



TEXAS TECH UNIVERSITY™

Texas Tech University and the *U.S. News* *and World Report* Rankings



Dr. Guy Bailey
President
Texas Tech University

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U.S. News and World Report's Rankings of Colleges and Universities



- The *U.S. News and World Report's* (USNWR) ranking of colleges and universities (*America's Best Colleges*) is the most highly regarded and oldest (1983) of the commercial rankings of universities.
- USNWR's primary focus is on undergraduate education, although it ranks some graduate and professional programs.
- Many academics criticize USNWR rankings, arguing that they
 - Do not adequately measure faculty quality
 - Rely too much on peer assessment and are thus a "popularity contest"
 - Are biased toward private institutions because of their emphasis on selectivity
 - Are biased toward universities with large endowments and hence older universities.
- USNWR has attempted to address many of the criticisms and continues to refine its methods (and to add specialized rankings such as "up and coming universities"). However, USNWR points out that no alternative to peer assessment exists for measuring quality and argues that things such as class size and selectivity are valid measures of educational quality.
- Criticisms notwithstanding, USNWR enjoys broad public support.

USNWR's Methodology



- USNWR first places the 1477 institutions that it ranks into 4 categories:
 - National Universities (these have significant doctoral education & research)
 - Liberal Arts colleges
 - Master's level universities
 - Baccalaureate colleges
- Texas Tech University is one of the 262 national universities (164 public and 98 private).
- USNWR ranks the 262 national universities using a formula that weights peer assessment, student selectivity and success, faculty resources, financial resources, and alumni participation.
- Note that peer assessment includes only the assessments of Presidents, Provosts, and Directors of Admissions of universities that are in the same category. TTU is assessed only by people at national universities.

Components and Weights of USNWR Formula



• <u>Category</u>	<u>Weight</u>	<u>TTU's Rank</u>
▪ Peer Assessment	25%	124
▪ Student Selectivity	15%	154
• Acceptance rate	(1.5%)	
• High school top 10%	(6%)	
• SAT/ACT scores	(7.5%)	
▪ Student Success	25%	151
• Graduation rate	(16%)	
• Graduation rate performance	(5%)	
• Freshman retention rate	(4%)	
▪ Faculty Resources	20%	234
• Faculty compensation	(7%)	
• Faculty with terminal degree	(3%)	
• % Full-time faculty	(1%)	
• Student-faculty ratio	(1%)	
• Class size, 1-19 students	(6%)	
• Class size, 50+ students	(2%)	
▪ Financial Resources	10%	232
▪ Alumni giving	5%	86
▪ TOTAL	100%	162 overall

USNWR's Ranking of National Universities

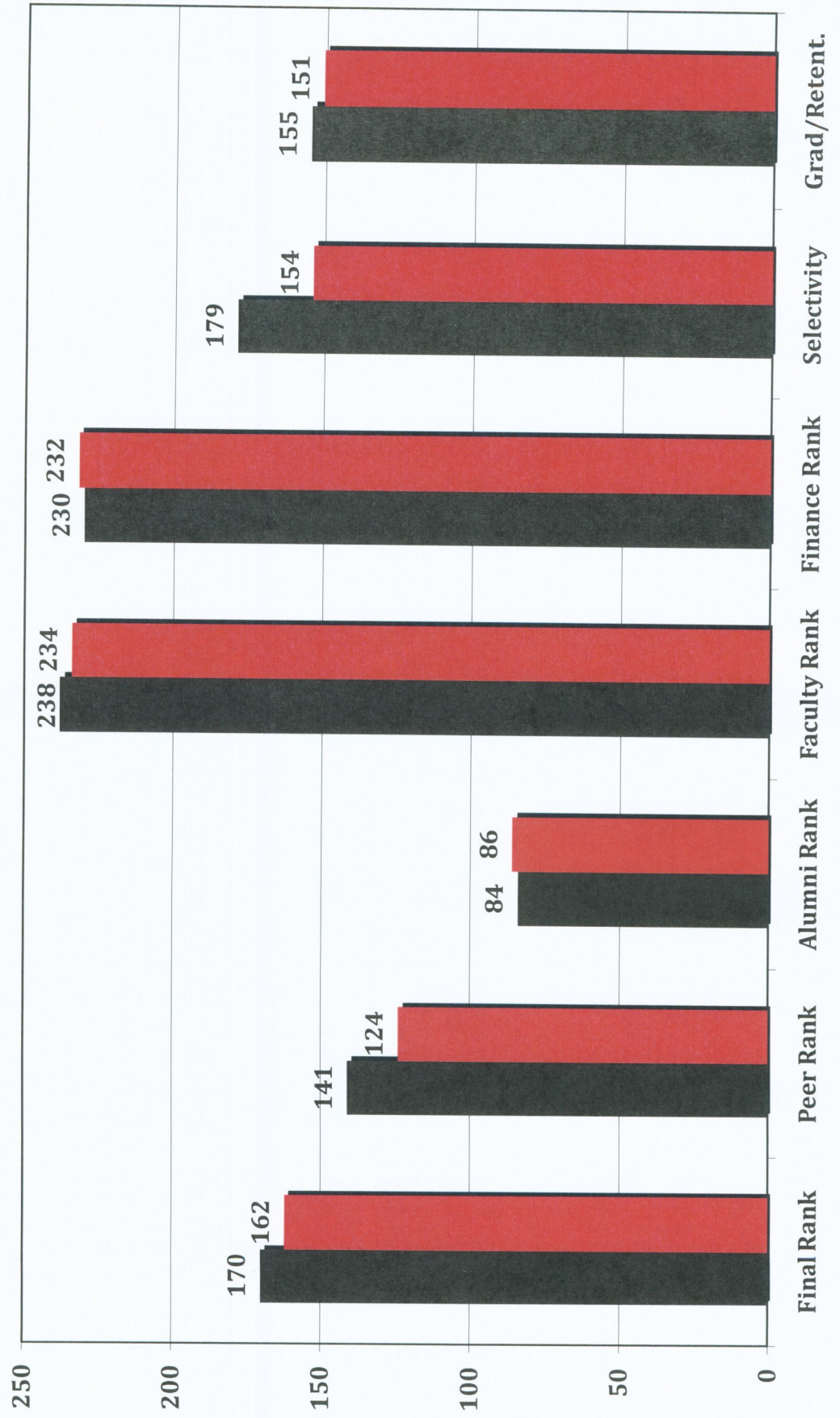


- USNWR ranks the first two quartiles of national universities in numerical order based on their formula scores (in 2009 this includes 133 universities because of “ties”).
- Universities in the third and fourth quartiles are listed alphabetically within their respective quartiles without a numerical rank.
- In the 2009 rankings, Texas Tech is in the third quartile (or in USNWR terminology, the Third Tier), with an overall rank of 162. Note that the actual numerical rank is not published because TTU is in the Third Tier.
- Texas Tech’s overall rank improved from 170 to 162 between 2008 and 2009, but it remained in the Third Tier, where it has been for at least the last decade. Figure 1 shows both Texas Tech’s overall ranking and also the ranking on each of the the individual components for each of the last two years.

Figure 1. *U.S. News and World Report's* Ranking of Texas Tech University, 2008 and 2009



■ 2008 ed. ■ 2009 ed.



Texas Tech's Strengths and Weaknesses in the USNWR Rankings



- TTU's strengths are alumni participation and peer assessment.
 - The alumni participation rate ranks 86th nationally, but it ranked 59th in 2005.
 - The peer assessment (2.7) ranks 124th nationally; the ranking is a significant improvement over 2008, when the peer assessment ranked 141st.
- TTU's peer assessment and overall rank are better than the other Emerging Research Universities (ERUs) in Texas:

<u>University</u>	<u>Peer Assessment</u>	<u>Overall Rank</u>
• <i>Texas Tech University</i>	2.7	3 rd Tier
• <i>UT Dallas</i>	2.6	3 rd Tier
• <i>University of Houston</i>	2.5	4 th Tier
• <i>University of North Texas</i>	2.4	4 th Tier
• <i>UT Arlington</i>	2.4	4 th Tier
• <i>UTEP</i>	2.2	4 th Tier
• <i>UTSA Ranked with Master's Universities</i>	3.1	3 rd Tier

Texas Tech's Strengths and Weaknesses in the USNWR Rankings Continued



- Texas Tech ranks 154th on student selectivity.
 - TTU's acceptance rate is lower than or equal to that of 28 of the 133 institutions in Tiers 1 & 2.
 - The SAT scores are better than or equal to the scores of 7 of the 98 Tier 1 and 2 institutions that use the SAT.
 - **BUT** only 3 institutions have a smaller percentage of freshmen in the top 10%.
- Texas Tech ranks 151st on graduation and retention rates.
 - The first to second year retention rate is better than or equal to that of 14 of the institutions in Tiers 1 and 2.
 - **BUT** the graduation rate is better than only three Tier 1 and 2 institutions.
 - However, TTU's six-year graduation rate improved two percentage points from F08 to F09, something not reflected in USNWR 2009 rankings.

Texas Tech's Strengths and Weaknesses in the USNWR Rankings Continued



- TTTU's weaknesses are faculty resources & financial resources.
- TTTU ranks 234th out of 262 universities on faculty resources.
 - Fulltime faculty comprise 98% of the faculty, an excellent percentage.
 - Terminal degree holders comprise 84.4% of the faculty, a reasonable percentage.
 - Classes with 50 or more students comprise 21% of the total, a percentage equal to or less than 11 of the 133 Tier 1 and 2 universities.
 - Classes with less than 20 students are 25% of the total, a percentage that is as good as only three Tier 1 and 2 universities (but the other three are Texas A&M, Michigan State, and Virginia Tech).
 - **But** the real problem with faculty resources is salaries, which are very low:
 - TTTU's average faculty salary is \$6700 less than that of its peers (see Figure 2).
 - TTTU's average faculty salary is second lowest among EMRs (see Figure 3).
 - TTTU's average faculty salary has increased less than any other EMR over the last 12 years (see Figure 4).

Figure 2. Average Faculty Salaries at TTU and Peer Institutions, FY08 (Source: IPEDS)

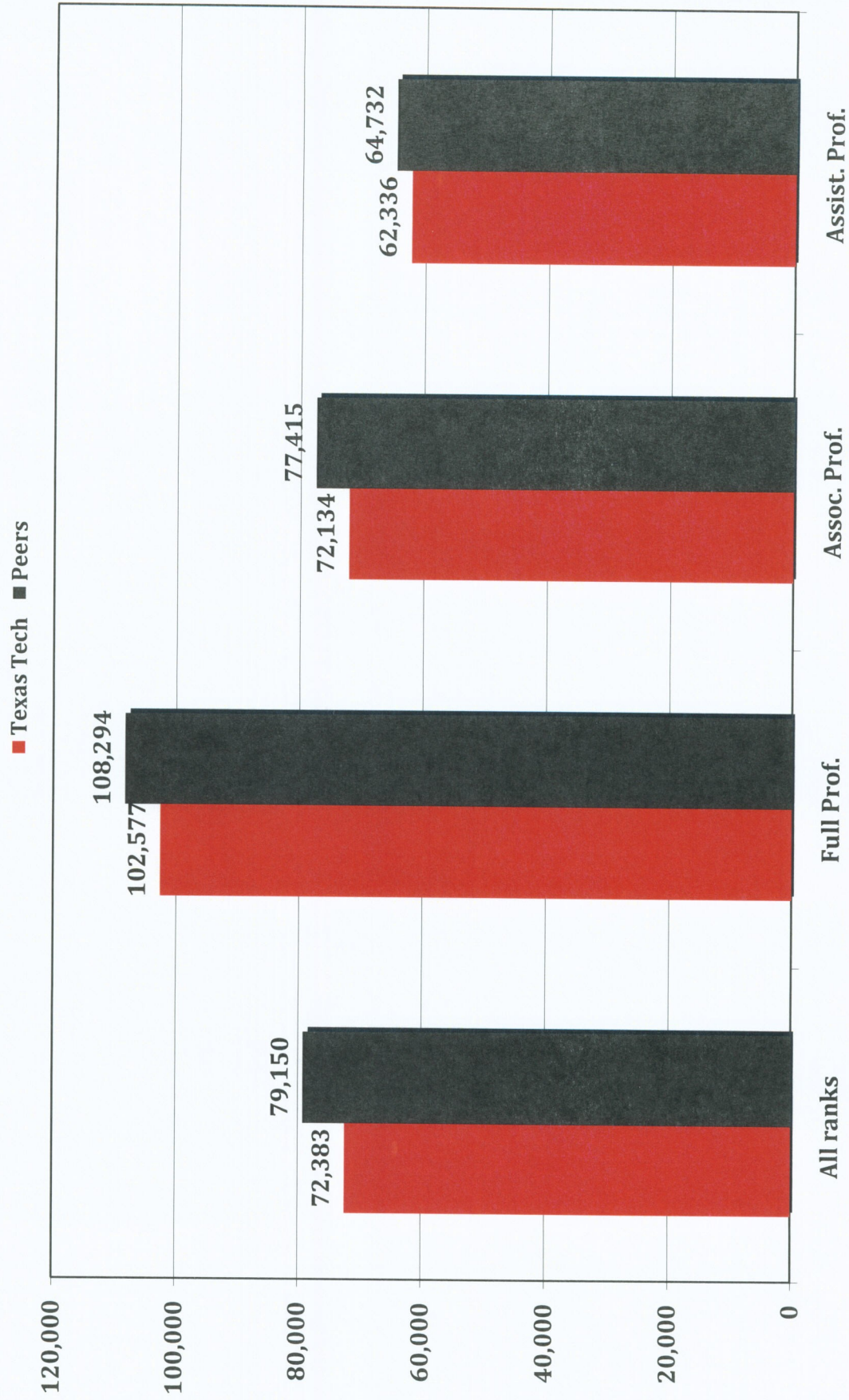


Figure 3. Average Faculty Salaries at ERUs, UT-Austin, and Texas A&M, Fall 09 (Source: THECB)

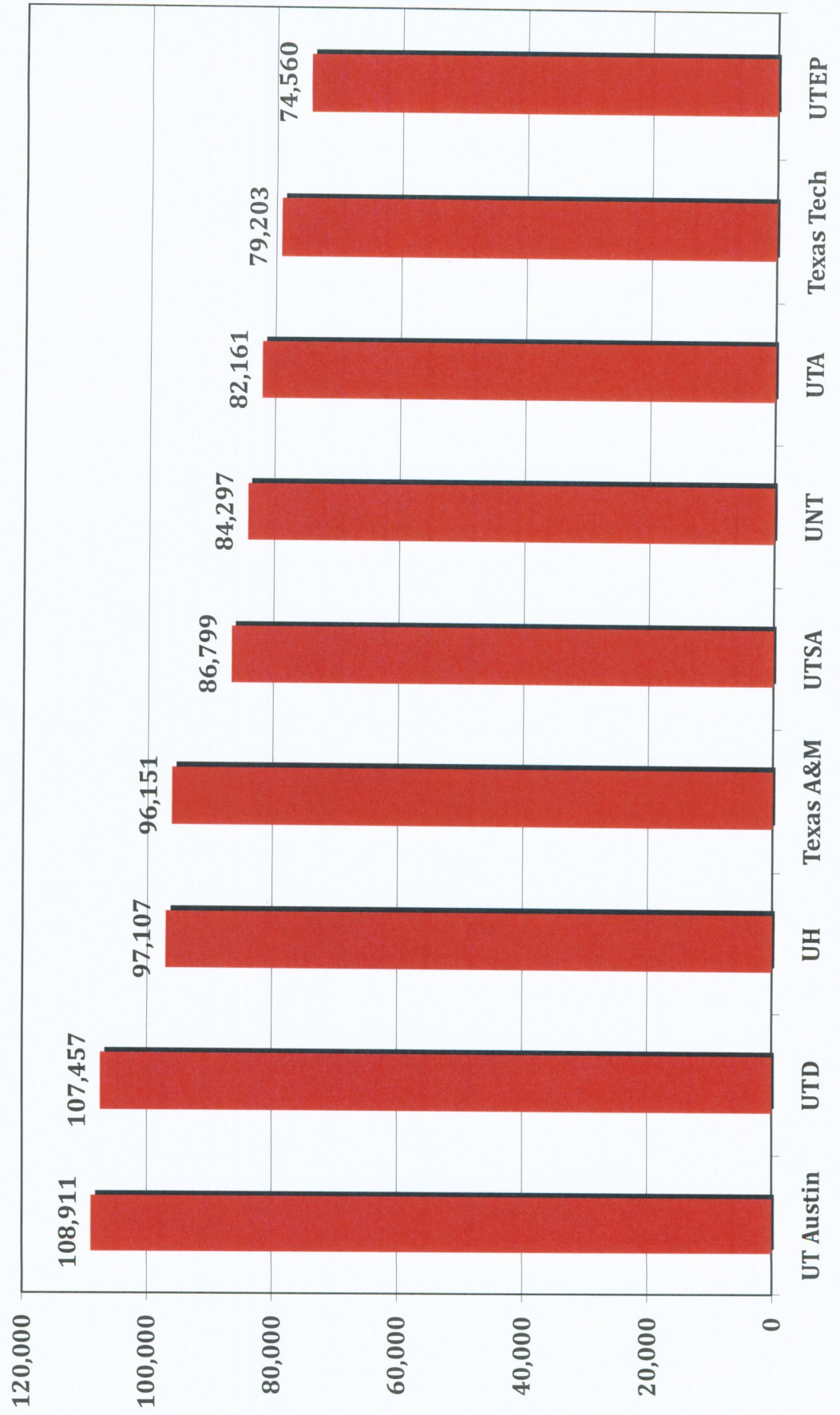


Figure 4. Percent Change in Faculty Salaries, F97-F09, at ERUs, UT-Austin, and Texas A&M (Source: THECB)



Texas Tech's Strengths and Weaknesses in the USNWR Rankings Continued



- TTU ranks 232nd out of 262 universities on financial resources.
- The USNWR financial resources measure includes **per student** expenditures on instruction, research, student services, and other educational activities.
- USNWR **excludes** expenditures on athletics, housing, and other auxiliaries.
- TTU's per student expenditures are \$4552 less than our peers (see Figure 5).
- TTU is even further behind USNWR Tier 1 and Tier 2 public universities (see Figure 6).
- On average, TTU spends \$14,470 per student less than other USNWR Tier 1 and 2 universities.

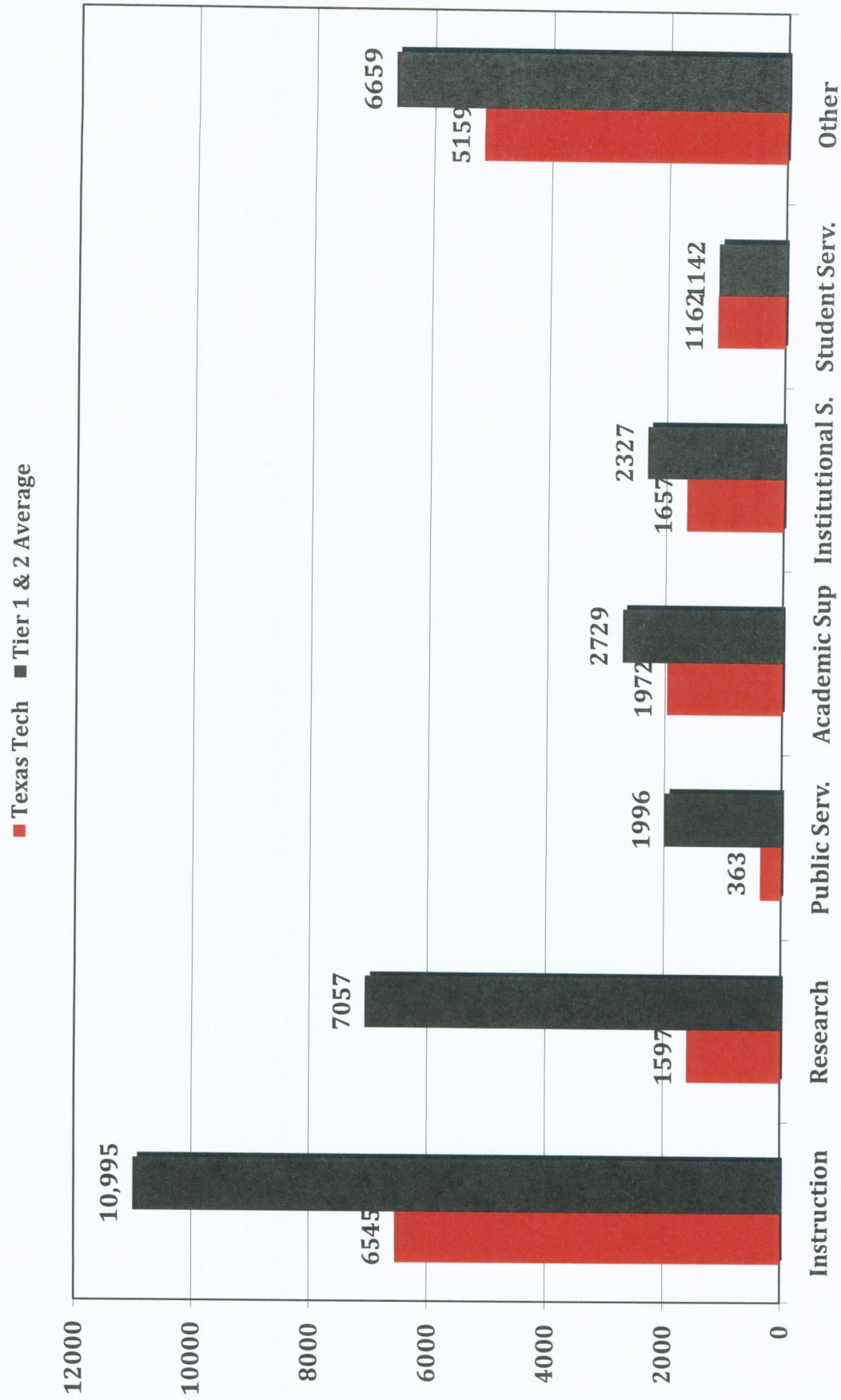
Figure 5. Per Student Expenditures by Function at TTU and Peer Institutions, FY 08 (Source: IPEDS)



■ Texas Tech ■ Peers



Figure 6. Per Student Expenditures by Function at TTU & USNWR Tier 1 and 2 Public Institutions, FU08 (Source: IPEDS)



The Revenue Problem



- Typically, the best way to improve USNWR rankings is by improving peer assessment.
- This would not work at Texas Tech because faculty salaries and per student expenditures (which together account for 17% of the rankings) are so low.
- To reach our peer average in per student expenditures, TTU would need to increase expenditures by a total of \$112 million; to reach the average of Tier 1 and 2 institutions, TTU would need an increase of \$358 million.
- The low salaries and financial resources result from revenue differences between TTU and both its peers & USNWR Tier 1 & 2 public institutions.
- As Figure 7 shows, Texas Tech generates less revenue from every source than its peer institutions, with the discrepancy especially great for revenue generated by government grants.
- Figure 8 shows that the differences between Texas Tech and the USNWR Tier 1 and Tier 2 institutions are even greater.
- Fortunately, our current plans will help us address this problem.

Figure 7. Per Student Revenue by Source at TTU and Peer Institutions, FY08 (Source: IPEDS)

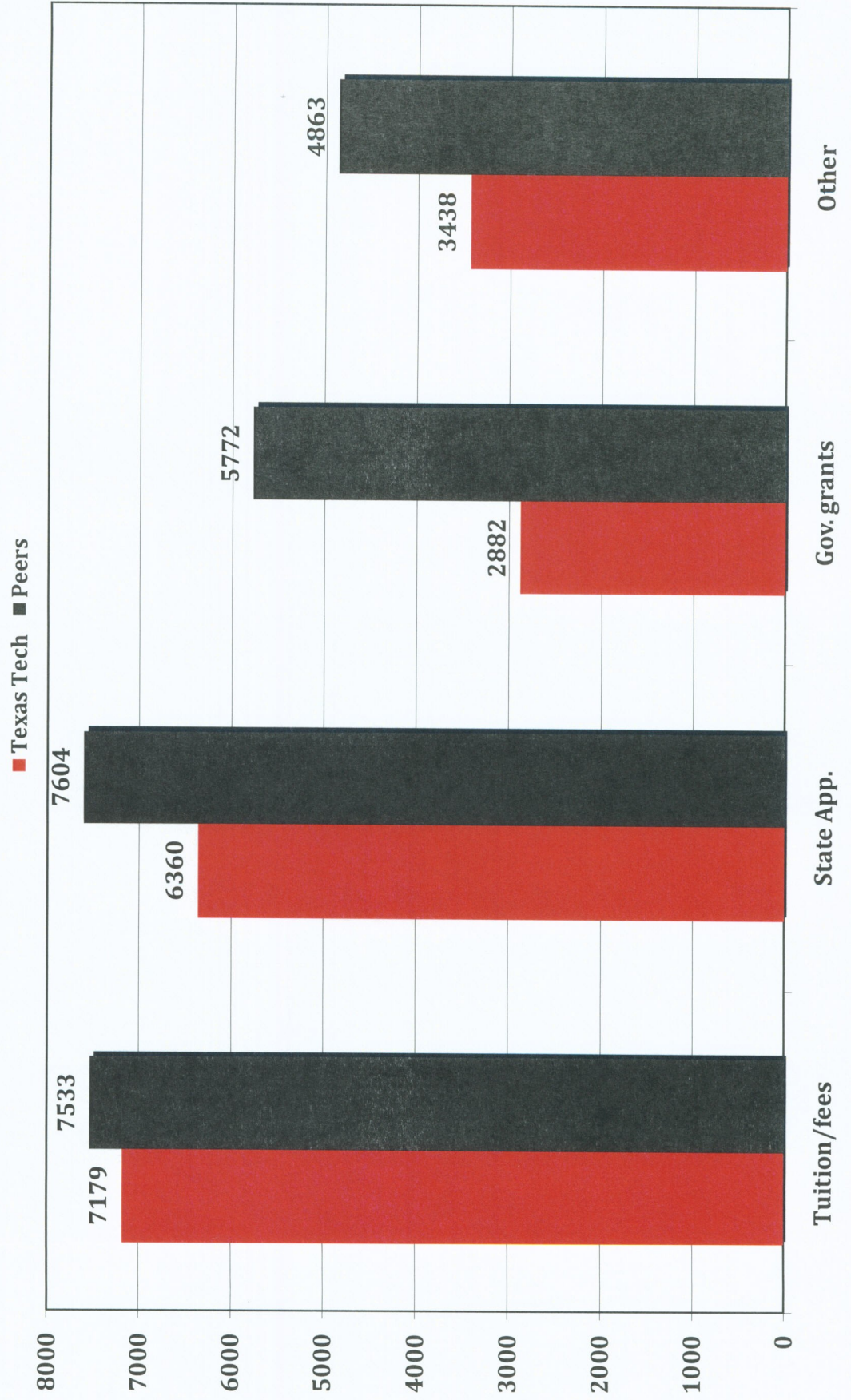
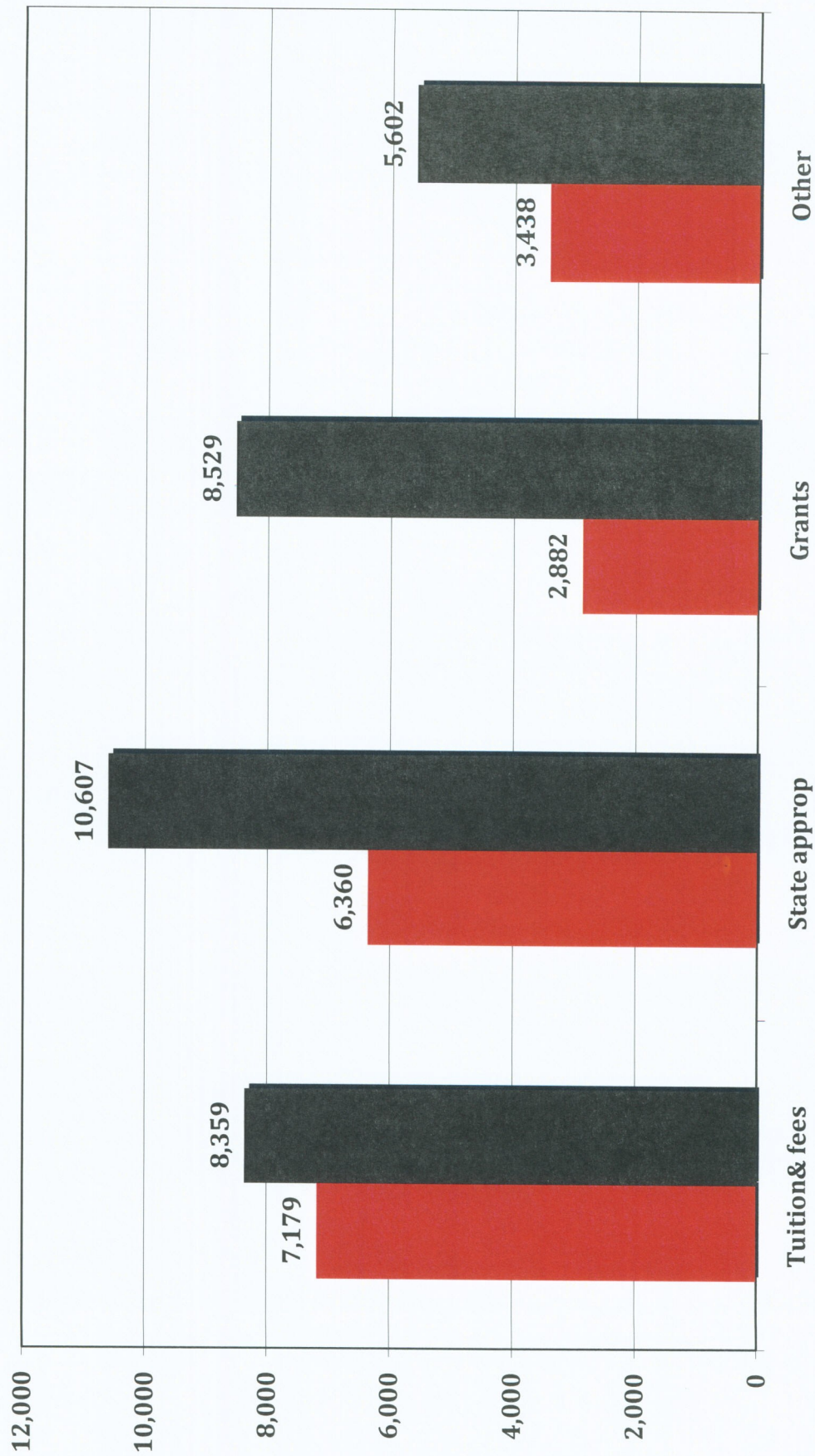


Figure 8. Per Student Revenue by Source at TTU and USNWR Tier 1 and 2 Public Institutions, FY08 (Source: IPEDS)



■ Texas Tech Univ. ■ USNWR Tier 1/2



Plan for Increasing Revenue at Texas Tech University



- Increase our percentage of the state funding formula from 6.323% to 8%.
 - Increase graduate and professional enrollment by 10% a year until it reaches 25% of the student body.
 - Increase the number of transfer students by 10% a year.
 - Focus on increasing weighted student credit hours (WSCH).
- Increase external funding for research by \$100,000 per year.
 - Provide additional support for existing faculty to increase proposal submission.
 - Hire faculty who bring external funding with them when feasible.
 - Revise tenure/promotion and merit policies to reward external funding.
- Get into NRUF as quickly as possible.
- Work with the Chancellor and Advancement to continue aggressive fund-raising from private sources.
- **Implement the RCM budget model to incentivize WSCH growth, external research funding, and private fund-raising.**



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