

There currently is a policy issue involving institutional productivity and student success, and it plays a big role in the funding of higher education institutions across the nation. The most prominent concern of this policy issue is performance-based funding, also known as PBF (AASCU). Performance based funding is a system based on allocating a portion of a state's higher education budget according to specific performance measures such as course completion, graduation rates, and credit attainment, instead of allocating funding based entirely on enrollment (Irimia, R). This type of accountability mandate is disputed across America and each individual state legislation has the power to decide whether they want to use it or not. This brings a lot of challenges for public institutions because they now have to take into account the amount of student success their institution produces and if it lines up with their state's policies on institutional productivity.

One of the main concerns of performance-based funding is the fact that research goes against the success of this policy. For regions where PBF is in effect, funding is pulled from the academic struggling institutions; in result, their student success continues to diminish and the budgets of the over successful institutions increases, improving their institution's productivity (ASSCU). Recent scholarly papers state that performance based funding doesn't work and it's because of the fact that it could exacerbate the divide between the "haves" and "have nots" of higher education (ASSCU). This is ethically immoral because the divide of the "haves" and "have nots" has a negative impact on social mobility. Social Mobility is the shifting from one social status to another, commonly to a status that is either higher or lower (Social Mob). There are a series of factors that influence social mobility and education is one of the biggest. Studies already show that high income students have been 30% more likely to be enrolled in a higher

education institution than low income students (NCES). The results of this data implies that low income students typically attend institutions with low funding, while high income students typically attend schools that are highly funded. Because institutions being allocated the least amount of money are more affordable to the low income students, the students wouldn't have a lot of access to success pushing initiatives. Lack of funding would hinder the amount of success a student could obtain, causing some of them not to receive an education. This keeps the low class in the low class and pushes the high class even higher. Now parents would hold higher education administrators accountable for the lack of success initiatives that the institution provides. Student affairs professionals all over would be struggling to assist the students who are failing at their institution because of the lack of funds. Despite these effects, those who are for performance based funding may ask, "What is your institution doing with the funds you are allocated?" A low budget receiving institution could have a response along the lines, "We don't have the funds to pay those working in our student success offices to assist our students in a timely fashion." This policy puts state legislators in a position to mandate an unfair policy on its' higher education institutions (Irima, R).

Performance based funding causes many problems and negatively effects social mobility. State legislators would have to take accountability for the lack of social economic change in their regions. Just like the scholar reports stated, the "haves" will continue to have more while the "have nots" will continually not have all because of PBF (AASCU). There is a domino effect when state government decreases funding for institutions who have lower graduation rates, lower credit attainment, and lower course completion than other institutions in their region. The smart thing to do would to be to add funds to the student success budget of colleges and universities who have low institution productivity. Performance based funding holds policy makers

accountable for the decline in social economic improvement and educational success across the nation.

Works Cited

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