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## Higher Education Consortia Collaborative Research Projects 2016 – 2017

### Education Policy Initiative (EPI) Longitudinal Study of Cost Drivers 1996-2016

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This project is both a replication and extension of the 2003 NCES Research and Development report by Michael Middaugh, *A Study of Higher Educational Expenditures: The Delaware Study of Instructional Costs and Productivity*, but using Delaware Cost Study data from the past twenty years to extend the analysis to all Carnegie class institutions. The study will provide a longitudinal perspective on cost drivers, which will add important context for current and future benchmarking activities. Like the earlier 2003 study, the focus will be about broad patterns and relationships in the underlying data, rather than information about specific institutions or programs. This study will describe how departments have been able to rein in costs and identify decisions that have led to increases in costs. It will address questions including: What are the drivers of costs over time? How do costs vary across discipline and institutional classification? Are peer institutions investing in smaller classes, more upper division class sections, or shifting more teaching towards non-tenure-track faculty? How have productivity shifts influenced costs? How have cost differences across disciplines and institutional classification evolved over time? A key feature of our analysis will be within-program analysis, looking at how changes in department costs are related to changes in faculty mix, teaching loads, class size, etc. A useful feature of this longitudinal analysis is that it controls for any fixed or permanent features of departments that may influence their costs – thus moving us closer to understanding causal relationships between potential cost drivers and actual costs as well as heightening the policy relevance of our work for decision-makers at postsecondary institutions. This project's intended audience is higher education leaders, policymakers, administrators, and other researchers. Current policymaking in higher education centered on costs is often devoid of empirical bases and at times is influenced by actors unfamiliar with the nuance of cost factors. Policy that is informed by a richer understanding of the issues involved in measuring productivity and costs should serve the interests of Consortia members and the public.