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# Ontario's Proposed Differentiation Policy Framework

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**DRAFT DISCUSSION PAPER**

**SEPTEMBER 2013**

**DRAFT**

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## 1 Introduction

Over the past decade, the Government of Ontario has increased investment in postsecondary education significantly, including increasing operating grants by 80% since 2002-03. These investments helped to improve access to postsecondary education and supported further enrolment growth of over 200,000 additional students. The tremendous expansion of Ontario's postsecondary education system was made possible thanks to the commitment of our postsecondary education institutions to access and their willingness to respond to the demand.

The 2008 economic downturn and the ensuing precarious state of the global economy have made Ontario's fiscal environment challenging. Substantial new investment by the government at levels comparable to the previous decade is not feasible. As enrolment growth is expected to slow in the near future, so too will operating grant funding. With institution inflation ranging from 5-8% annually, and operating grants increasing annually by 1.1% on average, existing cost structures are under pressure. Over time the sustainability of postsecondary education may be at risk.

Changes are required to protect the gains of the last 10 years, and to ensure that Ontario's postsecondary education continues to enjoy a productive and promising future. With active collaboration among government, postsecondary institutions, and students, there is an opportunity to address the challenges facing the system.

Central to this pursuit is the need to preserve, even enhance, educational quality and institutional excellence within a sustainable cost structure. This will require a careful balancing act between government stewardship and institutional leadership. The government will use appropriate policy levers to steer the system in ways that align with provincial priorities while respecting the autonomy and expertise of our institutions.

The government has opted for differentiation as a primary policy driver for the system. Our overriding goal is to build on and help focus the well-established strengths of institutions, enable them to operate together as complementary parts of a whole, and give students affordable access to the full continuum of vocational and academic educational opportunities that are required to prosper in our contemporary world.

## 2 Proposed Policy Framework

### 2.1 Vision

*Ontario's colleges and universities will drive creativity, innovation, knowledge, and community engagement through teaching and research. They will put students first by providing the best possible learning experience for all qualified learners in an*

*affordable and financially sustainable way, ensuring high quality, and globally competitive outcomes for students and Ontario's creative economy.*

## **2.2 Government Priorities**

### **2.2.1 Social and Economic Development**

Postsecondary education is an important driver of social and economic development. The government recognizes the valuable contributions that colleges and universities make towards job creation, enhanced productivity and the vitality of communities and regions throughout the province.

Postsecondary education also delivers significant social and economic benefits to individuals. Graduates of postsecondary education experience improved labour market outcomes compared to those without higher education, including higher employment rates and greater earning levels over time. This is especially significant to ensuring Ontario's social development and economic prosperity.

A differentiated postsecondary education system will help facilitate the alignment between regional development needs and defined institutional mandates. Differentiation will advance growth in partnerships and programs that serve the communities to which institutions are connected and broader provincial needs. In areas that align with institutional capacity, these partnerships may be global in scope.

### **2.2.2 High Quality Educational Experience**

The Ontario government recognizes that high quality teaching is tied to improved student outcomes. The government sees this as a key priority and is committed to ensuring that postsecondary education provides students with the knowledge and skills needed to succeed in their personal and career aspirations, and as engaged citizens.

A differentiated postsecondary education system will support institutions to focus on areas of strength and specialty so that collectively they offer the maximum choice, flexibility and quality experience to Ontario students. This includes encouraging institutions to strengthen their innovative approaches to teaching and learning, and thus improve student engagement and learning outcomes.

### **2.2.3 Financial Sustainability and Accountability**

The government is committed to working with institutions on creating a financially sustainable, high-quality postsecondary education system both in the short and long term. This priority goal will help ensure that Ontarians have access to a full range of high quality postsecondary options, now and in the future.

A differentiated postsecondary education system will support greater productivity and value-for-money through focused investments in areas of institutional strength and excellence. The government is committed to working together with institutions to strengthen innovations in financial sustainability, including program prioritization, course redesign efforts, and back office efficiencies. Progress on pension solvency issues and compliance with the Broader Public Service (BPS) Accountability Act are also significant contributors to the sustainability of the system and will need to be part of the discussion.

#### **2.2.4 Access for All Qualified Learners**

Recognizing the value of postsecondary education to an individual and to Ontario's future, the government will continue to build on the gains it has made in increasing access to higher education for all qualified students over the past decade.

A differentiated postsecondary education system will maintain access as a key priority of postsecondary education. The government will continue to focus on making postsecondary education accessible on the basis of a student's ability to learn, not ability to pay. Institutional specialization will be key to increasing the postsecondary education participation, retention, and success of Aboriginal students, students with disabilities, first generation students, and expanding programming opportunities for Francophone students to study in French.

#### **2.2.5 World Class Research and Innovation**

Universities and colleges are engines of innovation that grow Ontario's knowledge economy through applied, commercialized, and pure research. The government is committed to supporting research and innovation to ensure that Ontario's postsecondary education system contributes to the economic success of the province.

A differentiated postsecondary education system will focus investments to improve research capacity and performance in areas of institutional strength. The government recognizes the key role of research and graduate education in both niche areas and on a broader scale and will work to strengthen institutions' competitive advantage in research excellence, further helping to raise Ontario's profile and sharpening its leading edge nationally and internationally.

#### **2.2.6 Collaboration and Pathways for Students**

The government is committed to supporting and improving collaboration to ensure that postsecondary education in Ontario provides a full continuum of relevant learning opportunities that can respond to the arising needs of students in their academic paths and career destinations. Innovative collaboration among institutions can provide enhanced opportunities for students and helps to ensure we focus our collective resources and avoid unnecessary duplication.

A differentiated postsecondary education system will place a premium on collaboration between institutions, within and across sectors. The government will work with universities and colleges to maximize recognition for prior learning and strengthen pathways so that students can better navigate learning options between sectors, institutions and credentials.

## 2.3 Proposed Differentiation Framework

The Ministry of Training, Colleges and Universities is proposing a balanced and collaborative approach to institutional differentiation to better support the government's vision and priorities for postsecondary education, and support institutions in building on their distinctive strengths.

The proposed framework outlines eight components:

- Teaching and learning,
- Student population,
- Jobs, innovation and economic development,
- Strategic enrolment,
- Research,
- Program offerings,
- Institutional collaboration and
- Sustainability.

The following table outlines each of these components and some proposed metrics. The Ministry is seeking feedback on these metrics and is inviting institutions to suggest additional metrics. The Ministry's intention is to work towards establishing appropriate benchmarks under each metric.

The Ministry is also seeking clarification on institutional strategic enrolment plans including undergraduate, professional masters, masters and PhD. It is anticipated that multi-year enrolment targets will be included in the final Strategic Mandate Agreements (SMA). Instructions will be sent to institutions within the next two weeks.

The differentiation policy framework and institutional SMA submissions (including strategic enrolment plans) will be used as the basis for the SMA discussions and final agreements.

The Ministry will release its final differentiation framework by late October. At that time, institutions will have the opportunity to review their submissions in light of the differentiation framework, and update their submissions if necessary. To support the SMA discussions with the Special Advisors, the Ministry wants to ensure that it has a good understanding of how institutions see themselves, what makes them distinctive, where they are headed (e.g., planned new areas of focus), how they will get there (e.g., strategic enrolment plans, program prioritization and resource re-allocations), and metrics relevant to holding themselves accountable.

Differentiation Framework		
Differentiation Framework Component	Description	Possible Metrics
Teaching and Learning	This component will capture institutional strength in program delivery methods that expand learning options for students (e.g. experiential learning, online learning, entrepreneurial learning, applied research) and improve the learning experience and career preparedness.	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Student satisfaction rate (using KPI data)</li> <li>• NSSE results</li> <li>• Teaching only faculty</li> <li>• Experiential learning opportunities (e.g., percentage of student population in co-operative form of study)</li> </ul> <p><i>Please suggest metrics for consideration that identify unique strengths in program delivery and enhance teaching quality and student learning outcomes.</i></p>
Student Population	This component will recognize the unique institutional missions that improve access, retention and success to postsecondary education for underrepresented groups (Aboriginal, First Generation, Students with Disabilities) and Francophones.	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Number/share of underrepresented groups as percentage of institutional enrolment (using MYAA report back data)</li> </ul> <p><i>Please suggest metrics for consideration that measure institutions' contributions to improving access, retention, and success.</i></p>
Jobs, Innovation and Economic Development	This component will highlight institutions' collaborative work whether with employers, community partners, regions or at a global level to establish their role in fostering social and economic development and serving the needs of the economy and labour market.	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Student employment outcomes, Employer satisfaction (using KPI data)</li> <li>• Entrepreneurial related metrics (e.g. number of start-up ventures, success of incubators, commercialization of research)</li> <li>• Number of partnerships with other sectors including: health, education, and private sector</li> </ul> <p><i>Please suggest metrics for consideration that define the regions they serve and develop metrics to demonstrate economic and community impact.</i></p>
Strategic Enrolment	This component will highlight enrolment levels, recent enrolment growth, and future plans. Alignment with government's priorities including student access and PSE attainment, provincial growth plans, and institutional and system financial sustainability will need to be considered.	<p>The Ministry will set notional undergraduate degree, college diploma, and graduate degree enrolment targets.</p> <p>Please submit detailed multi-year enrolment plans, including underlying assumptions and evidence-based rationale justifying the direction and magnitude of any proposed growth. Additional instructions to be provided.</p>

Differentiation Framework		
Differentiation Framework Component	Description	Possible Metrics
Research	This component will identify the breadth and depth of institutional research activity (both basic and applied) and will identify institutional research strengths from niche to comprehensive research intensity.	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Research Funding (e.g., Tri-council)</li> <li>• Research Capacity (e.g., PhD Focus)</li> <li>• Graduate Focus (e.g., Grad/UG Ratio)</li> <li>• Research Productivity (e.g., H-Index)*</li> <li>• Applied Research (Colleges only, e.g., Research expenditures)</li> </ul> <p><i>Please provide feedback on proposed metrics and/or suggest alternatives.</i></p>
Program Offerings	This component will articulate the breadth of programming, enrolment and credentials offered, along with program areas of institutional strength/specialization including any vocationally-oriented mandates. This component will also recognize institutions that provide bilingual and/or French-language programming for students.	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Institutional distribution of credentials (e.g., apprenticeship programs to PhD)</li> <li>• Enrolment in niche programs</li> <li>• Number of niche programs</li> </ul> <p><i>Please suggest metrics for consideration. Metrics should provide an overall picture of program distribution as well as be able to identify niche programs.</i></p>
Institutional Collaboration	This component will profile partnerships between institutions that ensure students have access to a continuum of learning opportunities in a coordinated system (e.g., credit transfer pathways, college/university collaborative programming).	<p>The Ministry will define a set of metrics such as:</p> <ul style="list-style-type: none"> <li>• Number of college graduates enrolled in university programs (using KPI data)</li> <li>• Credit Transfer activity (e.g., college to college, college to university, university to college and university to university transfers)</li> </ul> <p><i>Please suggest metrics for consideration that support greater co-ordination and pathways.</i></p>
Sustainability	This component will outline institutions' strategies to promote innovation and financial sustainability (e.g., program prioritization, shared back office operations, course redesign, alignment with Strategic Planning).	<p>The Ministry will define a set of metrics of such as:</p> <ul style="list-style-type: none"> <li>• pension solvency</li> <li>• compliance with BPS Accountability Act</li> <li>• back office efficiency</li> <li>• program prioritization</li> <li>• course redesign</li> </ul> <p><i>Please provide feedback on proposed metrics and/or suggest alternatives.</i></p>

\* The H-Index measures the impact of faculty research at each university, considering both quantity of publications and the number of times those publications are cited.



### 3 Next Steps/Moving Forward

The Differentiation Framework will inform the work of the Special Advisors appointed to negotiate Strategic Mandate Agreements with each publicly funded postsecondary institution in Ontario.

To support the Differentiation Framework and SMA process, the government will work to align its policy, processes and funding levers. These include the following:

- graduate space allocations,
- undergraduate allocations,
- program approval processes,
- major capacity expansion,
- funding framework,
- student financial assistance,
- Ontario Education Number, and
- degree granting policy.

#### 3.1 Submitting Feedback

Please provide feedback and direct any questions on process to Paddy Buckley Director, Strategic Policy Transformation Branch via email to [Paddy.Buckley@ontario.ca](mailto:Paddy.Buckley@ontario.ca) or by phone at (416-212-6597).

The government will accept responses from institutions and stakeholder organizations. **The deadline to submit feedback is October 11<sup>th</sup>, 2013.**

The Ministry will release its final Differentiation Framework by late October. Institutions will have the opportunity to provide updated Strategic Mandate Agreement submissions to the Ministry in November 2013.