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**Written Statement**  
**Senate Committee on Health, Education, Labor and Pensions**  
**July 21, 2011**

On behalf of the students, faculty and administration of the DeVry family of postsecondary institutions including the Carrington Colleges, Chamberlain College of Nursing, Ross University, and DeVry University, thank you for the opportunity to participate in this roundtable discussion focused on how the higher education community can continue to work together to maximize student achievement and economic and global competitiveness.

The time is right for coming together to identify solutions. As we collectively work to address how we all can improve and serve students better, we need to look to the future and focus on the policy framework that will cultivate graduate success. We believe that for the nation to achieve measurable improvements in student and institutional performance, we must do so collegially with stakeholders across higher education. To that end, we remain at the ready to work toward solutions by developing meaningful metrics and improving accountability and transparency in higher education.

Education is the key to our nation's economic success. As President Obama noted recently at a Jobs Council meeting, "We're going to have to up our game when it comes to how we train people for the jobs that actually exist, and design credentialing training programs, apprenticeship programs, so that people know if they complete this work, they are prepared to work at an Intel or GE." Two companies, I might add, that are in the top 5 employers of DeVry University graduates over the past five years.

Individuals lacking post-secondary educational attainment are at a significant disadvantage in the modern economy. According to Georgetown's Center on Education and the Workforce, in 1973, only 28% of U.S. jobs required a college education. By 2008, that number had increased to 59%. What this data shows is a new economy that is less about muscle and more about brains. College education, now more than ever, is critical to the well-being of our workforce and nation's economic future. Private-sector education is part of that solution; we look forward to DeVry's family of schools continuing to play a critical role in meeting our nation's future education needs.

### **About DeVry**

The DeVry family of institutions has a long history of serving students: DeVry University was founded in 1931 in Chicago and just celebrated its 80<sup>th</sup> anniversary; Chamberlain College of Nursing was founded in 1889, our Carrington Colleges were founded in 1967 and 1975 respectively, and Ross University Schools of Medicine and Veterinary Medicine in 1978 and 1982 respectively. Our institutions are accredited by regional and national accrediting bodies, including the Higher Learning Commission of the North Central Association of Colleges and Schools (HLC), the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges (WASC), and the Accrediting Council for Independent Colleges and Schools (ACICS). In addition, many of our programs are programmatically accredited by specialized accrediting bodies, recognized by the U. S. Department of Education. We have graduated hundreds of thousands of students in programs ranging from medical assisting to family physician. We currently serve over 120,000 degree seeking students and have alumni and students in every state.

Our commitment to student academic and career success is the superstructure that brings value to our students and the communities that we serve. That commitment is demonstrated in our efforts to continuously improve the quality of institutional programs and services, such as Carrington College's practice of reviewing each student's progress each week on an individual basis. Or DeVry's use of student success coaches to monitor and advise students in the early terms of study, recognized by the Pell Institute as a promising practice to support high-risk students. Or our Keller Graduate School's partnership with CareerBuilder to provide personalized career services for its graduates.

Our organizational philosophy can be summed up as, "Quality leads to growth." We stick to that philosophy in everything we do. When we acquired Ross University School of Medicine, one of our first actions was to increase admissions and academic progression standards and cutting our enrollment. We believed that the short-term loss of revenue would bring long-term gains in student outcomes. The same was true in our acquisition of Chamberlain College of Nursing. Chamberlain was a quality nursing college, but small and underfunded. We invested in the college, purchasing state-of-the-art patient simulators and upgrading student support services. Chamberlain students have a 90% pass rate on their NCLEX exams, an indicator of quality outcomes.

### **Private Sector Colleges**

I point out these successes because it is important to recognize the private sector's strength in issues like capacity, access, innovation, and quality. The private sector has not grown by accident. It has grown to meet a vast unmet need for more education.

When states are cutting enrollments at their public colleges and universities because of state budget issues, private-sector colleges are adding more seats at lower cost to taxpayers – in fact, they pay taxes. At a time when we must educate more non-traditional students to meet our educational attainment goals, many of those students choose private-sector colleges. And when innovative educational models are called for, the private sector helped create online and blended approaches that have transformed how students are educated.

But still, some have asked how private-sector or proprietary institutions are appropriately motivated to provide a quality education to our students. Some go further and assert that private-sector colleges simply cannot produce quality academic programs; that their incentives are de facto incompatible with serving students. What we know in practice is that a firm commitment to academic quality and student support services produces student success. Like any public-sector or independent college (or any business for that matter), if we serve our students well, they will succeed, they will pass their boards, and hospitals and Fortune 100 companies will hire them. DeVry University is celebrating its 80<sup>th</sup> anniversary this year because it made those commitments to its students.

Quality academics are the primary focus of any institution of higher education. DeVry uses a multifaceted approach to assist our students and graduates, combining innovative academic methodologies with focused support services.

### **Technology**

DeVry uses innovative technology to improve and maximize student engagement. There are those that have expressed concerns about online learning in this regard. We believe that regardless of delivery

modality student engagement is the key. Onsite, online and a combination of the two is what it takes to educate all of our students. We were one of the early leaders in the development of “blended learning,” the mix of these two learning modalities. A May 2009 Department of Education meta-analysis of effectiveness studies of online, face-to-face and blended learning concluded that blended learning offers a larger advantage to students than do either 100 percent face-to-face or online courses. We believe our emphasis on a blended approach most effectively meets the needs of our students.

### **Academic Support**

Chamberlain College of Nursing’s Center for Academic Success (CAS) provides students with an opportunity to enlist the services of peer and professional tutors for assistance with course content in both nursing and general education courses. Tutors provide resources for academic support, advice on how to study and insight into particular classes and instructors. The Center also holds study sessions covering subjects like chemistry, microbiology, critical care nursing, pharmacology and algebra.

The Center also provides an online tutoring service called SMARTHINKING that provides pre-licensure students with tutoring support in a variety of different subjects. Tutoring resources are accessible 24 hours a day, 7 days a week, so that students can get help whenever is most convenient. This service also allows students to access archived tutoring sessions for future reference.

### **Student Support Services**

DeVry University’s Student Central model provides centralized locations staffed with “success teams.” Teams include a student success coach (academic advisor) and a student finance consultant. Students are given course direction to make certain that they are taking the courses they need to graduate along with a means to map out their academic studies from one term to the next. The student finance consultant provides financial literacy tools and guidance to help students navigate the financial aid process, which can be very difficult for students who are the first in their family to go to college.

Students may visit their success coach or consultant at will: additionally, new and first-time college goers receive more intrusive engagement given a general lack of familiarity with the college experience. The success team is also in constant contact with faculty and other academic staff to help coordinate a student’s experience.

If a student needs help, we want to know early and often so they can stay on track. We look at a variety of metrics to see how the student is progressing including persistence rates, credit hour load and student satisfaction. Any one of these indicators can give an early warning that a student may be experiencing difficulty, allowing our success teams to reach out and help.

The Pell Institute recently released a qualitative study on DeVry University’s support services for low-income, first-generation students and said, “What is most promising about these categories is the calculated investment that DeVry University has made to weave together the practices, and how they continue to develop and refine these practices to better support their students...”

DeVry University and Chamberlain also offer a service called ASPIRE. ASPIRE is a special program that provides all enrolled students direct and confidential access to counseling professionals who can help them stay focused on their goals during difficult times. This complimentary service is accessible 24 hours

a day, 7 days a week, to help address any issues of a personal, family, financial or legal nature affecting students.

## **Career Services**

Our goal is that our graduates gain the academic knowledge and workforce skills to launch their careers. The student support and career services process begins the first time we meet a prospective student and goes on even after the student graduates – through lifetime career service guidance.

Keller Graduate School of Management, a part of DeVry University, launched a first-of-its-kind, personalized career services program for its graduate students in conjunction with CareerBuilder, the global leader in human capital solutions. Through the Keller Career Services program, students have access to a dedicated team of career experts – strategists, writers and coaches – for a high-level, personalized approach to career development.

Eligible Keller students are individually assigned a Career Strategist to mentor them through an intense 90-day career search that encompasses assisting with establishing goals and expectations to customizing a personalized job search strategy. Additionally, these students have access to a certified career coach for mentorship on topics like interviewing techniques, career path planning, networking and workplace etiquette. Additionally, a CareerBuilder professional writer assists Keller students in the creation of career-related materials, such as keyword-rich resumes and cover letters to help Keller students stand out among job applicants.

## **Potential Solutions**

Over the course of the past 13 months, the Committee has held a number of hearings focused on private-sector education. Throughout the course of the Senate hearings and public debate on the value of private sector provided education, different perspectives have been heard regarding the performance and value of higher educational institutions. Assessments of performance are typically made through one's own proprietary lens and, as a result, have led to vastly different perspectives of performance and value. However, there is common ground among all parties in two areas – the current metrics used to evaluate institutional performance are insufficient, and the opportunity exists to improve institutional programs and services. It is therefore reasonable that we begin seeking solutions on these common grounds, and we propose a policy framework comprising two pillars:

1. Metrics of accountability
2. Standards of best practices

### **Metrics of accountability**

In developing proposed metrics, we suggest the following design principles:

1. The metrics should be easily and clearly understood by educators, policymakers and the public. The number of metrics should be limited in order to minimize the occurrence of “competing” outcomes.

2. Metrics should represent a final outcome as opposed to an interim measurement of performance. For instance, they should measure completion rate instead of retention rate or repayment rate instead of delinquency rate.
3. Metrics should be relevant to the level of education. In general, it is not relevant to apply the same test to a certificate program and a graduate-level program.
4. Metrics should be risk-adjusted to the students schools serve, and should be used to measure results amongst institutions that serve similar populations.
5. Metrics should apply to all institutions: public-sector, private-sector, and independent.
6. Metrics should be used to “flag” questionable performance, facilitating regulators’ enforcement actions.

There are five areas of measurement that are almost universally applicable within higher education:

1. what did students learn;
2. did students successfully complete their program;
3. did they achieve the education or career objective which they sought from their education;
4. did they gain eligibility for their chosen profession; and
5. are they repaying their student loans.

These are commonly measured and used to gauge performance and progress towards institutional goals. The following discussion illustrates ways in which the design principles can be applied to develop metrics to meet the goals for better transparency and accountability.

### **What did students learn?**

Measurement of Learning Outcomes can be taken at both the coursework and program levels. Tests such as the Collegiate Assessment of Academic Proficiency (CAAP), the Collegiate Learning Assessment (CLA) and the ETS Proficiency Profile all seek to measure the development of knowledge and analytical and communication skills across a span of time and coursework. Though imperfect, these tests can be used to reflect the differential amount of learning attained from the 1<sup>st</sup> through the 4<sup>th</sup> years of study as well as the overall absolute amount of knowledge gained at an institution as compared to peer institutions or a national standard. Similarly, measurements of analytical, quantitative and verbal abilities are taken with graduate school admissions tests (GMAT, GRE, etc.) and could be applied to program and institutional graduates. Metrics of learning outcomes are used in other settings, including in the US in K-12 education, and in Brazil in post-secondary. In Brazil, every institution, regardless of public- or private-sector status, is measured by the performance of its graduates on learning assessment exams.

### **Did students successfully complete their program?**

In measuring completion rate, it is important that we compare “apples with apples.” We propose a system whereby all students are counted, and completion metrics are viewed in the context of the student population being served. As referenced above, the predominant metric for completion rates currently omits many students from measurement. For example, the measurement does not count a student who enrolls for one year, then transfers with credits to another institution and successfully completes a certificate or degree as a “success” for the initial institution. Likewise, institutional completion rates should be viewed in comparison with other institutions that serve a similar student population, taking into account current Education Department risk factors. Finally, completion measurements could include completion rate for all enrollments (including transfers, part-time and starting dates outside the fall term), on-time completion rates (students completing program within an institutionally-defined and disclosed normal period of enrollment) or a progress rate (successful completion of courses attempted within the past year).

### **Did they achieve the education or career objective which they sought from their education?**

Metrics that provide an accurate reflection of program graduates’ employment or acceptance to graduate schools are helpful in evaluating institutional quality. In developing employment metrics we can learn from the experience of national accreditors, who for many years have mandated collection of employment outcomes. It is critical that these measurements be applicable to the scope of the program. Whereas a Diagnostic Medical Imaging certificate may be a prerequisite to employment in the field, there are many programs (such as a graduate program in Computer Information Systems) that augment students’ knowledge and skills allowing them to continue and advance in fields in which they are already employed.

### **Did they gain eligibility for their chosen profession?**

For programs in fields where licensure is required, this metric presents a clear, objective measure of institutional accountability. Licensure passage rates are available in programs ranging from cosmetology certificate programs, to nursing, to post-baccalaureate professional programs.

### **Are they repaying their student loans?**

Repayment or default rates have been used as a proxy of institutional or program quality. A cohort-based default rate provides greater transparency into the potential impact on individual students, whereas a dollar-weighted default rate provides greater transparency into the taxpayer’s risk with a particular school’s participation in the loan programs. Whereas the use of a default rate is consistent with design principle #2, the Department’s recent development of a loan repayment rate represents an interim measurement and is imprecise in actually measuring borrowers’ status in meeting repayment obligations. Current measurement of cohort default rates is similarly imprecise in that it fails to accurately account for loans whose default is delayed through the use of deferments and forbearances. We propose the development of dollar-weighted, risk-adjusted repayment in conformance with design principle #3 (did students achieve the education or career objective which they sought from their education) to meet our standards for transparency and accountability.

## Standards of best practices

The second area of common ground is the opportunity all institutions have to improve programs and services to students. This opportunity becomes even greater as education opportunity is extended to larger populations to meet future workforce needs and the President's 2020 goals. The following summarizes the standards and practices which can serve to protect both students and taxpayers.

1. Prospective students should have sufficient information provided to them to make sound decisions regarding their education alternatives and career and financial implications of their decisions.
2. Schools should provide all prospective students with information regarding employment outlook, costs and financing for their programs of study prior to any students' incurrence of a financial obligation. Such information should include:
  - a. Accreditation of institution and program, including graduates' qualification for licensure in associated occupations
  - b. Graduation rate of students entering the program
  - c. Employment rate (in field of study) of graduates
  - d. Licensure pass rates of graduates
  - e. Total tuition and fees of the program
  - f. Information from the Bureau of Labor Statistics on outlook of occupations associated with the program of study, including number of new jobs forecasted in these occupations and median earnings associated with those occupations
  - g. Median debt incurred by graduates of the program
  - h. Cohort default rate of students graduating or withdrawing from the program
3. To protect students from well-intentioned, but poorly understood decisions, institutions should adopt a trial policy which provides some financial protection for at-risk students. A model for such a policy might provide that:
  - a. First time students (first time in any post-secondary education) may withdraw during the first 14 days of enrollment with a 100% refund of tuition and fees and institution-provided room and board. All loan funds will be returned to the lending source. Grant funds will only be retained to cover unpaid costs associated with unreturned books and equipment.
  - b. Students repeating failed remedial or developmental coursework will not be assessed tuition for that coursework.
4. Progress reports should be provided at regular intervals to students to enhance their ability to manage their education. A model for such reporting may include:
  - a. Progress towards degree or certificate, including number of credits earned to date and remaining number of credits needed to complete the program
  - b. Cumulative grade point average
  - c. Total tuition and fees assessed to date for studies within the current program
  - d. Total debt incurred to date toward studies within the current program, including name and contact information for each loan-holder and the principal amount disbursed from each
  - e. Prospective students should have access to professionally-trained staff who will serve them in a knowledgeable and ethical manner. This may include the following:

- i. All recruiting and financial aid staff will be required to complete compliance training at least once per year. Such training may include, but not be limited to, regulatory requirements and restrictions related to:
          1. Misrepresentation
          2. Compensation
          3. Institutional eligibility for Title IV assistance
          4. Program eligibility for Title IV assistance
          5. Student financial assistance eligibility
          6. Student financial assistance programs, including specifically, requirements and repayment obligations of student lending programs
5. Institutions of higher education should continually assess their effectiveness. A model for assuring this assessment is captured would provide that:
  - a. Institutions will collect input from students, alumni and employers to assess the effectiveness of their programs in meeting educational and post-educational objectives
    - i. Students will be, no less than annually, surveyed regarding effectiveness of faculty instruction and institution's support for student success
    - ii. Alumni will be, no less than tri-annually, surveyed regarding the success of the educational program in preparing them for careers in their fields of study
    - iii. Employers will be, no less than tri-annually, surveyed regarding the sufficiency of the preparation and skills of graduates of the institution
    - iv. Survey results will be published and made available to prospective and current students
6. Ideally, all institutions would voluntarily ascribe to improving these types of practices. Compliance with each can be assured by including these activities in the institution's annual compliance audit requirements for Federal Student Assistance program eligibility. As a publicly held organization, DeVry embraced Sarbanes-Oxley when it was enacted and we believe the time is right for a similar model to be considered in the context of higher education.

## Conclusion

President Obama recognizes the significant challenges we face, and has set ambitious, yet achievable goals. He said:

*To get there, we have to realize that in today's global, competitive economy, the best jobs and newest industries will take root in the countries with the most skilled workers, the strongest commitment to research and technology, and the fastest ways to move people, goods, and information. To win the future, America needs to out-educate, out-innovate, and out-build the rest of the world.*

Given the difficult budget choices facing state legislatures, public colleges and universities cannot meet our capacity needs alone. As education researcher Sandy Baum has noted, "Many for-profit institutions provide students with opportunities not available to them at public colleges. We do need a wide variety of programs and institutions to serve at-risk students if we are going to achieve our goals for increased educational attainment."



DeVry's Chairman, Dr. Harold Shapiro, also recognizes this need for a broad spectrum of educational opportunities. He has a unique perspective on higher education, having been president of one of the leading public-sector schools, the University of Michigan, one of the leading independent schools, Princeton University, and now a leading private-sector institution.

*He says "...one of the strengths of the American system of higher education is its diversity of choice. Public-sector, private-sector, independent universities, community colleges – they all serve different niches in higher education, and there is strength in this variety."*

We have an educational infrastructure second to none: world-leading research universities, liberal arts colleges, a dynamic and far-reaching community college system and a growing and vibrant private sector.

Private-sector institutions are demonstrating the vital role they play by serving a growing percentage of non-traditional students enrolled in higher education – the very students we need in order reach our college attainment goals.

As Secretary Duncan said at DeVry's policy forum held in May 2010, "For-profit institutions play a vital role in training your people and adults for jobs and for-profits will continue to help families secure a better future. They are helping America meet the President's 2020 goal and helping us meet the growing demand for skills that our public institutions cannot begin to meet alone, especially in these economically challenging times."

Solutions-oriented discussions are the right start. DeVry looks forward to working together with policy makers and our colleagues in higher education to regain our edge in an increasingly competitive global economy.