served as a “snapshot” and were not well integrated into the strategic planning process; at worst, they were simply activities to get through as well and as quickly as possible. The third evaluation was conducted using SACS alternative approach and was very different. It not only helped the university address the full brunt of recent budget cuts, it also helped them to fulfill a recently imposed requirement by the state’s General Assembly for an effectiveness plan. These needs were addressed through one activity, a strategic self-study that focused on four areas of concern to the university: (1) students, (2) faculty and post-tenure review, (3) technology, and (4) a streamlined administration. Through that activity, the university was able to, among other things, make some strategic cuts (two deanships and some programs), develop a post-tenure review process, develop a procedure for departmental evaluation, and revitalize the faculty senate.

The University of Georgia viewed SACS alternative accreditation as a window of opportunity to bring about fundamental change, since the procedure requires that the institution select a topic that is compelling for in-depth study. Looking at their previous self-study they noted that there were over two hundred recommendations, of which only those that had the potential to imperil accreditation had any formal follow-up plan. Other recommendations fostered an adversarial climate and launched a series of turf battles.
They wanted an accreditation process that would help to create a vision that would be accepted across the university; and while recognizing that not every one would agree to all components, at least everyone would have input into the process. Hence, University of Georgia seized the opportunity to utilize the alternative approach to do a thorough evaluation of the undergraduate experience.

Success in the pilot programs of institutions like the University of Virginia and the University of Georgia have prompted SACS to move forward with the program. SACS has recently revised its standards and reduced the "must" statements from over 400 to 63. Additional piloting will occur throughout 2001, with presentation to the membership for approval expected by the December 2001.

In viewing the use of the academic audit in the United States, it is important to bear in mind a difference between the use of the audit in the UK and its proposed and recently piloted use in the United States that was observed by Michael Poliakoff (2000). In the UK the audit has been used as a managerial tool to provide accountability and productivity data. Agencies that have piloted the audit in the United States, on the other hand, have done so for purposes of assessing teaching and learning quality. The use of the academic audit in Hong Kong and New Zealand, like its use in the UK, has been more broad-based than its intended use in the United States with much less of a focus on student learning (Poliakoff, 2000). Many U.S. agencies, both institutional and specialized, that began the movement toward assessment of processes have now begun to assess both processes and outcomes assessment.
The revised AACSB standards introduced in 1992, for example, still maintaining suggest minimum standards, but take a “mission-driven” approach to accreditation. Management programs define their mission, articulate in the self-study the way in which various program components are consistent with their mission, demonstrate to the visiting peer review team that processes are in place to assure continuous improvement, and make evident the efficacy of those processes through an assessment of outcomes. In a similar manner, the proposed standard revisions of the Accrediting Board of Engineering Technology (ABET), ABET 2000, no longer focus predominately on minimum standards for inputs but have shifted to a review of processes and intend to make the outcome of those processes the most significant factor in granting or denying accreditation. ABET accredited programs must now demonstrate not only that there are appropriate processes in place but also that outcomes assessment is being used to drive improvement. In both cases, there still exist standards that must be met; however, those standards are less prescriptive and are intended to serve as general guidelines. In theory it is possible for accreditation to be granted to programs in which a particular standard is not met as long as the reason the standard has not been met is consistent with the institution’s stated mission and value added is demonstrated through an assessment of outcomes.

A workshop at the June 2000 CHEA conference provided an opportunity for accreditors to hear the experiences of two new specialized accrediting agencies with respect to the academic audit. To the Teacher Education Accreditation Council (TEAC), the audit is an effective mechanism by which the tension between public accountability and the internal need for programmatic improvement can be reconciled. TEAC views
the academic audit as analogous to a financial audit in that a semester, course, and
student are randomly selected and assessment of the processes related to multiple
variables occurs. In the case of TEAC, the institution under evaluation will bring forth
the evidence that it relies on for making the claim that it meets the standards of the
agency; a two-person peer review team visits the campus to audit and verify the evidence;
and subsequently a panel determines whether or not the evidence supports the claim.
Hence, two audits occur – the probing of the institution vis-à-vis its own audit process
and the audit of the agency (Murray, 2000). The American Academy for Liberal
Education views the audit as a way in which the principles of accreditation can be
maintained but which enables a review of process as well as outcomes and hence
promotes a shift toward a “culture of evidence” (Polliakoff, 2000).

Outcomes Assessment

One way in which issues unique to the new economy (such as distance learning
and globalization efforts) are being addressed is by focusing on outcomes assessment
rather than assessment of input variables. At the 2000 CHEA Conference, Assistant
Secretary of Education A. Lee Fritschler warned the audience that they must “go down
the outcomes road as far and as fast as possible.” Accreditors must, according to
Fritschler, demonstrate to the U.S. Congress that they are looking thoughtfully at
outcomes and agree with cries for assessment. He noted that the Department of
Education does not wish to force the hand and become the key regulator on the issue;
however, if accreditors do not move quickly in this direction, Congress will force the
issue. The Department of Education, according to Fritschler, sees the swelling of demand
in this area and if CHEA and the accreditors do not deal with the issue, he or his successors will be forced to.

Few would disagree with Fritschler’s assessment. Since the 1980’s, outcomes assessment has become the subject of considerable discussion within and among accrediting agencies. However, while the U.S. Department of Education had since 1988 required that accrediting agencies provide information about learning outcomes as part of the agency approval and COPA had since 1987 included a similar requirement its recognition policies (Hutchings & Marchese, 1999), input measures remained the primary measures of quality prior to HEA 92, and until the passage of HEA 92, a bias toward measuring input prevailed. Richard Diamond (1997) describes that bias,

Higher education rarely deals with the goals of instruction directly and has avoided stating them in measurable terms. Institutions have been much more comfortable measuring the quality of their institutions by indirect indices (degrees held by faculty, faculty publications and honors, grant dollars, etc.) than by what students have learned. Indirect measurements of quality avoid the inevitable fact that once you have stated your goals in measurable terms, you become accountable for assessing how well you are meeting those goals and for making difficult decisions if you are not doing so” (Diamond, 1997:37).

Ewell, Wellman, and Paulson (1997) argue that the effectiveness of accreditation as a quality assurance device was questioned in part because it relied largely on input-driven measures instead of value-added or output measures. HEA 92 and the activity that
followed that legislation moved assessment from "another interesting idea" to a "condition for doing business" (Hutchings & Marchese, 1999:12) and has changed the focus of accreditation from quantitative data-based inputs to assessment of what graduates of a school or program can do; a shift from "what are you doing" to "what are your students becoming;" from educational activities as an end to educational activities as a means to an end (www.abet.edu).

Hutchings and Marchese (1999) argue that the questions posed by assessment are not new, they were answered in the nineteenth-century college through the senior declamation and in the early twentieth century through the senior comprehensive examination. The twentieth century explosion in curricula and student numbers made the practice of comprehensive senior examinations increasingly difficult to sustain and the practice largely disappeared. In "losing that practice, we lost as well a tradition of asking questions about our graduates' competence and about the cumulative effects of our teaching and curricula" (p.12). To Hutchings and Marchese, the current focus on outcomes assessment is merely a re-emergence of some fundamental questions:

What is the college's contribution to student learning? How and what do we know of that contribution?

Do our graduates know and can they do what our degrees imply? How do we ensure that?

What do the courses and instruction we provide add up to for students? Are they learning what we're teaching?

What knowledge and abilities do we intend that students acquire? Do they have opportunities to do so? Are they successful? At what level? Is that level good enough?
How can the quantity and quality of student learning be improved? What combination of college and student effort would it take to achieve higher levels of performance?" (1990:12).

We can see in these questions the same complexity inherent in the definition of quality and accreditation. A challenge presents itself because a precise definition of outcomes assessment must be predicated on a definition of higher education purpose. However, just as the purpose of higher education is a value judgment, outcome measures are all value based. As Astin (1991) argues, "The very act of choosing to assess certain outcomes rather than others clearly requires us to make value judgments" (p. 38). Moreover, those values affect not only what we choose to assess but also how we assess it and, to whom the results are communicated (Astin, 1991). Astin (1991) further contends that there are many possible outcomes of a higher education experience and cautions that outcome should not be confused with the causal concept of impact which assumes that the "students’ outcome performance after completion of a program of study has been caused by that program of study" (Astin, 1991:42). In that regard, Frazer (1994) notes that it is best to consider a quality profile rather than to have a single measure. That is consistent with Astin’s (1991) talent development view that posits the most excellent institutions are those that add the most value – those in which the quality and quantity of student and faculty learning and development is greatest over time, not those that have the greatest resources or reputations. Indeed, the assessment movement "centers on the acquisition of multiple forms of evidence in the evaluation of both student and program performance" (Bogue, 1998:11). It focuses on results and suggests, "we
can, and should, know as much about our students upon their exit as we do upon their entry” (Bogue, 1998:11).

In the current focus on accrediting agency activity in the area of outcomes assessment, there is a general implication that activities must encompass: (1) accreditation and program reviews in the traditional sense; (2) assessment and outcomes (the development of performance evidence and attention to value-added questions); (3) total quality management (addressing continuous improvement and customer satisfaction), and (4) periodic accountability and performance indicator reports most commonly seen in state requirements (Bogue, 1998). This is a formidable task, the enormity of which has been addressed by Baird (1995), who provides a map of critical components of higher education as guidance.

Viewing Baird’s map, one gets a sense of the task ahead, for there are twenty interrelated points on Baird’s map that must be addressed before we can fully understand the outcome of the higher education process. He like Astin includes input variables in the model. The points include (1) precollege characteristics, (2) high school/college transition, (3) adult entrance into postsecondary education, (4) colleges and college characteristics, (5) nontraditional forms of postsecondary education, (6) within-college experiences, (7) influence of precollegiate characteristics upon within-college experiences, (8) influence of college characteristics on choices of within-college experiences, (9) college environment, (10) influence of types of college and student characteristics on the environment, (11) facts on retention and attrition, (12) prediction or understanding of the retention/attrition process, (13) college outcomes, (14) college
effects, (15) transition to graduate or professional education, (16) assessment of the types, characteristics, and environments of graduate and professional education, (17) attrition and retention in advanced studies, (18) completion status, (19) career or life success, and finally (20) prediction of career and life success. Baird’s model demonstrates the complexities inherent in attempting to disaggregate these twenty points and assess any one of them independently. For example, most professional accreditors would be greatly concerned with points 13 and 14; yet, as Baird points out, assessment is dependent on the other points. Hence, in addressing outcomes assessment it is important to recognize that the choice of outcomes depends on one’s values and how one defines the purpose of postsecondary education. Moreover, the appropriateness and technical quality of assessment itself depends on the choice of outcomes. As Astin (1991) notes, “good assessment is really good research, and the ultimate aim of such research should help us make better choices and better decisions in running our educational programs and institutions” (p. xii). Good assessment practices “foster improvement, engagement, connection making, networking, and joint problem solving among the various audiences about program and institutional effectiveness and quality” (Braskamp, 1991:418).

Much of the activity in the area of assessment originated from state mandates for accountability which have “been the most visible and direct” (Ewell, 1993:339). Prior to 1982 approximately one-third of the states required regular program reviews but none required explicit reporting on outcomes (Ewell, 1993). The first two states with assessment requirements were Florida and Tennessee. While Ewell (1993) argues that both initiatives were not about assessment at all, Astin (1991) contends that a major
catalyst in the assessment movement was Tennessee's performance funding system. “There is little question in my mind that the Tennessee program had at least two major impacts: it alerted legislators and public officials in other states to the possibility of using student assessment as a tool for achieving a greater degree of accountability in public higher education and it motivated some higher education leaders to take a more critical look at their own assessment practices” (p. x). In Florida where assessment was instituted in 1982 the goal was to articulate transfer between two and four year institutions; the data was not used to study institutional effectiveness until 1988. In Tennessee the performance funding program was fully implemented by 1982 to “leverage new money from a reluctant legislature in a period of anticipated enrollment decline” (Ewell, 1993:342); that is, the state was primarily interested in the outcomes data for funding purposes not for purposes of improving the system.

State activity increased in the late 1980’s, particularly following the publication of two reports that argued for a more proactive role for states, Transforming the State Role in Improving Undergraduate Education: Time for a Different View by the Education Commission of the States, and Time for Results by the National Governors’ Association (Ewell, 1993). Following those two reports, most states were no longer willing to rely on institutional mechanisms to demonstrate that higher education was functioning effectively and an unprecedented shift to student assessment prevailed (Callan, 1993). While many states initially implementing assessment tended to do so with standardized testing, that approach proved largely ineffective. Many came to follow the example of Virginia and required an institutional plan that embraced “basic skills, general education,
major field outcomes, and alumni follow-up...(allowing) each institution a great deal of choice in defining learning goals and in selecting assessment approaches that best fit local missions, curricula, and student clienteles" (Ewell, 1993:344).

The movement to outcomes assessment, while necessary, will not be without problems. Throughout the June 2000 CHEA conference, Sharing Responsibility for Quality: Institutions, Programs and Accreditors, the theme that outcomes assessment is in its infancy was very much present. Many expressed the opinion that the state-of-the-art has not fully evolved and that assimilating the data collected and feeding it back into improvement is still problematic. Ernst Boyer (1993) argued that it is difficult to disagree with the “commonsense position” (p. 331) that measuring student outcomes is an appropriate way to evaluate the overall effectiveness of an institution. He agreed that it all “makes sense in theory” (p. 331) yet noted how difficult it would be for colleges “to agree upon the objectives by which the progress of all students might be measured” (p. 331). Boyer (1993) urged that the diversity of our system be acknowledged and protected but debate continue over outcomes. Ewell (1993) agrees with that perspective and notes that one problem associated with outcomes assessment is sheer variety; while many of the state mandates share the same features, no two are alike. Moreover, the great variations in state governance, fiscal conditions, and political cultures are reflected in variations with respect to implementation.

Nevertheless, it is clear that the change in focus from input to output variables will dominate accreditation activities in the future. As Judith Eaton (1999) observed, accreditation cannot continue in the traditional manner. She used the analogy of the
automobile industry to argue in favor of the movement. If input variables were indicators of quality, "we would focus on how much steel and energy the plant uses to manufacture a car. We would review the size and condition of the facility and ask whether state-of-the-art machinery and manufacturing methods were being used. We would look at the number of employees and how they were compensated and verify how many cars were produced and how many were sold" (Eaton, 1999:1). She poses a question, "Would you buy a car from a company that based its claim of quality exclusively on the resources it expended and the processes it employed and provided no information about the performance of its products?" (Eaton, 1999:1). The answer in relation to the automobile industry, of course, is obvious. As we, in higher education, pose a similar question with regard to our graduates, the answer is also becoming obvious. While one could make a compelling argument that students are not "products" (Tasker & Packham, 1993), it is clear that the public cannot be assured that public support of the higher education system is justified unless the higher education community provides clear evidence of the efficacy of those expenditures.

The Future of Accreditation

At the peak of the crisis in the early 1990's, information complexity for the higher education and accreditation communities was at a heightened level, but the process of change began with discussions that would ultimately lead to the creation of the Council on Higher Education Accreditation. The sense of urgency among internal constituents that an umbrella agency was needed to lead the activities of the nation's accreditors helped to facilitate a reconciliation of some of the differences between internal
stakeholders and paved the way for CHEA to focus its attention on external constituents. Unity ultimately sprang forth among internal constituents heretofore divided in their perspectives on many issues, among them the matter of national standards. That question, however, was fully resolved when the presidential associations, which had rallied in support of a national accrediting board with national standards, yielded to the demands of the regional accreditors for standards that had similarities but reflected regional differences. With that concession, the tarnished relationship between the accrediting community and the U.S. government became a pressing issue that further united internal constituents. Thus created out of a sense of urgency that quickly brought consensus to internal constituents, CHEA began functioning from a position of strength and was able to quickly turn its attention to its external challenges. While in existence only since 1996, CHEA has been able not only to foster a very favorable relationship with the government but has also in that short time addressed some areas of pressing concern to the accreditation community.

History will, of course, be the final judge with respect to how instrumental this newly formed organization will be in maintaining the viability of accreditation to the quality assurance process in the U.S., but the early indicators are that CHEA is well on the road to doing just that. CHEA’s “Common Data” project, for example, may not immediately reduce the time involved in or the cost of accreditation reviews; however, it is an excellent first step in driving the agencies to at least accept a common set of definitions. The ideal of coupling regional and specialized accreditation reviews may not actually occur for some time; however, that ideal could never become a reality without
this first step of commonly defined terminology. But, this project goes beyond its initial goal of creating definitional consistency by providing guidelines to help reduce the burden of data collection to institutions and to increase the usefulness of that data which is collected. Further, while CHEA does not claim to have the answer with respect to how distance learning should be assessed, by developing a set of distance learning guidelines, the agency has provided a means by which accreditors can address core academic values while accommodating the challenges inherent in distance learning.

The literature on accreditation has not kept pace with many of the new developments that are occurring. Many new ideas are in the pilot stage and information about the outcome of those pilot projects has not been widely disseminated. However, CHEA's periodic conferences and workshops have been extremely helpful in providing a forum for discussion with respect to these pilot projects as well as a means by which accrediting agency directors can meet to discuss issues which are of concern to the community. Wisely, CHEA has not restricted those conferences to the higher education and accreditation communities but has invited government officials (i.e., Senator Robert Kerrey, Governor James Gerlinger, U.S. Department of Education Assistant Secretary for Postsecondary Educator A. Lee Fritschler) and members of the corporate community to address the audience and participate in the discussions. Recent conferences have focused the community on discussions over distance learning, international perspectives and needs, and outcomes assessment. These are three areas that have presented significant challenges to accreditors and for which new ideas are developing so quickly that much of the latest information is shared through informal discussions. For example,
at the CHEA 2000 Enhancing Usefulness Conference IV, Sharing Responsibility for Quality, there was a great deal of discussion about outcomes assessment. And, while most accrediting agencies are pushing their member colleges and universities to develop appropriate outcome measures, there was a general recognition among the agencies represented at that conference, that the state-of-the-art in outcomes assessment has yet to be developed. Even more troublesome to many was the fact that few institutions have been successful in establishing feedback loops that link the collected data back to produce improvements. There were even some informal comments about the efficacy of outcomes assessment, a point that has only recently appeared in the press. For example, Jane L. Wellman (9/22/00), while noting that learning-outcomes assessment are in many ways a welcome and necessary change, cautions that “assessment of learning is an imperfect science, one that has not yet evolved into measures that are commonly understood and easily transferable to different types of institutions... moreover, everything that matters within an institution should not be viewed through the lens of how it contributes to student learning, or any other single criterion” (B20). Hence, for the first time, accreditors are hearing that outcomes assessment may not be the panacea to cure all ills.

In addition to providing a forum for exchange of information, CHEA publications such as the CHEA Almanac of Quality Review are helpful vehicles by which the agency provides the community with information on a range of emerging trends and challenges. This kind of leadership will do much to focus accreditors on emerging issues and will be critical in representing to the public the value of the higher education system’s of self-
regulation and its role in preserving the autonomy, diversity, and excellence of U.S.
higher education.

While it is likely that CHEA will continue to successfully lead the system, a word
of caution is necessary. The U.S. system of accreditation survived the colossal assault
brought to bear by the passage of HEA 92. In December 1998, a CHEA roundtable was
held to provide detailed understanding of the Higher Education Act of 1998. Its title,
*Turning the Corner*, was predicated on the viewpoint that for voluntary accreditation, “the
most important development of HEA 98 was that it turned the corner on Federal
accreditation policy by reversing the direction of the 1992 Higher Education
Amendments” (Fusco, 1998:2). While HEA 98 indeed reversed the direction, the
question remains as to whether it indeed really turned the corner, for to make such a
statement, one must view accreditation within the context of the environment in which it
operates. Using Lawrence and Dyer’s (1993) model, we must view variables in
information complexity and resource scarcity dimensions and question the degree to
which a booming economy has detracted attention from some of the issues long
associated with accreditation. Clearly, unparalleled, sustained economic growth has done
much to reinforce the idea that everything is right and well in the United States, and that
perception generalizes to higher education and accreditation. The accrediting
community, in enjoying the victory of HEA 98, must exercise caution, for the celebrated
change in direction may be attributed more to the booming U.S. economy than to
innovation in accreditation. To maintain the current state of accreditation it is critical that
debate and discussion continue and that new models of accreditation continue to be
explored and piloted, particularly as they address some of the problems historically associated with accreditation, many of which remain unresolved.

Equally important will be a continuing research agenda that not only identifies issues of concern and challenge to the accrediting community but also focuses on the outcome of some of the newly piloted alternative models of accreditation. Much of current change in accreditation focus and procedure is predicated on the idea that the output of the self-study process should be of use to the college or university undergoing evaluation. Concerns over the production of volumes of self-study data that collect dust on a shelf for five to ten years following the review have been instrumental in spawning new alternatives to accreditation that are designed to enable institutions to study an area of particular concern and relevance for that institution. These new methods have been piloted by some of the nation’s most solid and prestigious universities, and it is imperative that research be conducted to understand how successful these institutions have been in meeting the objectives of these new procedures and the degree to which these institutions have utilized the results of these studies for institutional improvement.

If Lester Thurow’s thesis that in periods of “punctuated equilibrium” social systems must experience visible failure before they adapt to a new environment is true, then I believe what we witnessed in the 1990’s was the visible failure of the nation’s system of accreditation. The firm commitment of the accrediting community to its new central monitoring agency, CHEA, and that agency’s commitment to working with all constituencies to foster improvement and face the challenges of the twenty-first century
will do much to maintain accreditation as a viable participant in the quality assurance process.
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