



# Performance-based funding policy

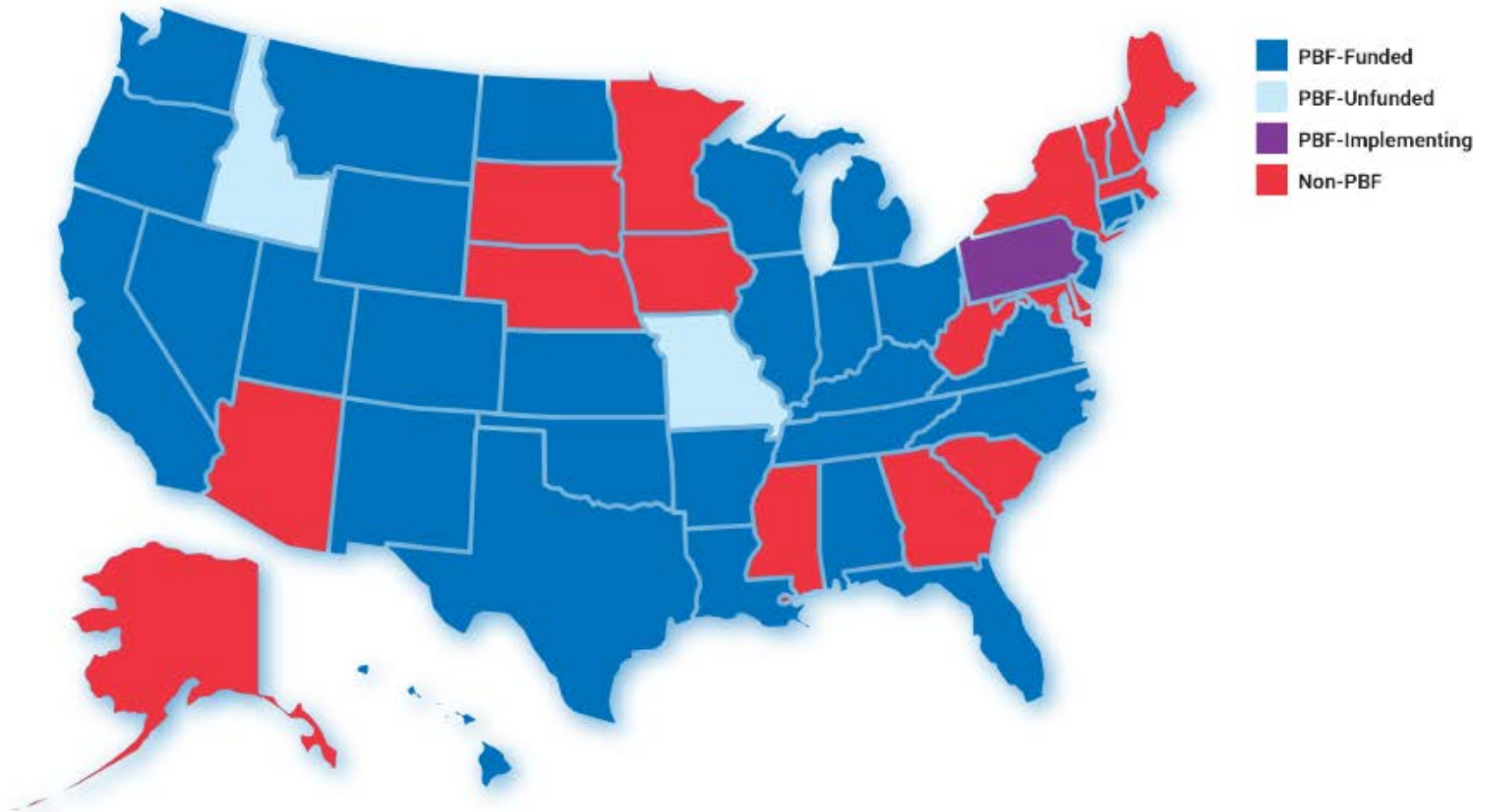
Shiya Liu

# Agenda

- Introduction of PBF
- Discussion: 5 minutes
- Evaluation of PBF

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## PBF status in 2020



# Performance-based funding policy



**What**



**How**



**Why**

# Discussion (5 minutes)

- Q:
  - Do you think PBF works (i.e., improve student outcomes)? Why? Why not?
  - Recommendations?
- Hint:
  - Stakeholders (e.g., institutions, students, taxpayers, etc.) and their power
  - Evaluation of student outcomes
  - .....

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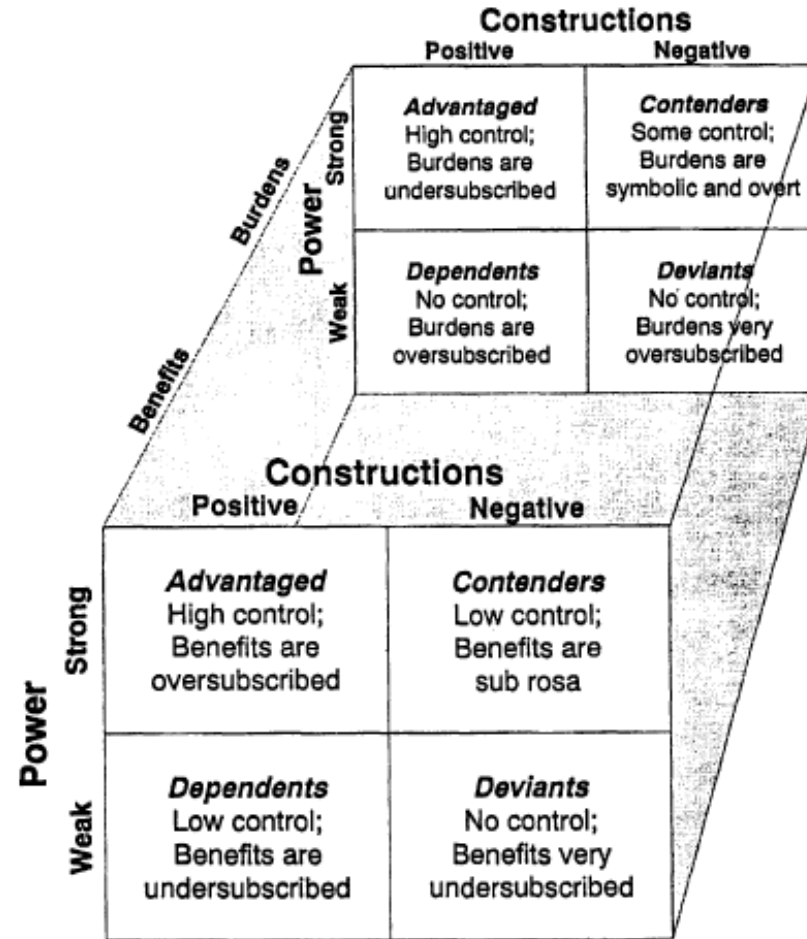
## Consequences

- Intended
  - Student learning outcomes
- Unintended
  - Lower academic standards
  - Inequity issues of students
  - Disparity across institutions

**FIGURE 1**

**Social Constructions and Political Power: Types of Target Populations**

		<b>Constructions</b>	
		<b>Positive</b>	<b>Negative</b>
<b>Power</b>	<b>Strong</b>	<b><i>Advantaged</i></b> The elderly Business Veterans Scientists	<b><i>Contenders</i></b> The rich Big unions Minorities Cultural elites Moral majority
	<b>Weak</b>	<b><i>Dependents</i></b> Children Mothers Disabled	<b><i>Deviants</i></b> Criminals Drug addicts Communists Flag burners Gangs

**FIGURE 2****Variations in How Policy Treats Target Populations: Allocation of Benefits and Burdens**

Note: Benefits are shown on the front part of the box to each type of target; burdens are shown at the back of the box.



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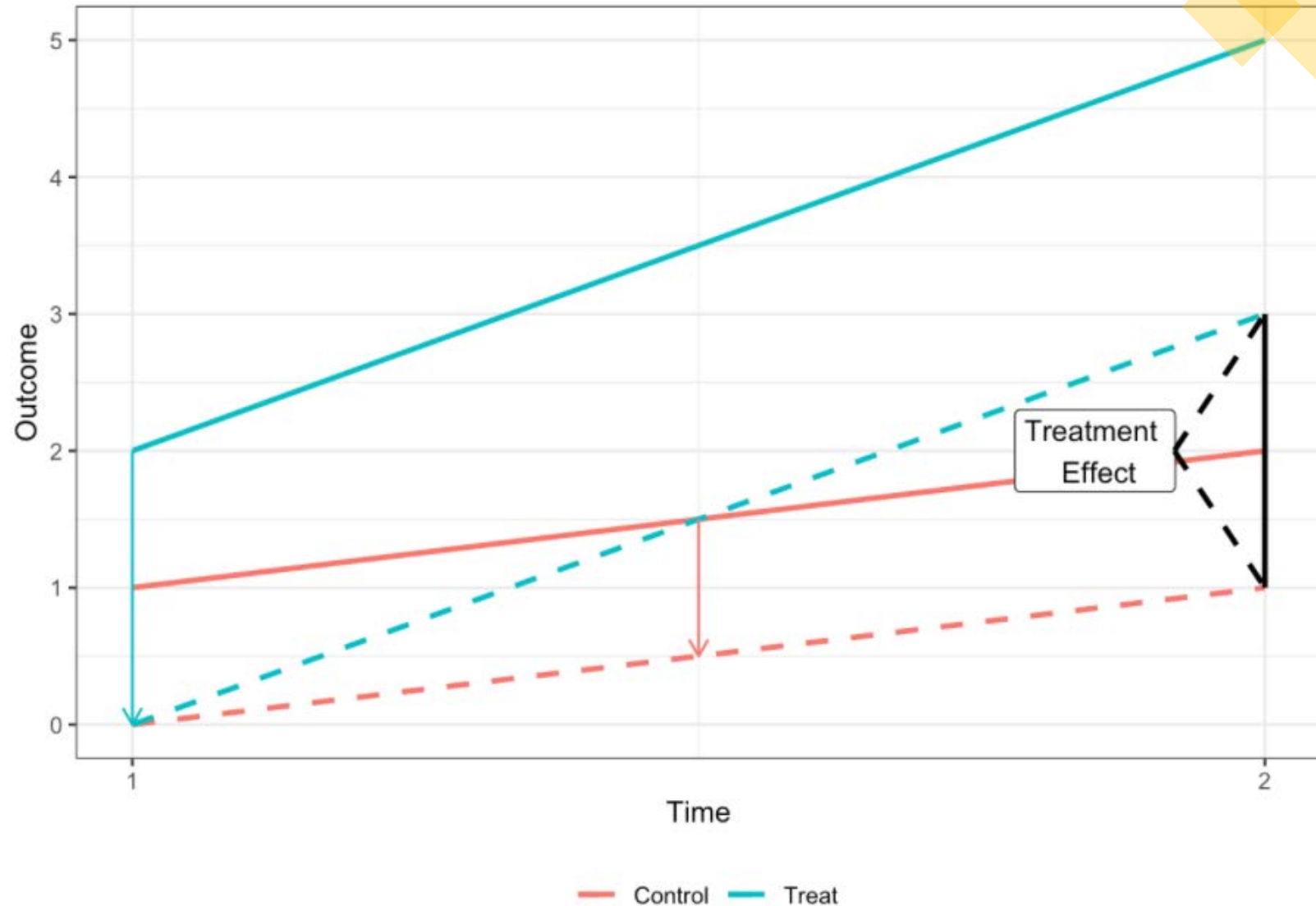
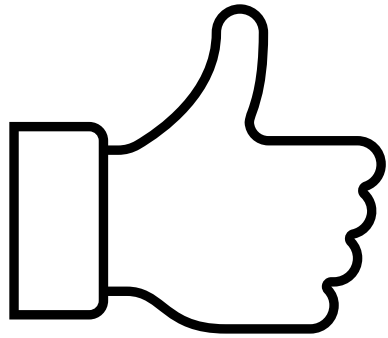
- Two dimension: power and constructions
- Four target populations: advantaged, contenders, dependents, deviants
- Benefits VS Burdens:
  - Benefits are expected to become oversubscribed to advantaged populations
  - dependents and deviants will receive too little beneficial policy
- Four responses: compliance, pursue own interests, fail to mobilize or object

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- Current systematic research
  - Bell, E., Fryar, A. H., & Hillman, N. (2018). When intuition misfires: A meta-analysis of research on performance-based funding in higher education. In *Research handbook on quality, performance and accountability in higher education*. Edward Elgar Publishing.
  - Ortagus, J. C., Kelchen, R., Rosinger, K., & Voorhees, N. (2020). Performance-based funding in American higher education: A systematic synthesis of the intended and unintended consequences. *Educational Evaluation and Policy Analysis*, 42(4), 520-550.

# Methodology

## Difference-in-differences



# References

- Bell, E., Fryar, A. H., & Hillman, N. (2018). When intuition misfires: A meta-analysis of research on performance-based funding in higher education. In *Research handbook on quality, performance and accountability in higher education*. Edward Elgar Publishing.
- Ortagus, J. C., Kelchen, R., Rosinger, K., & Voorhees, N. (2020). Performance-based funding in American higher education: A systematic synthesis of the intended and unintended consequences. *Educational Evaluation and Policy Analysis*, 42(4), 520-550.
- Schneider, A., & Ingram, H. (1993). Social Construction of Target Populations: Implications for Politics and Policy. *American Political Science Review*, 87(2), 334–347. <https://doi.org/10.2307/2939044>
- Rosinger, K., Ortagus, J., Kelchen, R., Cassell, A., & Voorhees, N. (2020). *The landscape of performance-based funding in 2020*. InformEd States. <https://informedstates.org/policy-briefs-feed/the-landscape-of-performance-based-funding-in-2020>

Comments? Questions?

