

ABSTRACT

Brandon M. Jenkins, **THE IMPACTS OF PERFORMANCE FUNDING ON THE FACULTY EXPERIENCE: VIEWING FACULTY AS STREET-LEVEL BUREAUCRATS OR PASSIVE RECIPIENTS** (Under the direction of Dr. David Siegel). Department of Educational Leadership, May 2020.

This comparative case study examined how performance funding programs shape the faculty experiences at two North Carolina Community Colleges. Using Principal-Agent Theory, Street-Level Bureaucracy, and Bottom-Up Policy Perspective as theoretical frameworks, six themes and four subthemes emerged from semi-structured interviews of twenty community college faculty members. The study revealed that (1) faculty experiences are shaped according to the institutions' overall capacity and response to performance funding; (2) the awareness of faculty regarding performance funding is dependent upon the institutions' efforts to share information; and (3) depending upon the institution, faculty can be seen as both street-level bureaucrats and passive recipients of performance funding initiatives. While performance funding programs can result in the Principal-Agent dynamic, Bottom-Up Policy Perspective, and street-level bureaucracy, each of these is dependent upon the sharing of information. Institutional efforts to improve performance often negate the demands on faculty time and fail to include faculty in decision making processes. Furthermore, institutional budget concerns take precedence and create greater problems than those of performance funding. Finally, key practical implications for community colleges and educational systems are that (1) information regarding performance funding and any subsequent budgetary allotments should be readily available to all faculty; (2) institutional initiatives and response mechanisms aimed at improving performance should be inclusive of the entire faculty body; (3) significant attention should be given to the conditions that lead to the weakening of academic standards; and (4) educational systems should

examine performance funding systems while weighing the capability of all institutions to effectively respond.

THE IMPACTS OF PERFORMANCE FUNDING ON THE FACULTY EXPERIENCE:
VIEWING FACULTY AS STREET-LEVEL BUREAUCRATS OR PASSIVE RECIPIENTS

A Dissertation

Presented to

The Faculty of the Department of Educational Leadership
East Carolina University

In Partial Fulfillment

of the Requirements for the Degree

Doctor of Education in Educational Leadership

by

Brandon M. Jenkins

May, 2020

Copyright 2020
Brandon M. Jenkins

THE IMPACTS OF PERFORMANCE FUNDING ON THE FACULTY EXPERIENCE:
VIEWING FACULTY AS STREET-LEVEL BUREAUCRATS OR PASSIVE RECIPIENTS

by

Brandon M. Jenkins

APPROVED BY:

DIRECTOR OF DISSERTATION: _____
David Siegel, PhD

COMMITTEE MEMBER: _____
Crystal Chambers, PhD

COMMITTEE MEMBER: _____
Marjorie Ringler, EdD

COMMITTEE MEMBER: _____
Travis Lewis, EdD

CHAIR OF THE DEPARTMENT OF EDUCATIONAL LEADERSHIP:

Marjorie Ringler, EdD

DEAN OF THE GRADUATE SCHOOL:

Paul Gemperline, PhD

DEDICATION

This dissertation is dedicated to the memory of my grandparents, George and Gladys Marshburn. You both laid the foundation for everything that I am and will be.

ACKNOWLEDGEMENTS

I would to thank the twenty community college faculty that agreed to participate in this study. Your insights and cooperation were appreciated.

I would also like to thank Dr. Chambers, Dr. Lewis, and Dr. Ringler for serving on the dissertation committee and providing feedback and guidance throughout the dissertation process. I would like to offer a special thank you to Dr. Siegel, dissertation chair, for his support, patience, and guidance as I completed this journey. I could not have done it without you.

To my children, Jackson and Camryn, I hope you are proud of me, but most importantly I hope you appreciate the value of commitment and finishing what you start. Always remember “home team.”

Finally, a huge thank you to my wife, Deanna, is appropriate. Thank you for not allowing me to whine and not listening to it when I did. It meant more than you will ever know.

TABLE OF CONTENTS

	Page
TITLE.....	i
COPYRIGHT.....	ii
SIGNATURE.....	iii
DEDICATION.....	iv
ACKNOWLEDGEMENTS.....	v
LIST OF TABLES.....	x
CHAPTER 1: INTRODUCTION TO THE STUDY.....	1
Statement of the Problem.....	3
Purpose Statement.....	4
Significance of the Study.....	5
Limitations of the Study.....	6
Overview of the Methodology.....	6
Conceptual Frameworks.....	7
Organization of the Study.....	8
CHAPTER 2: LITERATURE REVIEW.....	9
History of Performance Funding in Higher Education.....	10
History of Performance Funding in the NCCCS.....	13
Conceptualization of Performance Funding Models.....	16
Performance Funding Models: Wave 1.0 vs Wave 2.0.....	18
The Role of Governors and/or Legislative Leaders.....	20
External Sources.....	23

Coordinating Boards.....	24
Theoretical Frameworks.....	24
Principal-Agent Theory.....	25
Bottom-Up Policy Implementation.....	27
Performance Funding as Policy Instruments.....	29
Financial Incentives.....	30
Information Dissemination.....	32
Institutional Comparison.....	33
Organizational Capacity.....	33
Unintended Impacts.....	34
Weakened Academic Standards.....	35
Faculty Morale & Their Role in Shared Governance.....	37
Faculty Response.....	38
Street-Level Bureaucracy.....	39
Matters of Accountability and Efficiency.....	41
Summary.....	42
CHAPTER 3: METHODOLOGY.....	44
Design of the Study.....	44
Settings of the Study: North Carolina Community College System.....	45
Selecting Sites to Study.....	47
Sites of Study.....	50
Sample Selection.....	52
Data Collection Methods.....	53

Document Collection.....	54
Site Visits.....	55
Data Analysis.....	55
Validity and Reliability.....	56
Limitations.....	57
Summary.....	57
CHAPTER 4: RESULTS.....	58
Context and Demographics.....	58
Settings.....	58
Participants.....	61
Themes.....	62
Faculty Awareness Relative to Job Roles.....	66
Flow of Dissemination.....	68
Performance Funding Relative to Institutional Capacity and Capabilities	72
Performance Measures Relative to Faculty Perceptions.....	77
In-Class Experience Relative to Retention.....	81
Experience Relative to External Agencies.....	86
Performance Funding Relative to Different Institutions.....	89
Faculty Opposition.....	93
Summary.....	95
CHAPTER 5: SUMMARY, CONCLUSIONS, IMPLICATIONS, AND FUTURE RESEARCH.....	98
Summary of the Study.....	98
Findings.....	100

Faculty Experiences Influenced by Institutional Capacity..... 101

Faculty Awareness Influenced by Institutional Communication..... 104

Faculty Negative Perceptions of Performance Funding..... 106

Implications for Theory and Practice..... 107

Theoretical Implications..... 108

Practical Implications..... 108

Recommendations for Future Research..... 111

Summary and Conclusion..... 112

REFERENCES..... 115

APPENDIX A: INSTITUTIONAL REVIEW BOARD APPROVAL..... 127

APPENDIX B: SEMI-STRUCTURED INTERVIEW PROTOCOL..... 128

LIST OF TABLES

1. Faculty Participants by Institution.....	63
2. Documents Reviewed by Institution.....	64

CHAPTER 1: INTRODUCTION TO THE STUDY

Like other private and public organizations, institutions of higher education have increasingly been impacted by accountability initiatives designed to improve overall efficiency, effectiveness, and quality. As a result, institutions of higher education are being measured by their ability to improve perceived areas of historical concern such as low graduation rates, job placement for graduates, program length of study, and measures of retention and success. As a means of improving overall transparency and increasing accountability, many states have begun focusing on accountability initiatives that are directly aimed at improving institutional assessment models, system linkages between two-year and four-year institutions, and funding models that reward high performing institutions through increased funding allocations (Burke & Associates, 2005; Burke & Serban, 1998; Keller, 1995; McGuinness, 1995; McLendon, 2003b; Volkwein, 2007; Volkwein & Tandberg, 2008). Policy makers nationwide have resorted to performance funding mechanisms to persuade and induce higher education to embrace a culture of assessment, system-wide improvement, and overall transparency. The impacts of accountability initiatives such as these are further compounded at times by struggling economies and equally constrained state budgets.

At its core, performance funding is merely a component of a larger performance management doctrine that originated in the public sector (Moynihan, 2008). With its implementation, performance management promised the proper allocation of resources, decisions rooted in strategy, improved processes, and employees who are engaged due to the use of performance data and reward systems (Moynihan, 2008). Until the last few decades, accountability efforts such as these had largely evaded higher education. According to Rabovsky (2014), prior to performance funding initiatives, accountability in higher education was largely

process-based and provided little oversight or opposition to autonomous institutions.

Performance funding systems began to take root during the 1970s and have gained significant traction since the early 2000s. As of 2015, thirty-three states were operating performance funding systems and several more were investigating such programs (Dougherty, Jones, Lahr, Natow, Pheatt, & Reddy, 2016; Dougherty, Natow, Jones, Lahr, Pheatt, & Reddy, 2014).

While both community colleges and four-year institutions are presently impacted by performance funding models, community colleges are unique due to their diverse student populations and growing role in economic growth and community development. The community college offers a variety of programs and activities that include vocational training, continuing education, adult literacy, college transfer, and cultural enrichment for the community. As Lattimore (2011) notes, “the community college, at this point in its history, is at the center of social and economic growth, where shared vision coupled with proper planning make it a critical element of the United States education system” (p. 1). Unlike four-year institutions, community colleges operate within the parameters of an open-door philosophy and rarely restricts student access, regardless of ability or resources (Cross, 1976). This open door-door philosophy, coupled with rapid enrollment growth, has placed significant pressure on institutions to maintain both suitable operating budgets and facilities (Lattimore, 2011).

Following national trends, the North Carolina Community College System’s (NCCCS) first performance program was enacted into law in 1999 following the passage of House Bill 168, a general appropriations bill that mandated the formal implementation of performance funding across all 58 NCCCS campuses (H.B. 168, 1999 N.C. Sess. Laws 237 [N.C. 1999]). Consisting of 12 performance indicators, colleges were eligible for supplemental funding allocations and additional budgetary flexibility if they met system-wide expectations on 6 of the

12 measures aimed at assessing institutional performance. This performance funding program was in effect for approximately 10 years, with the NCCCS beginning conversations in the fall of 2009 to explore possible alternatives and revisions to the original program. In 2011, the North Carolina General Assembly directed the State Board of Community Colleges “to report on a revised set of accountability measures and performance standards” and asked that the report also include a plan “to merge revised accountability measures and performance standards into the regular State Aid Allocation Formula” (North Carolina Community Colleges, 2013, p. 2). In June 2012, House Bill 950 was enacted into law, and although it was similar, the 2012 performance funding program is noticeably different than its 1999 counterpart in two distinct areas (H.B. 950, 2012 N.C. Sess. Laws 142 [N.C. 2012]). First, while the 1999 NCCCS performance funding model was legislatively mandated, the 2012 model was initiated by the NCCCS itself and only later in conjunction with a directive from the North Carolina General Assembly. Second, the 1999 model was an incentive system that utilized funds to reward institutions in the form of bonuses on top of and in addition to standard budget allocations. The 2012 model included performance funds as part of base budgets; failure to meet any of the performance measures would result in some loss of budgetary allocations by NCCCS member institutions.

Statement of the Problem

Numerous studies exist examining performance funding from a variety of lenses, including policy and political perspectives, yet little research exists that examines the unintended impacts of such programs (Dougherty et al., 2014; Hillman, Tandberg, & Fryar, 2015; Umbricht, Fernandez, & Ortagus, 2015). The most common unintended consequences (or results not clearly associated with performance funding goals) associated with performance funding include the

closing of programs with low graduation and job placement rates, the shortening of academic programs of study, the tightening of admission standards, the weakening of academic standards, and unreimbursed costs of compliance (Dougherty et al., 2014; Lahr, Pheatt, Dougherty, Jones, Natow, & Reddy, 2014). Outside that of academic leadership, such as department chairs, no research has been found that examines how performance funding shapes the faculty experience in and out of the classroom. Furthermore, existing research has shown significant gaps in the awareness of faculty compared to senior administrators regarding institutional performance, funding goals, and methods (Burke, 2002; Dougherty et al., 2014; Reddy, Lahr, Dougherty, Jones, Natow, & Pheatt, 2014). Considering that most of the unintended consequences identified above occur at the academic level, it is troublesome that a schism exists between the awareness of faculty compared to that of administrators. This warrants further research to elucidate the faculty experience as it relates to performance funding initiatives.

Purpose Statement

The purpose of this qualitative study is to examine how performance funding programs shape faculty experiences in and out of the classroom. Concerning the importance of examining the experiences of faculty as they relate to the impacts of performance funding, Lahr et al. (2014) state,

it is important that we carefully examine the perspectives both of policy framers and local implementers, and...the perspectives of those located in different parts of the colleges and universities. We cannot judge the impacts of performance funding from just the testimony of the policy framers or even that of senior administrators at the colleges responding to such a policy (p. 7).

Through their activities outside of the classroom, such as academic advising, registration, academic tutoring, committee work, curriculum creation, recruiting and marketing, and institutional planning, community college faculty have significant opportunities to be part of organizational change aimed at enacting policies and processes designed to improve overall institutional performance. By examining the impact of performance funding initiatives on faculty, we can develop a clearer picture of how organizational policies such as performance funding help shape the institutional culture of community colleges and thus the experiences of faculty.

The overarching research question for this study is the following: How are the experiences of community college faculty shaped by performance funding initiatives? A sub-question will include: From where and to what extent do faculty members receive their information concerning performance funding and its impact on their institution? In this study, performance funding will be identified as any program that rewards institutions of higher education for meeting system-wide established outcomes such as college transfer performance or student success in curriculum English.

Significance of the Study

While current performance funding literature suggests that faculty should be more involved in crafting performance funding policy, no research has been found that solely examines the experiences of faculty regarding performance funding and the unintended consequences that are a by-product of such programs. Existing research examining the unintended impacts of performance funding suggests that outreach on the part of performance funding advocates and policy makers has been tremendously successful in reaching senior level administrators and creating overall institutional buy-in (Dougherty et al., 2014). Faculty,

however, have been shown to be much less knowledgeable of both performance funding programs and their impacts (Dougherty et al., 2014).

Limitations of the Study

When utilizing interviews as part of qualitative research, Yin (2014) notes that the responses of interviewees are “subject to the common problems of bias, poor recall, and poor or inaccurate articulation” (p. 113). Likewise, the use of documentation and archival records presents other limitations such as irretrievability, biased selectivity, reporting bias, general access, or accessibility due to privacy reasons (Yin, 2014). The use of data triangulation through conducting semi-structured interviews, collecting documentation, and observation will assist in reducing the limitations listed above.

Overview of the Methodology

Using documentation, direct observation, and semi-structured interviews, this study will utilize case study research for data collection purposes. Because the overarching research question seeks to describe how the experiences of community college are faculty shaped by performance funding initiatives, Yin (2014) offers that a case study is appropriate because such questions address “operational links needing to be traced over time, rather than mere frequencies or incidence” (p. 10). For this study, participants will be selected from institutions that receive performance measure allocations that exceed those of similar size institutions in enrollment and operating budgets. Data collection methods will include semi-structured interviews with selected faculty at each institution. All collected data will be organized and coded for analysis. Once collected data has been coded, data will be further classified into specific themes using the theoretical framework of this study (Creswell, 2013).

Conceptual Frameworks

Performance funding programs illustrate a multi-directional relationship in which educational systems create specific performance measures designed to produce particular outcomes; individual institutions develop initiatives that respond to the performance measures; and institutional actors, such as faculty, respond to environmental change caused by the institutional initiatives. Due to the use of material incentives and the creation of performance measures, performance funding can be viewed through the lens of principal-agent theory in that principals (states, policymakers, stakeholders, educational systems) seek to utilize some form of reward system to ensure that agents (two-year and four-year colleges and universities) meet the desired goals (McLendon, 2003b; Tandberg & Hillman, 2014; Tandberg, Hillman, & Barakat, 2014). Additionally, the response of faculty to performance funding initiatives can be viewed as that of street-level bureaucracy (Lipsky, 1980). Lipsky (1980) describes street-level bureaucrats as “public service workers who interact directly with citizens in the course of their work...such as teachers, police officers, social workers, and healthcare workers” (p. 3). Furthermore, street-level bureaucrats (faculty) find themselves torn by both the demands of service to those they serve (students) and the call for greater efficacy and efficiency of the services they provide (Lipsky, 1980). Finally, viewing faculty as street-level bureaucrats necessitates responses to performance funding to be viewed from a bottom-up policy implementation perspective. A bottom-up policy perspective “stresses the importance of understanding the distinct knowledge, goals, strategies, and activities of local actors” as they relate to policy implementation (Lahr et al., 2014, p. 4).

The use of principal-agent theory, Lipsky’s (1980) “street-level bureaucracy”, and a bottom-up policy implementation perspective will shed further light on the experiences of faculty

and provide more detailed insight regarding how faculty respond to performance measures and the institutional initiatives aimed at improving such measures. Due to their position on community college campuses, faculty are positioned to employ a tremendous degree of discretion as they interact daily with students and work within the framework of existing policies and procedures.

Organization of the Study

This dissertation contains five chapters. In Chapter 1, I have provided an introduction to the study, stated the research problem, and identified the research questions that will direct the development of the remainder of the study. Chapter 2 contains a review of the existing literature relevant to the study. Chapter 3 will further describe and explain the methodology of the study. Chapter 4 will discuss the results of the analysis of data. Finally, Chapter 5 will contain a summary of the study, conclusions, and recommendations for future research.

CHAPTER 2: LITERATURE REVIEW

The following review of existing literature is designed to articulate areas of concern regarding performance funding policies within higher education and how such policies impact the experiences of faculty. The first section discusses the history of performance funding in higher education, including the current conceptualization of performance funding models and the role of governors, legislative leaders, external sources, and coordinating boards. The second section identifies relevant theoretical frameworks for understanding the dynamics of performance funding implementation and subsequent impacts on faculty. The third section examines performance funding as policy instruments utilizing financial incentives, information dissemination, institutional comparison, and organizational capacity as tools to generate institutional response. The fourth section examines the unintended impacts of performance funding, which includes the weakening of academic standards and a decrease in faculty morale. The fifth and final section examines how faculty view and respond to initiatives such as performance funding.

Over the past three decades, due to public pressure, government entities have begun looking for more ways to meet all of society's needs while limiting the use of taxpayer funds (Liefner, 2003). Initially this applied to government services such as utilities and public safety; however, over time, public higher education began to bear this burden as institutions were viewed as implements of state policy as more and more high school graduates began to enroll in college (Alexander, 2000; Heller, 2000; Shin, 2010). State and federal political leaders have increasingly called for institutions to evaluate their educational models in an attempt to expedite the educational process. As noted by McLendon, Hearn, and Deaton (2006), modern accountability rhetoric focuses heavily on the outcomes of institutional activity; therefore,

policymakers are increasingly demanding measurable performance. Every institution's greatest and most measurable product is their students, and stakeholders and policy makers alike want to see increased outputs in the form of graduation rates, job creation, and access. In response to these calls, institutional systems have increasingly adopted accountability models that adopt performance funding as a mechanism for monitoring institutional effectiveness.

History of Performance Funding in Higher Education

Due to the erosion of public trust and simultaneous growth in state-level regulation and authority during the 1970s and 1980s, higher education experienced significant change during the 1990s. Known as the new accountability movement or new public management, higher education has experienced significant shifts in the attention paid to outcomes and the measurement of performance (Burke & Associates, 2005; McLendon et al., 2006; Volkwein & Tandberg, 2008; Zumeta, 1998). With the exception of the Morrill Act land grants in 1862, the federal government historically paid little attention to higher education up until the years following World War II (Zumeta, 1998). Elected officials during this time, as noted by Trow (1993), were content to simply “put the money on the stump and walk away” (p. 58).

While most states did not begin implementing performance funding models until the 1990s, excluding Tennessee, Ewell (2011) points out that states have been assessing student learning since 1986 with the initial publication of *Time for Results*, which was a product of the National Governors Association (NGA). In their report, the NGA “advocated applying the new techniques of collegiate assessment to public colleges and universities, both to render them more accountable for student learning – their most important product – and to stimulate them to improve” (Ewell, 2011, p. 152). During the 1990s, the accountability environment that encompassed higher education shifted from one focused on overall compliance and accounting

for expenditures to one concerned with measuring performance and accounting for results (Burke & Associates, 2005; Burke & Serban, 1998; Keller, 1995; McGuinness, 1995; McLendon, 2003a; McClendon, 2003b; Volkwein, 2007; Volkwein & Tandberg, 2008). Sparking this shift was a shrinking of government revenues while the cost of higher education continued to rise; this, coupled with an economic downturn, caused many states to experience budget shortfalls. During this same time, Dougherty, Natow, Bork, Jones, and Vega (2013) note that enrollments quickly rose due to the “baby boom echo” and an overall cultural belief that our “individual and collective futures” depended on college completion (p. 2). Parallel to these issues, the general public and business sector began to rally for improved efficiency and overall lower educational costs.

While Tennessee was the first state to establish performance funding in the late 1970s, performance initiatives gained considerable momentum during the 1990s, with many states adopting some form of performance funding, and by the early 2000s most states had one or more performance-based accountability models (Dougherty et al., 2013; Shin, 2010). States such as Florida, Missouri, South Carolina, Washington, and Illinois all initiated performance funding programs in the 1990s. The method by which and the extent to which states chose to fund institutions varied greatly, as did the longevity of such models. Dougherty et al. (2013) illuminate this reality by noting that Tennessee and Florida are the only states to have maintained performance funding long term, while other states such as Missouri, South Carolina, and Illinois, relinquished their programs after 9 years, 7 years, and 4 years, respectively. Washington, on the other hand, affords an example of a state that terminated its program after a mere 2 years, only to create a new one in 2007. Furthermore, Florida, Illinois, and Washington (post-2007) only

applied their performance funding models to community colleges exclusively, while Missouri, South Carolina, and Tennessee applied their models to all public higher education systems.

From a national perspective, performance funding has continued to garner significant attention as the focus on student completion, retention, graduation rates, and tuition rates has increased, most noticeably by political leaders and policy makers concerned with measures of accountability. In 2010, at the height of a national recession, President Barack Obama charged higher education with raising the proportion of Americans with college degrees. The administration convened the White House Summit on Community Colleges in an effort to attract national attention for the nation's community colleges and invite discourse on their importance in "skilling up our workforce" (Bradley, 2010, p. 6). This awareness has heightened, in part, due to the reality that our citizenry is falling behind in obtaining higher education credentials.

According to Friedel, Thornton, D'Amico, and Katsinas (2013), 41% of individuals aged 25-34 in the United States possess at least an associate degree compared to 63%, 56%, 56%, and 55% in countries such as Korea, Canada, Japan, and the Russian Federation, respectively. Along with the Obama Administration, the National Governors Association and advocacy groups such as the Lumina Foundation increased their call for higher levels of accountability and transparency. As part of his 2020 initiative and the White House Completion Initiative, President Obama sought to increase college graduates by 5 million individuals by the year 2020 (Friedal et al., 2013).

Furthermore, the National Governors Association has recommended the use of performance metrics that will allow states to measure and compare themselves on items including graduation and transfer rates, degrees awarded, enrollment, developmental education success, retention rates, and credits earned. Finally, in their 2009 strategic plan, the Lumina Foundation sought to

increase the percentage of Americans holding high-quality degrees and credentials to 60% by 2025 (Friedel et al., 2013).

History of Performance Funding in the NCCCS

The current performance funding and accountability initiatives within the NCCCS is rooted in legislative evolution. According to a Joint Legislative Education Oversight Committee report (North Carolina Community Colleges, 2013), the NCCCS was one of the first higher education systems to begin collecting data, reporting, and publishing reports concerning success with the NCCCS. Labeled as the “Critical Success Factors Report,” this report eventually evolved into a performance based system for accountability (North Carolina Community Colleges, 2013). In 1997, twenty-four states began to consider some type of performance funding model when considering allocations for colleges and universities (Harbour, 2002). According to the NCCCS, the State Board of Community Colleges (SBCC) began tracking its own performance data regarding specific measures as a means of public accountability as early as 1993 (North Carolina Community Colleges, 2016). In 1999, the North Carolina General Assembly passed legislation mandating performance funding for the 58 NCCCS colleges using 12 specific measures (Harbour, 2002). According to Harbour (2002), the NCCCS performance funding model was the product of three legislative mandates: an NCCCS accountability program, an NCCCS formula funding study, and a government performance audit. Since 2001, over \$60 million has been approved as “carryforward” funds and subsequently allocated to individual colleges using this performance funding model (North Carolina Community Colleges, 2013).

As part of a two phase process, beginning in the fall of 2009, the SBCC and NCCCS President Scott Ralls started conversations to address the revision of its performance funding model that was enacted in the late 1990s. As part of this initiative, the state board, trustees,

system president, and college presidents crafted and endorsed a planning initiative titled “SuccessNC” (North Carolina Community Colleges, 2013). Part of the task behind SuccessNC was to research, develop, and create performance measures aimed at “monitoring and tracking student progress toward completion” (North Carolina Community Colleges, 2013, p. 2). As a performance measures committee was established and appointed in 2010, the 2011 Session of the North Carolina General Assembly directed the SBCC to (1) report on revised accountability measures and performance standards, and (2) include a plan that would merge revised accountability measures and performance standards into the regular “State Aid Allocation Formula” (North Carolina Community Colleges, 2013, p. 2).

In November 2011, the aforementioned Performance Measures Committee brought eight performance measures for consideration before the SBCC. These measures were (1) basic skills student progress, (2) GED diploma attainment, (3) developmental student success in college-level English courses, (4) developmental student success in college-level math courses, (5) first year progression, (6) curriculum completion, (7) licensure and certification attainment, and (8) college transfer performance (North Carolina Community Colleges, 2013). The measures were subsequently adopted in November 2011, later reported to the Joint Legislative Oversight Committee in March 2012, and passed into law by the North Carolina General Assembly in June 2012 (North Carolina Community Colleges, 2013).

The second phase involved the creation of a revised performance based funding model. As part of this initiative, recommendations were accepted on incorporating performance funding into colleges’ regular budget allocations. As previously mentioned, under the previous 1999 performance model, performance funds were awarded using “carryforward” funds which were subject to availability and/or authorization during any specific year. According to the Joint

Legislative Oversight Committee Report (North Carolina Community Colleges, 2013), full-time equivalent (FTE) expenditures decreased 20% since 2007-08, while expenditures at the University of North Carolina System are three times higher than those of the NCCCS. As part of the initiative, the committee requested recurring funds equal to 2-3% to support such a performance based accountability model.

According to Jennifer Haygood, Executive Vice President and Chief Financial Officer of the NCCCS, during fiscal year 2013-14 the NCCCS was allocated \$9 million in performance based funding. During fiscal year 2014-2015, the amount rose to \$24 million at the direction of the North Carolina General Assembly (J. Haygood, personal communication, October 2013). For each of the eight performance measures, funds were allocated based on two factors, (1) quality and (2) impact. Using quality as a benchmark, funds will be allocated based on the percentage of students who succeed on each measure, while impact will base funds on the number of students who succeed on each measure (North Carolina Community Colleges, 2013).

As part of the development of the eight newest performance measures in 2011, the committee created a three year review process in an effort to ensure that each performance measure remained both relevant and focused on improving overall student success (State Board of Community Colleges, 2015). In 2015, an ad hoc committee was appointed by then system president, Dr. Scott Ralls. According to SBCC minutes, this committee consisted of four institutional presidents, four members of institutional research departments, and one representative from the NCCCS office. As a result of the work by the ad hoc review committee, performance measures regarding GED diploma attainment, developmental student success in college-level English, and math were recommended for deletion. Subsequently, a performance measure examining student success rates in gateway English and math courses was added. The

recommendations were approved by the NCCCS Presidents Association in January 2016, approved by the SBCC in March 2016, and adopted by the North Carolina General Assembly through Section 10.1 of S.L.2016-94 (North Carolina Community Colleges, 2016). As of August 2016, NCCCS performance measures consist of (1) basic skills student progress, (2) student success rate in college-level English courses, (3) student success rate in college-level math courses, (4) first year progression, (5) curriculum student completion, (6) licensure and certification passing rate, and (7) college transfer performance (North Carolina Community Colleges, 2016).

As part of the overall reporting mechanism, *the Performance Measures for Student Success Report* is printed annually and serves as the NCCCS's major accountability document (North Carolina Community Colleges, 2016). According to the 2016 Performance Measures for Student Success Report (North Carolina Community Colleges, 2016) the data included is from the previous year and "serves to inform colleges and the public on the performance of our 58 community colleges" (p. 2). Information included in the report is based on three years of data (where available) for each measure. Baseline levels for each measure are set two standard deviations below the system mean, and excellence levels are set one standard deviation above the system mean. These benchmarks remain static throughout the course of three years and are reset at the conclusion of three years (North Carolina Community Colleges, 2016). The Performance Measures for Student Success Report has been published annually since 2014.

Conceptualization of Performance Funding Models

The literature shows that performance funding models take three distinct forms, *Performance Funding, Performance Budgeting, and Performance Reporting* (Burke & Minassians, 2002; Burke & Minassians, 2003; McLendon et al., 2006; Watson, Melancon, &

Kinchen, 2008). Under performance funding models, the relationship between institutional performance and funding is predetermined and prescriptive in nature. This model arguably is the most punitive, since institutions can presumably lose funding if they fail to meet the minimum performance benchmarks. Performance funding models seek to impact and ultimately improve institutional performance as it relates to what Dougherty and Reddy (2011) refer to as “ultimate” outcomes (p. 2). Ultimate outcomes include measurable improvements in areas such as retention, successfully completing key courses, credit accrual, graduation, job placement, and labor market responsiveness (Dougherty & Reddy, 2011).

Using performance budgeting measures, politicians and other stakeholders are able to use discretion when rewarding institutions for individual performance. Likewise, McLendon et al. (2006) note that performance budgeting measures afford politicians an escape hatch when funding institutions. Politicians are able to claim credit for considering performance while not altering actual campus budgets. Finally, performance reporting has no direct link to resource allocation; however, through the use of publicity and information disbursement, institutions are encouraged to increase their performance (McLendon et al., 2006).

Harbour and Nagy (2005) note that a much broader illumination of performance funding has emerged to include what they call the new “pluralist” conceptualization (p. 448). Under this conceptualization, higher education institutions have remained collectively accountable to politicians and other authorities for the expenditure of public funds and implementation of policy. However, institutions are now accountable for their performance to a much wider range of informal stakeholders (Behn, 2001; Harbour & Nagy, 2005; Kearns, 1998; Laanan, 2001). For example, Harbour (2003) notes that for community colleges particularly, these informal stakeholders include “students, faculty and staff, employers, four-year colleges and universities,

the federal government, neighborhood residents, public schools, social service agencies, and other individuals and organizations” (p. 301).

Performance Funding Models: Wave 1.0 vs Wave 2.0

The conceptualization of performance funding within academia is generally recognized as occurring in two waves, referred to as performance 1.0 and 2.0 programs (Albright, 2009; Dougherty & Reddy, 2011; Snyder, 2011). The initial implementation of PF 1.0 models began between 1979 and 2000 and utilize funding in the form of bonuses that are in addition to regular funding allocations (Burke, 2002; Dougherty et al., 2013; Dougherty et al., 2014; Dougherty & Reddy, 2013; McLendon et al., 2006). Examples of PF 1.0 models include Tennessee’s model created in 1979 and Florida, Ohio, and Washington in 1994, 1995, and 1997, respectively (Dougherty & Reddy, 2011). Dougherty et al. (2014) note that PF 1.0 models historically have tied between 1 and 5% of funding allocations to performance outcome measures. These indicators include such measures as percentages of graduates, job placement, retention, developmental education completion, and licensure exam pass rates as measures of success for the subsequent awarding of bonus allocations (Burke, 2002; Dougherty, Hare, & Natow, 2009; Dougherty & Reddy, 2011).

Beginning in 2007, the second wave of performance funding became operational, with two-thirds of all new performance funding programs being re-adoptions of previous programs that were discontinued in 2000 (Dougherty et al., 2014). Additionally, 40% of 2.0 programs did not utilize bonuses that were in addition to state budgets; rather, performance funds were embedded into the base operating budget of the institution (Dougherty et al., 2014). While 1.0 programs utilized between 1 and 2% of state funds, 2.0 programs saw significantly higher proportions of performance dollars tied to overall budgets. Examples of these types of PF 2.0

models are found in newly established programs in Ohio (2009) and Tennessee (2010), in which institutions abandoned traditional enrollment-based funding models in four-year and two-year colleges (Dougherty & Reddy, 2011). As illustrated by Ohio and Tennessee, models such as these often vary in the size of the overall proportion of funding tied to student outcomes, often drastically. For example, Tennessee's and Ohio's performance funding model accounts for 80 to 90% of higher education funding, with the rest based on items such as utilities or equipment (Dougherty et al., 2014). While the creation of performance funding programs, both 1.0 and 2.0, have been prolific over the past 35 years, 60% of all states that have adopted such programs have also gone on to discontinue the same programs (Dougherty et al., 2014). Performance funding 2.0 models continue to utilize indicators of success for ultimate outcomes, but they also place additional emphasis on measures of intermediate success such as course completions, developmental education success, completion of gateway courses such as curriculum math and English, and reaching credit benchmarks (Dougherty & Reddy, 2011; Offenstien & Shulock, 2010).

The rise of PF 2.0 models can be attributed to three major factors, which include the overall efficacy of 1.0 models, the general instability of state budgets, and external stakeholder endorsements (Dougherty & Reddy, 2011). For some time, policymakers and elected officials have questioned how much reward was necessary to garner significant attention and prompt, swift action on the part of education leaders in order to enact institutional change (Dougherty & Reddy, 2011; Sanford & Hunter, 2011). By increasing the stakes of PF 2.0 models and placing base budgets at risk, policymakers and elected officials have spurred institutions to respond. Secondly, due to current economic conditions brought on by the economic recession beginning in 2008, many state budgets have little latitude to offer additional bonuses on top of state

allocation budgets (Dougherty & Reddy, 2011). Finally, models in Tennessee, Ohio, and even Washington have received ringing endorsements from organizations such as the National Governors Association, National Conference of State Legislatures, Lumina Foundation, and Bill and Melinda Gates Foundation, along with increased interest perpetuated by the Obama Administration's college completion agenda and Race to the Top competition (Albright, 2009; Dougherty & Reddy, 2011; Harnisch, 2011; Snyder, 2011; Sparks & Waits, 2011; U.S. Department of Education, 2011).

In separate studies of the political origins of PF 2.0 models, Dougherty et al. (2013) and Dougherty et al. (2014) found that the role of governors and/or legislative leaders, the role of external sources, and the motivation of state coordinating boards to be prominent factors in the creation of PF 2.0 models. States included in the 2013 study included Florida, Illinois, Missouri, South Carolina, Tennessee, and Washington. States included in the 2014 study included Tennessee, Indiana, and Ohio.

The Role of Governors and/or Legislative Leaders

According to Dougherty et al. (2014), governors had little to do with the original implementation of PF 1.0 models; rather, the main stimulus for such programs originated within the individual higher education coordinating boards. However, as states moved towards PF 2.0 models, governors overwhelmingly played a significant role in such development, as was the case in Indiana, Ohio, and Tennessee. In Florida, Illinois, Missouri, South Carolina, Tennessee, and Washington, Dougherty et al. (2013) found that state legislators provided significant support for performance funding policy initiatives. Respondents found political pressure to enact such initiatives to be significant, as noted by a community college president in Florida when speaking of Senator George Kirkpatrick:

My sense is that without George Kirkpatrick pushing, prodding, pulling, whatever he had to do, legislative staff would not have had near the interest in this topic, nor would we...it takes the leadership of an individual oftentimes to make that happen, and Senator Kirkpatrick was the individual who really, really challenged us all to stop talking about performance funding and do something about it. (Dougherty et al., 2013, p. 11)

At other times, political involvement was not overly explicit in demanding substantive change, but rather subtle in the overall timing and requests for proposals from coordinating boards. As an example of such involvement, Dougherty et al. (2014) found that Indiana Governor Mitch Daniels (2005-2013) requested the Indiana Commission for Higher Education (ICHE) to suggest ways to cut \$150 million from higher education funding. This resulted in the development of funding cuts based on the institution's performance on established indicators. Regarding how the cuts in 2009 resulted in the establishment of a PF 2.0 performance funding program, an Indiana higher education official stated,

We got to 2011 and unfortunately we were in the same boat, with no new money and, in fact, more budget cuts...And then we got to 2011-2013 and guess what, still no money. And so the base-reallocation is being used, it appears as though it has sort of grown a history of its own. (Dougherty et al., 2014, p. 26)

Similarly, in Ohio, Governor Ted Strickland (2007-2011) spearheaded the passage of HB 119 in 2007 which mandated the development of a 10-year strategic plan for higher education that would include an examination of the state's role in subsidizing higher education funding (Dougherty et al., 2014). As a result, in an effort to "get ahead of any criticism," institutions were convinced that it was in their best interests to design their own performance funding system

(Dougherty et al., 2014, p. 27). However, the ultimate design of the funding model was crafted by administrative staff. Chancellor of Higher Education Eric Fingerhut wrote

Vice Chancellor of Finance Richard Petrick and his capable staff sat down with the chief financial officers of each institution to work on the technical aspects of the formula....revising the formula until the CFOs became confident that they understood the system and that it was fair as possible given the different types of institutions that formula covered. (Dougherty et al., 2004, p. 28)

In Tennessee, Governor Phil Bredesen (2003-2011) echoed actions in Indiana and Ohio by asking the Tennessee Higher Education Commission (THEC) for ideas concerning changes to higher education funding policy. In response, a Tennessee higher education official offered:

For several years now we had been thing about how to design the funding policy to be better than it was. And so we were kind of thinking about being more productive as a state, and trying to encourage more institutional productivity. ...And so we were beginning to think about how we'd make a funding formula that does that as well.

(Dougherty et al., 2014, p. 30)

Additionally, while Governor Bredesen was influential in the design of the PF 2.0 model in Tennessee, his influence also led to the advancement of a much larger program than originally envisioned. Dougherty et al. (2014) found that the governor's reaction spurred program growth as noted by a higher education official who stated, "I think it would have been more incremental in maybe moving performance funding from 5% to 7% or something, but it wouldn't have gone nearly as far without his reaction" (p. 31).

External Sources

External sources appear to have been a driving force behind PF 2.0 models in Tennessee, Ohio, and Indiana. All three states developed PF 2.0 models with assistance from outside organizations such as the National Center for Higher Education Management Systems, Complete College America (which is aided by other organizations such as the Gates and Lumina Foundations), and other initiatives by the Lumina Foundation such as Achieving the Dream, and Making Opportunity Affordable (Dougherty et al., 2014).

The Lumina Foundation has been particularly influential in the creation and support of performance funding in Ohio, Tennessee, and Indiana. In Tennessee, Lumina sponsored the Making Opportunity Affordable initiative which provided significant support for performance funding and led to the THEC to hire the National Center for Higher Education Management Systems (NCHEMS) to conduct audits of the state's higher education policies (Dougherty et al., 2014). The audits eventually led to an additional performance metric that examined funding based on enrollments at the end of the semester as opposed to two to three weeks into the semester. The Lumina Foundation also funded HCM Associates to assist the THEC with the creation and implementation of the Complete College Tennessee Act. HCM Associates would also later serve as an appointee on the funding formula committee appointed by the THEC (Dougherty et al., 2014).

Dougherty et al. (2014) found similar actions in both Indiana and Ohio as well. In each state, HCM Associates were funded to provide strategical support for performance funding initiatives. In Indiana, HCM Associates sponsored discussions with the Indiana Commission for Higher Education (ICHE) and provided key research which tied directly to the 2012 ICHE strategic plan. Similarly, in Ohio, HCM personnel served as facilitators on the Community

College Funding Consultation which also included members of the Ohio Association of Community College, the Ohio Board of Regents, and the Ohio Office of Budget and Management (Dougherty et al., 2014).

Coordinating Boards

Finally, in both studies, coordinating boards for higher education were found to be involved in the creation of both PF 1.0 and 2.0 funding models; however, their motivation changed between the two enactments (Dougherty et al., 2014). During the original implementation of PF 1.0 programs, coordinating boards viewed performance funding simply as a new funding source in the midst of already constrained budgets. By the time PF 2.0 models were implemented, coordinating boards no longer were interested in increasing public funds. Today, coordinating boards appear to be, in light of growing demand from external sources, largely concerned with generating responsiveness from higher education institutions in producing more graduates and greater efficiency in the use of state allocations and resources (Dougherty et al., 2014).

Theoretical Frameworks

Principal-agent theory originally arose out of the study of economies but has since seen several other iterations, most noticeably in the field of political science. At its very core, principal-agent theory offers that principals (policymakers, educational systems, states, and stakeholders) utilize reward systems in an effort to guarantee that agents (in this case colleges and universities) strive to meet the desired goals of the overarching organization. In an interesting dynamic, academic institutions serve as both principals and agents when discussing performance funding policies due to the multi-directional aspect of performance funding models. On one hand, academic institutions act as agents as they respond to larger policy mandates

through the creation of campus-wide initiatives aimed at improving institutional performance. On the other hand, as institutions create such initiatives, they begin to operate as principals as the campus initiatives are handed down to faculty for implementation. Institutions, while acting as the principal, have significant interests in securing compliant behavior from agents (faculty) that result in improved performance and subsequently result in increased monetary incentives. It is at this point that principal-agent theory and street-level bureaucracy begin to merge as the agents (faculty) may resist the initiatives or demands of the principals (institution) due to a conflict of values or interests (Lahr et al., 2014). Viewing individual institutions as principals and their faculty as both agents and street-level bureaucrats allows performance funding policy to be examined from a bottom-up policy perspective. Bottom-up policy perspectives do not view local divergence from overall policy goals as implementation failure, but rather as an adaptation on the part of local implementers to merge broader policy mandates with local realities (Honig, 2006; Lahr et al., 2014; Smith & Larimer, 2009).

Principal-Agent Theory

Multiple studies have examined performance funding using principal-agent theory (Dougherty et al., 2014; Dougherty et al., 2016; Lahr et al., 2014; Pheatt, Lahr, Dougherty, Jones, Natow, & Reddy, 2014). Dougherty et al. (2016) offer that performance funding initiatives generally employ the use of policy instruments which McDonnell and Elmore (1987) referred to as “mechanisms that translate substantive policy goals into concrete actions” (p. 134). Principal-agent theory allows us to view the unintended impacts of performance funding as part of a larger accountability systems dynamic. Lahr et al. (2014) posit that if we view colleges as “political systems with power conflicts,” we can see the unintended impacts from performance

funding as both the result of miscommunication, poor expertise, and inadequate resources, and from the differences in viewpoints, goals, and interests (p. 7).

Principal-agent theory has been used to study a variety of issues such as function of the firm or to explain political phenomena and political control of bureaucracy (McClendon, 2003a). McClendon (2003b) noted that principals and agents are both actors with individual self-interests whose preferences often differ. This divergence in self-interests is what Moe (1987) referred to as the “agency problem” in which “the principal tries to control the behavior of his agent, but the agent is driven by his own interests” (p. 480). McClendon (2003a) added that these two conditions combined necessitate the need for principals to monitor and control the behaviors of agents. From a theoretical framework, principal-agent relationships can be applied to a wide array of examples including, but not limited to, employer-employee, buyer-supplier, and other agency-level relationships (Eisenhardt, 1989; Harris & Raviv, 1978). In the case of performance funding, principal-agent theory posits that principals (states, policymakers, stakeholders, or educational systems) seek to utilize some form of reward system to ensure that agents (two-year and four-year colleges and universities) meet the desired goals (McLendon, 2003b; Tandberg & Hillman, 2014; Tandberg et al., 2014). In its most simplistic form, principal-agent theory assumes the existence of conflict between principal and agent, outcomes that are easily measurable, and agents who are opposed to risk more so than their principals (Eisenhardt, 1989). However, this model is further complicated when principal and/or agent disagree on individual policy goals, when agents face multiple principals, or when incentives force increased transaction costs (Tandberg & Hillman, 2014; Tandberg et al., 2014).

Tandberg et al. (2014) suggests that principal-agent theory is particularly useful in addressing challenges institutions may face when attempting to respond to incentives put in place

by principals. McDonnell and Elmore's (1987) use of value, for example, can refer to programs addressing particular clientele or tangible objects such as compensatory education for disadvantaged students or facilities upgrade. Through the lens of performance funding, items of value include, but are not limited to, increased graduation rates or improved retention and success rates for students. Because of the conditional nature of inducements, distribution usually coincides with increased regulations that help assure funds are used in a manner that is consistent with the principal's intent. McDonnell and Elmore (1987) attribute these additional rules to the increased transactional costs experienced by the implementing agency in the form of "unreimbursed administrative expenses, matching requirements, and avoidance costs designed to mitigate the effect of undesirable conditions on the transfer of money or authority" (p. 139).

Bottom-Up Policy Implementation

Policy implementation studies originally focused largely on national programs and why such programs often deviated from the policy as originally intended by the policy framers (Lahr et al., 2014; Schofield, 2001). This perspective was known as the top-down approach and assumed that policy implementation originates with policy or legislative objectives, and that implementation processes follow in a linear fashion (Schofield, 2001). The top-down approach to policy implementation views deviations from larger policy initiatives as a result of ambiguous policy goals, a lack of capacity or resources at the local level, or a general lack of good will by local implementers (Lahr et al., 2014). Furthermore, top-down theorists viewed local actors or street-level bureaucrats as antagonists towards the original intentions of policy and completely disregard their role as "interpreters of central policy" (Sabatier, 1986; Schofield, 2001, p. 251). According to the work of Elmore (1979), Hanf (1982), and Hjern and Hull (1982), top-down

theorists view policymakers and their policies as the key actors while neglecting the response of street-level bureaucrats or local officials.

In response to the inability of top-down writers to reconcile the role of street-level involvement in the implementation of policy, bottom-up theorists focused their efforts on (1) the actions of the local actors as opposed to policymakers, (2) the nature of the problem for which policy has been created, and (3) the motives and actions of actors as they respond to the policy (Schofield, 2001). Bottom-up policy theorists argue that it is equally important to acknowledge that local implementers often have differing goals than those of the policymakers (Lahr et al., 2014; Matland, 1995). Sabatier (1986) offers that early bottom-up theorists disregarded the traditional hallmarks of policy such as formulation, implementation, and reformulation, and instead focused on the actions of local actors.

Policy implementation, such as that of performance funding, occurs at both the macro and micro levels (Berman, 1978; Matland, 1995). At the macro-level, policymakers craft new initiatives or programs designed to address identified areas of concern. At the micro-level, organizations create their own programs designed to respond to macro initiatives imposed upon them by policymakers and governing bodies (Matland, 1995). Berman (1978) suggests that problems involving the implementation of new policy initiatives often occur due to the interaction of the policy with the micro-level institutional setting. This especially applies to policies such as performance funding in which the policy is crafted at the national or state level and passed down to participating institutions that widely vary in size, resources, and location. Under these conditions, the role of local actors becomes critically important as individual institutions respond to such sweeping policy. According to the bottom-up perspective “if local

implementers are not given the freedom to adapt the program to local conditions it is likely to fail' (Matland, 1995, p. 148).

Performance Funding as Policy Instruments

The use of mechanisms such as performance funding is what McDonnell and Elmore (1987) refer to as alternative policy instruments. The purposes of these instruments are to be the catalyst for transforming policy goals such as increased graduation rates, into tangible actions. Historically, policy instruments consisted of ideas and practices such as regulations, rights, grants, technical assistance, and loans. However, McDonnell and Elmore (1987) broadened the range of instruments to include mandates and inducements and define them as follows: mandates are the rules and governance of individuals and are intended to produce compliance; and inducements involve the transfer of money to individual actors or agencies in exchange for desired actions. Furthermore, in their purest form, mandates do not involve the transfer of funds or resources as an incentive for compliance. Opposite of mandates, inducements as a form of procurement, empowers agencies to transfer funds, resources, or authority to other agencies in exchange for something of value (McDonnell & Elmore, 1987).

McDonnell and Elmore (1987) offer that mandates and inducements differ in three very distinct ways: First, mandates involve the use of coercion to elicit desired performance, while inducements involve the transfer of funds or resources as a condition of desired performance. Secondly, compliance is a desired outcome while using mandates; however, outcomes are measured through the production of value while using inducements. Thirdly, mandates assume that required actions are expected of agencies and should be carried out regardless of the agencies' own abilities and resources, whereas inducements, through the transfer of funds and resources, acknowledge the variation in individual agencies' abilities through the elicitation of

performance. The use of inducements has long been used as a tactic by policy makers to elicit desired outcomes from various state agencies. For example, Washington legislators supporting a performance funding program between 1997-1999 were viewed to believe “in the notion we tend to get more of what the funding structure responds to, so what is incentivized and measured and funded, we tend to get more of and less of the other things” (Dougherty & Reddy, 2011, p. 2). Likewise, a legislative advocate in Florida was described as believing “you could get performance altered by money. If you put a pot of money out there, people would change their behavior in order to chase that money” (Dougherty & Reddy, 2011, p. 2).

While performance funding initiatives are a type of policy instrument designed to act as a catalyst to improve particular outcomes (such as first-year progression or graduation rates), such initiatives rarely come with prescribed institutional instructions for implementation. Instead, the creation and use of such policy instruments is designed to spark action and promote institutional change. Dougherty et al. (2016) identified four specific policy instruments that are most often employed by policy makers as a means to achieve desired outcomes: (1) Financial incentives, (2) Information dissemination, (3) Comparison with other institutions, and (4) Capacity building. All of these are employed in typical performance funding programs.

Financial Incentives

The use of financial incentives garners the most attention when discussing performance funding due to the reality that many institutions, specifically community colleges, frequently face lean budgets. When applied to higher education, a financial incentives theory of action is similar to that of resource dependency theory in proposing that institutions will seek to maximize their revenue by improving their performance when the available funding is significant enough (Burke, 2002; Dougherty et al., 2016; Pfeffer & Salancik, 1978). In their study of both

community colleges and four-year institutions in Indiana, Ohio, and Tennessee, Dougherty et al. (2016) found that 60% of the 141 institutional respondents capable of discussing budgetary matters believed their particular state's performance funding program had little to no impact on their institutions' budget, yet nearly half of the institutional respondents felt performance incentives had substantial impacts on campus-wide efforts to improve student outcomes. In the same study, a mid-level administrator stated "I think it does have a big impact. And I think it establishes sort of officially that this is the business that we're in, and we always should have been in this business" (Dougherty et al., 2016, p. 154). In a review of findings from performance funding studies that included Florida, Tennessee, Washington, Missouri, North Carolina, Ohio, and South Carolina, Dougherty and Reddy (2011) found the impact of performance funding to be mixed among participants. For example, an administrator at an institution in Tennessee stated, "The state subsidy that comes as a result of whatever few points you get or do not get is not significant enough to make us do what we ought to be doing" (Tanner, 2005, p. 83). While another administrator at a different Tennessee institution which received \$700,000 in performance funding stated, "It's not a lot of money, but it was like manna from Heaven and that's money we would not have had" (Lorber, 2001, p. 82). In their examination of both four-year institutions and community colleges, Natow, Pheatt, Dougherty, Jones, Lahr, and Reddy (2014) found performance funding to have "at least a medium-sized influence" on the adoption of campus-wide efforts designed to spur improvement on performance measures (p. 59). Similarly, Harbour and Nagy (2005) found that three of four low-performing community colleges in North Carolina made significant organizational changes in staffing and programmatic areas due to state performance ratings.

Information Dissemination

Along with financial incentives, the use of information dissemination is frequently used as a catalyst for institutional change. With performance models in mind, policy makers share goals and intended methods with campus leaders and faculty as a means to facilitate buy-in (Dougherty et al., 2016; Dougherty & Reddy, 2013). It is here that specific performance measures are identified along with system-wide goals, targets, and baselines. Through the use of public reports, policy makers are able to publicly acknowledge successes and failures, and institutions are able to evaluate their performance on each of the performance measures. The presentation of information is such that its goal to legitimize and validate the overall performance funding model so that institutions believe it is socially necessary.

In their study of both community colleges and four-year institutions in Indiana, Ohio, and Tennessee, Dougherty et al. (2016) found all three states had participated in communication efforts designed to share the overall goals and methods of their performance funding programs. Information was shared with local college personnel either directly by state agents or through senior college administrators. However, 38 of 222 respondents, concentrated among faculty and middle management, indicated they had not received any communication concerning the goals and methods of performance funding. In a review of findings from performance funding studies that included Florida, Tennessee, Washington, Missouri, North Carolina, Ohio, and South Carolina, Dougherty and Reddy (2011) found evidence of similar voids of knowledge on the part of middle management and faculty.

The literature indicates that there is a divide between administrators and faculty regarding overall awareness of state performance priorities. Dougherty et al. (2016) offer that this lack of awareness is due to demands placed on faculty, lack of faculty involvement in decision-making

matters concerning performance funding issues, and withholding information deemed irrelevant to faculty.

Institutional Comparison

Along with the use of financial incentives and information dissemination, policy makers and advocates of performance funding use institutional comparison as a tool to spur change. The literature delineates differences between institutional awareness of overall state priorities and increased awareness of an institution's own performance. Through publicly available comparisons, institutions are openly compared to sister institutions on each of the available performance measures. The intent of these comparisons is to generate local feelings of pride and encourage the attainment of status (Burke & Associates, 2005; Dougherty & Reddy, 2013; Dougherty et al., 2016). However, Dougherty et al. (2016) found that a third (79 of 221) of institutional respondents indicated there was no direct or indirect communication from the state regarding their institutions' performance, and that comparison efforts were less effective than information dissemination and financial incentives in spurring institutional actions, with only 51% of respondents rating its impact as high.

Organizational Capacity

Finally, while performance funding initiatives have created new demands on the part of academic institutions, little attention has been paid to the ability of such institutions abilities to respond. The capacity of each institution to respond varies across campuses and according to available resources and according to each institutions willingness to do so. Performance funding programs are designed so that they identify colleges' weaknesses and incentivize improvement. However, Dougherty et al. (2016) found that 95% of respondents rated the use of capacity building as a policy instrument as low or non-existent. Furthermore, Dougherty et al. (2016)

concludes colleges are being identified as low performing on a myriad of performance measures, while lacking the resources to identify solutions, pay for the cost of interventions, and to evaluate their effectiveness.

Each of the aforementioned policy instruments, either together or separate, ultimately lead to the immediate intended impacts sought by policymakers. By design, these impacts “stimulate intermediate institutional changes involving changes to institutional policies, programs, and practices...such as more graduates or increased rates of job placement” (Dougherty et al., 2016, p. 149). The use of these policy instruments in an effort to produce the intended impacts also leads to the creation of larger unforeseen obstacles and other widespread unintended impacts that are often the side-effects of such initiatives.

Unintended Impacts

Performance funding models typically consist of explicit measureable outcomes such as improved graduation rates, first-year progression, licensure exam pass rates, or student success in curriculum math and English. However, performance funding models, despite the best intentions on the part of policy framers, often produce impacts not originally intended by policymakers (Dougherty et al., 2014; Dougherty & Reddy, 2011; Lahr et al., 2014; Moynihan, 2008; Umbricht et al., 2015). This is due in large part to the reality that performance funding models often ask institutions to improve or respond to measures that are largely out of their control. Umbricht et al. (2015) offer that performance measures and subsequent outcomes are often predicted by student backgrounds and experiences long before students ever step foot on college campuses. Umbricht et al. (2015) add that as a result of these complex relationships, higher education professionals may “try to comply with the letter but not the spirit of performance funding law” resulting in unintended performance funding impacts (p. 647).

Studies by Lahr et al. (2014), Dougherty et al. (2013), Dougherty et al. (2016) found the costs of compliance, narrowing of institutional missions, restriction of student admissions, institutional cooperation, decrease in staff morale, weaker faculty voice in academic governance, and grade inflation and weakening of academic standards to be common unintended impacts identified by respondents in the states they studied. Each of the aforementioned studies differentiated unintended impacts as either actual/observed or anticipated/potential/perceived. Moving forward, particular interest will be given to unintended impacts that are directly tied to the faculty experience and reflect their individualized actions inside the classroom, participation in shared governance, and overall morale.

Weakened Academic Standards

Previous studies by Lahr et al. (2014), Dougherty et al. (2013), Dougherty et al. (2016), and Dougherty and Hong (2006) offer that academic standards are weakened through a variety of practices including grade inflation, reduction in degree requirements, and reduction of the overall time spent in developmental education. Performance metrics that heavily weigh institutional performance in areas such as student completion, academic progress, or success in specific curriculum courses risk the weakening of academic standards as institutions try to meet such benchmarks. In interviews conducted at nine public four-year colleges and nine community colleges across Tennessee, Ohio, and Indiana, Lahr et al. (2014) found 29 respondents who identified the weakening of academic standards as potential unintended impact, while three others identified it as an actual impact. Similarly, Dougherty and colleagues (2016) found 60 respondents at both community colleges and four-year institutions that identified the weakening of academic standards as an unintended impact with one-third of those indicating it was already occurring. In Indiana, where student completions are the most heavily weighted performance

metric within the funding formula, one interviewee stated, “It’s putting faculty in a position of the easiest way out is to lower the standards and get people through. And so it’s something that’s of great concern I think” (Lahr et al., 2014, p. 25). Similarly, a faculty member in Ohio stated:

Well, in an effort to promote student success, there is a substantial pressure to minimize the failure rates of the students in some of these undergraduate courses. And of course that would translate into inflation of grades in order to make sure that the students are passing all of these courses and so forth. So I as a faculty member have a concern as to the watering down of our course materials as well as quality of our majors, the programs (Lahr et al., 2014, p. 27).

In Dougherty and Hong (2006), community college faculty in Texas reported having to account for each student who dropped their course through the use of a written report that identified steps taken by the faculty to prevent the student withdrawal. This sentiment was echoed by the president of the American Association of University Professors chapter at a Florida college:

There’s a lot of pressure to retain every single student no matter what it takes. So implicitly does this then push faculty towards grade inflation and that sort of thing? ...In reality there’s no other way to achieve what their goals are...and we’re evaluated based on that. We have to report every conference we’ve had, the outcome, if the student wasn’t retained, why, how many efforts were made (Dougherty & Hong, 2006, p. 75).

Similar faculty concerns appear in research conducted by Jenkins, Ellwein, and Boswell (2009) examining community colleges in Washington State and the new Student Achievement Initiative created in 2007. Faculty and administrator participants both indicated that they feared faculty would experience pressure to lower their academic standards in order to pass more students.

Likewise, across all three states in the study, respondents expressed concerns with the removal of barriers that hindered paths to graduation while focusing heavily on credentials such as certificates. While ensuring that timely student graduation was viewed as a positive step, there was also fear among the respondents that practices such as these negatively impact learning by creating a culture in which students rush hurriedly through their studies as opposed to focusing on the experience of college and their whole education as students (Lahr et al., 2014).

Faculty Morale & Their Role in Shared Governance

Perhaps the final two examples of unintended impacts are best examined independently of each other. The instances of lowered faculty morale and diminished faculty voice in shared governance are drastically fewer across all of the studies reviewed for this section. Nonetheless, faculty morale suffers as greater emphasis is placed on the poor results of performance funding metrics. Likewise, as noted by Dougherty and Reddy (2011), if faculty members are unaware of performance funding and the extent to which it impacts their campuses, they are much less likely to actively help shape how their college responds. When faculty are uninvolved in the institutional response to performance funding policies, it undermines the role of the faculty voice in shared governance and creates greater possibility for institutional responses that are either ineffective or perpetuate greater unintended impacts (Dougherty & Reddy, 2011).

Across all respondents located in Tennessee, Ohio, and Indiana, 11 respondents indicated they had observed a decrease in faculty and staff morale (Lahr et al., 2014). One faculty member responded, “The implication from this type of funding is that we’re not working hard enough, we’re not willing to change, and we’re not willing to improve. We’re not willing to look at what we do and try and do better” (Lahr et al., 2014, p. 35). In the same study, an administrator at an Indiana institution stated that performance funding continually brings poor results to the attention

of the faculty and that “it’s demoralizing....They’re underappreciated” (Lahr et al., 2014, p. 35). In addition to lowered morale due to the continuous notification of lackluster results or failure, faculty are also concerned with a perceived loss of communal voice in shared governance. While Lahr et al. (2014) acknowledge that there were few mentions of loss of faculty voice in shared governance, it should still be considered a very important unintended impact. As the collective faculty voice on college campuses goes, so goes the ability to voice concerns against those unintended impacts previously mentioned.

Across all studies reviewed, instances of faculty identifying diminished voice in shared governance were generally classified as “few.” However, in response to performance funding being used to criticize faculty, a faculty member in Ohio stated “There’s been a strong sense that this discourse has been used to sort of marginalize and excoriate faculty” (Lahr et al., 2014, p. 35). Furthermore, the degree to which performance funding impacts the relative power of faculty is lacking in the literature (Dougherty & Reddy, 2011; Lahr et al., 2014). While Lahr et al. (2014) did find instances of faculty stating they would strongly oppose campus policies or initiatives that would weaken their academic standards, it is worth questioning how effective any opposition would be if indeed faculty voice in shared governance is reduced.

Faculty Response

As addressed in previous sections of this literature review, faculty have been shown to be less informed than campus administrators regarding performance funding policies, and such policies erode faculty participation in shared governance. Such findings present faculty as merely passive actors and adaptive to the instructions of the institution and performance funding measures. However, it is appropriate to examine whether faculty actually respond to such initiatives and, if so, how their response manifests across the institution. While scarce research

has looked specifically at the response of faculty in regards to performance funding initiatives, Lipsky's (1980) examination of public service workers as street-level bureaucrats and Scott's (1985, 1986, 1990) examination of resistance of authority by subordinate groups offer an excellent lens through which to view faculty response to such initiatives. In addition, other research concerning faculty-administrator chasms, administrative tasks, and decision making will be discussed.

Street-Level Bureaucracy

College faculty were not included in Lipsky's (1980) original work examining public service workers as street-level bureaucrats. College faculty, however, are appropriately positioned as frontline employees specifically tasked with interacting with the citizens (students) of the institution. Lipsky (1980) observed that policy makers often impose mandates or policies without fully comprehending the complex realities of such legislation on those responsible for implementing it. Furthermore, while acknowledged as professionals in their respective field, Lipsky (1980) offers that street-level bureaucrats have tremendous discretion in how they will carry out such legislation. Using Lipsky's (1980) framework, it is at this intersection of policy and response that college faculty, acting as street-level bureaucrats, become policy makers in their own right as they exercise discretion in decisions concerning their citizens (students) and exercise autonomy from organizational authority.

According to Lipsky (1980), lower-level workers generally accept formal structures of authority within organizations due to an overall cooperative mindset. This is due to the reality that lower-level workers acknowledge the legitimacy of any formal authority and that workers typically are not in a position to dissent. However, this arrangement can quickly change to reflect general non-compliance when lower-level workers' "interests" are different than or opposed to

those of the organization, and any available incentives or sanctions are deemed insufficient (Lipsky, 1980, p. 17). Once lower-level employees perceive their interests to differ from those of superiors or the organization, Lipsky (1980) suggests that these street-level bureaucrats will begin to withhold their cooperation through practices such as not reporting to work; hostility towards the organization in the form of cheating, stealing, or waste; or alienation and apathy. Furthermore, not all street-level bureaucrats within a particular organization have similar interests. According to Lipsky (1980) “Certain features of their role make it possible for them to make these differences manifest” (p. 18). This thought aligns itself well with higher education institutions, particularly community colleges, in which there are constrained budgets and a variety of academic divisions with differing goals and student populations. Faculty, acting as street-level bureaucrats, see policy initiatives such as performance measures as attacks on their profession, autonomy, and particular areas of expertise.

Faculty, acting as street-level bureaucrats, serve as policymakers when responding to legislation or campus initiatives that were created above them by state legislatures or campus administrators. While performance funding measures are broadly defined, it is the responsibility of the individual institutions to craft their own response to such measures. Additionally, individual performance measures may be very general to the campus at large (first-year student progression), while others are very specific (student completion in math & English). While campus administrators may enact campus policies designed to respond to and improve such measures, street-level bureaucracy suggests that faculty have tremendous discretion in how they apply the policy, adapt it to their immediate situation, or ignore it altogether (Lipsky, 1980; Malak, 2015). Resistance to such performance measures may occur when faculty feel the measures are too intrusive, perceived to be unfair, or undermine their role as a faculty member.

Similar thoughts concerning resistance by subordinates was identified by Scott (1985, 1986) when he wrote about the peasant people in Malay. Scott (1985) identifies the “struggle over values – the ideological struggle” as the foundation for any resistance that occurs due to lack of morality, fairness, or perceived threat to norms and values. Scott (1990) also used the term “infrapolitics” to describe subordinate resistance “that avoids any open declaration of its intentions” (p. 220).

It is not entirely clear how community college faculty may apply forms of resistance considering that many of the changes brought forth by performance funding happen at the institutional level. Efforts to shorten programs of study or limit the time spent in pre-curriculum classes do not readily provide faculty with opportunities to resist such practices. Echoing similar thoughts as Scott (1990), Thomas and Davies (2005) state that “resistance is understood as a constant process of adaption, subversion, and re-inscription of dominant discourses” (p. 687). Likewise, long before performance funding initiatives, college faculty have been responding to the realities of campus bureaucracy and other efforts to mandate campus accountability and efficiency.

Matters of Accountability and Efficiency

With the rise of Ewell’s (1998) culture of accountability institutions of higher education are regularly involved in greater internal planning and continuous improvement efforts that often directly impact and expand the primary tasks of educators. According to Wimsatt, Trice, and Langley (2009), faculty have increasingly been asked to advance new technologies in their teaching, be more available to their students and campus through email and other digital solutions, participate in increased assessment, and effectively teach diverse student populations.

Research has shown that faculty tends to identify activities such as assessment and other accountability initiatives as merely intrusions against their autonomy and added inconveniences in already busy schedules. Additionally, faculty has been shown to be suspicious of overall institutional effectiveness activities, and they possess a general distrust of the administrative hierarchy (Birnbaum, 1988; Volkwein & Malik, 1997; Welsh & Metcalf, 2003). In their study of faculty support for institutional effectiveness activities, Welsh and Metcalf (2003) found that while they are presented as “common sense appeals” by administrators, faculty often see them as (1) attacks on tenure and academic freedom, (2) attempts to reduce faculty lines, (3) selling out to business ideologies, and (4) caving in to bureaucracy (p. 448). From afar, academic institutions appear to be harbors of consensus, with administrators and faculty members working in unison towards common goals. However, research suggests that this is often not the case and outright difficult to achieve. Campbell and Slaughter (1999) offer that “some tension between faculty and administrators has been accepted as an enduring part of academic life” (p. 310). Much of this tension is rooted in the opposing perspectives of administrators and faculty. According to Walsh and Metcalf (2003), the proclivity of administrators to interact with external stakeholders makes them remarkably more receptive than faculty to the external aspirations of the academy and much more likely to view the institution as revolving around external forces which have tremendous impact on the continued vitality of the institution.

Summary

In summary, this review of relevant literature has illuminated the continuously evolving nature of performance funding throughout higher education. Likewise, the literature has shown that performance funding policies act as significant policy instruments aimed at creating change and overall campus improvement. While the literature has examined performance funding from a

myriad of lenses, there exists a significant gap in examining how it shapes the experiences of faculty in and out of the classroom. Viewing faculty as street-level bureaucrats operating within the principal-agent dynamic and performance funding from a bottom-up policy perspective will allow further examination of faculty as either passive recipients of such policy instruments or perhaps as tools of resistance.

CHAPTER 3: METHODOLOGY

The purpose of this chapter is to present the research methodology used to examine how performance funding programs shape faculty experiences in and out of the classroom. Performance funding is identified as any program that rewards institutions of higher education for meeting system-wide established outcomes such as college transfer performance or student success in curriculum English. In addition to their responsibilities as in-class instructors, faculty participate in activities outside the classroom, such as academic advising, registration, academic tutoring, committee work, curriculum creation, recruiting and marketing, and institutional planning. For this study, participants will be selected from community colleges that represent the bottom 25% and middle 50% in student enrollment across the North Carolina Community College System. As shown in chapter two, institutional funding and organizational capacity have significant impacts on an institution's ability to respond to initiatives such as performance funding (Burke, 2002; Dougherty et al., 2016; Pfeffer & Salancik, 1978). Smaller to average sized institutions face lower student enrollment and operating budgets than large schools. This research will utilize an embedded comparative case study. Topics in this chapter include: (a) design of the study, (b) setting of the study, (c) selecting sites to study, (d) sites of the study, (e) sample selection, (f) data collection methods, (g) data analysis, (h) validity and reliability, and (i) limitations.

Design of the Study

The purpose of this study is to investigate how performance funding initiatives shape the experiences in and out of classrooms of community college faculty. Therefore, a comparative case study meets the needs of the study. Yin (2014) identifies case studies as appropriate when research questions ask how or why, the extent of control the researcher has over behavioral

events is limited, and there exists a focus on contemporary events. The overarching research question for this study is the following: How are the experiences of community college faculty shaped by performance funding initiatives? A sub-question will include: From where and to what extent do faculty members receive their information concerning performance funding and its impact on their institution?

Setting of the Study: North Carolina Community College System

The North Carolina Community College System (NCCCS) was chosen as the setting for this study due to its notable past and present concerning performance funding models. There has been some form of performance funding model at work within the NCCCS since 1999, with the most recent iteration beginning in 2012. In 2010, the NCCCS, in conjunction with the SBCC, the NCCCS president, the North Carolina Association of Community College Presidents, and the North Carolina Association of Community College Trustees, began implementation of a new student success initiative entitled “SuccessNC” (North Carolina Community Colleges, 2013). The SuccessNC initiative identified two specific goals: (1) increase student access and program excellence while leading to student success and (2) create performance measures that monitor student progress towards completion (North Carolina Community Colleges, 2013). Performance funding within the NCCCS became inextricably coupled to SuccessNC as the newly created 2012 performance measures were tied to individual SuccessNC initiatives while tracking institutional and system metrics beginning with the first Performance Measures for Student Success report that was released in July 2013 (Brown & Spies, 2015). While the original framework and initiatives of SuccessNC were created two years prior to the current performance funding model, many of the initiatives were utilized as performance measures, thus impacting a wide range of academic areas across campuses. During fiscal year 2013-2014, \$9 million in

performance funds were allocated to North Carolina community colleges, with this amount increasing to \$24 million during 2014-2015.

The North Carolina Community College System consists of 58 individual institutions, enrolls more than 700,000 students annually, and is the third largest system of higher education in the United States (North Carolina General Assembly, 2016). In spite of its overall size and diversity, each individual community college within the NCCCS operates with a tremendous amount of autonomy and flexibility. Each of the 58 North Carolina community colleges is governed by an individual board of trustees and institutional president, with each institution receiving leadership from the system office concerning new initiatives and mandates. In an evaluation of initiatives, including performance funding, Brown and Spies (2015) offer that institutions, particularly faculty and department heads, view these “not as system mandates, but as guidelines within which they had and continue to have a significant degree of autonomy to test and implement what works best for their students” (p. 18).

While each of the 58 NCCCS institutions varies geographically, there is also tremendous variation in size, student enrollment, and funding allocations. The smallest institution in the NCCCS enrolls fewer than 900 students annually, with an overall operating budget just under \$6 million, while the largest institution enrolls almost 41,000 students, with a budget of \$116 million. While the funding allocations for each NCCCS institution are undoubtedly proportional to their overall enrollment, it cannot be ignored that the ability to effectively address and respond to initiatives such as performance funding is inextricably tied to their overall operating budget and institutional resource capacity. The institutions chosen for this study are representative of the bottom 25% and middle 50% of all NCCCS institutions in overall student enrollment and operating budgets, while each is in the top 25% of performance funding allocations. It is

anticipated that these institutions will shed light on the impacts of performance funding and how they shape the experiences of community college faculty.

Selecting Sites to Study

As highlighted in the literature, an institution's ability to respond to performance funding initiatives is impacted significantly by both institutional capacity and presence of resources (Burke, 2002; Dougherty et al., 2016; Pfeffer & Salancik, 1978). Thornton (2015) found that of the 952 public two-year community throughout the United States, 60% serve rural populations. Additionally, due to the reality of lower enrollment, small to medium institutions may find it difficult to respond to initiatives such as performance funding while continuing to be responsive to the needs of their students and community. Due to these realities, this study has chosen to focus on schools that are considered average or below average in both student enrollment and overall operating budget while comparing their performance funding summary data. It is presumed that institutions that are above average in student enrollment and overall operating budget also possess increased institutional capacity and a prevalence of external resources that allow them to respond with greater ease.

In order to narrow down the list of potential study sites, institutions were examined using student enrollment, budget allocation information, and performance reporting and funding summary data. North Carolina community colleges are largely funded using student full-time equivalents (FTE). According to a 2016 Joint Legislative Program Evaluation Oversight Committee report (North Carolina General Assembly, 2016), budget FTE is calculated using actual student enrollment and the number of instructional hours delivered. One FTE is equal to 512 scheduled class or laboratory hours per year. Therefore, institutions with larger student enrollments also have larger overall operating budgets compared to small to medium institutions

with smaller student enrollments. Due to existing organizational capacity and institutional resources, institutions with large student enrollments are better positioned to respond to initiatives such as performance funding models which in turn result in additional funds through performance allocations. Performance funds currently account for 2% of overall institutional funding. Increased organizational capacity and institutional resources can equate to the creation of new staff positions, additional faculty, and programs and services directly targeting performance funding measures. Likewise, small to medium sized institutions with lower student enrollments and smaller operating budgets may lack both the organizational capacity and institutional resources to add additional staff positions, faculty, or programs and services.

Considering the realities of small to average size community colleges, this study examined the faculty experience at one medium sized school and one small school using student enrollment, budget allocation information, and performance reporting and funding summary data. Along with decreased institutional resources and reduced organizational capacity, smaller community colleges, particularly those in rural communities, find it difficult to recruit and retain qualified faculty (Thornton & Friedel, 2016). Thornton (2015) suggests that performance funding programs often focus on the metrics that are specific to higher education and not on the role the community college plays in the community development. Thornton (2015) adds that “the lack of rewarding the complete college identity within performance funding designs provides an important reason to study the effects of current PBF formulas on rural community colleges” (p. 4).

Using curriculum and continuing education unduplicated student enrollment data, total operating budget data, and total performance funding allocation data for the 2016-2017 year, schools were classified as either top 25th, middle 50th, or bottom 25th percentile institutions in

each of the above categories. Forty-six of the 58 NCCCS institutions had operating budgets, student enrollment data, and performance funding allocations that matched percentiles across all three measurements. In other words, institutions that were in the top 25% of student enrollment also were in the top 25% of operating budgets and performance funding respectively or vice versa. Of the remaining twelve institutions, four institutions had overall performance funding allocations that were higher than that of their overall budget and student enrollment. Two of the four institutions had both operating budgets and student enrollment data in the bottom 25th percentile, but performance funding allocations in the 50th percentile. The other two institutions had operating budgets and student enrollment data in the 50th percentile, but performance funding allocations in the top 25%.

The four potential institutions were grouped according to their percentile rank in each of the three categories regarding student enrollment, overall operating budget, and performance funding summary data. This resulted with two schools representing the 50th percentile in both enrollment and operating budget and top 25% in performance funding and two schools representing the bottom 25th percentile in in both enrollment and operating budget and the 50th percentile in performance funding. Each institution was further evaluated while closely examining their rural versus urban classification, institutional size, geographical location, and presence of external resources such as grants or other revenue allocations. Upon further examination it was determined that one of the institutions in the 50th percentile in student enrollment and overall operating budget was an outlier compared to the other institution in the same category. While the institution in question did fall in the 50th percentile, both its student enrollment and overall operating budget was on the fringe of the top 25%. In addition, the institution maintains 5 separate campuses, possesses a campus foundation of \$12 million, and

was part of a \$4.3 million Bill and Melinda Gate Completion by Design (CBD) grant initiative that began in 2012. This left only one institution in the 50th percentile in student enrollment and overall operating budget. This institution is located in eastern North Carolina.

The two institutions representing the bottom 25th percentile were similar in both student enrollment and overall operating budgets. According to the National Center for Education Statistics (2017), each was classified as rural or town campus settings. Both institutions received similar performance funding allocations and appear to have similar campuses in overall size and presence of external resources. Because of the eastern North Carolina geographical location of the first institution and due to the close similarities of each school, the second institution was chosen in part because it is located in the western part of the state.

The two colleges selected were given pseudonyms to ensure confidentiality. Faculty interviewed for the study would be less likely to be as forthcoming if the information they shared were likely to be detrimental to their career or institution. The two institutions are referred to as Eastern North Carolina Community College (ENCCC) and Western North Carolina Community College (WNCCC). The selection of ENCCC and WNCCC allows for a comparative study of how performance funding initiatives shape the experiences of community college faculty.

Sites of Study

For this case study, two North Carolina community colleges were compared, Eastern North Carolina Community College (ENCCC) and Western North Carolina Community College (WNCCC). Both ENCCC and WNCCC received performance funding allocations that ranked significantly higher across the NCCCS system than both their overall student enrollment and overall operating budget data.

Located in the Blue Ridge Mountains of North Carolina, the National Center for Education Statistics (2017) indicates WNCSC's student enrollment topped 1,120 students during fall 2016. Their institution is comprised of a main campus complex with additional sites housing a small business center, advanced manufacturing center, and career center. Approximately 32% of the 147 instructional faculty are full-time while 68% are considered part-time. Of WNCSC's student body, 71% are considered part-time while 29% attend full-time; 63% are female and 38% are male; with 86% identified as white, 7% Latino, and 3% African American; students 24 years or younger account for 65% of the population with the remaining 35% of students being 25 years old or older. Of students who were both enrolled for the first time and considered full-time during fall 2013, 23% white, 25% Latino, and 0% African American students subsequently graduated within three years. Finally, WNCSC's retention rate between fall 2015 and fall 2016 was 57% for full-time students and 31% for part-time students.

According to the National Center for Education Statistics (2017), ENCC's student enrollment reached 3,402 students during fall 2016. Similar to WNCSC, ENCC operates multiple sites including a main campus, an aviation complex, business and industry center, and satellite campus on a nearby military installation. Approximately 41% of the 307 instructional faculty are full-time while 60% are considered part-time. Of ENCC's student body, 57% are considered part-time while 43% attend full-time; 60% are female and 40% male; with 60% identified as white, 21% African American, and 13% Latino; students 24 years or younger account for 69% of the population with the remaining 31% of students being 25 years old or older. Of students who were both enrolled for the first time and considered full-time during fall 2013, 46% white, 31% Latino, and 20% African American students subsequently graduated within three years. Finally, WNCSC's retention rate between fall 2015 and fall 2016 was 63%

for full-time students and 49% for part-time students. In addition to their traditional students, ENCCC serves two innovative public high schools with one being located on ENCCC's main campus.

Sample Selection

This case study seeks to describe how the experiences of community college faculty are shaped by performance funding initiatives. As such, research participants will be selected through the use of purposeful sampling. Creswell (2013) offers that through purposeful sampling, researchers can select participants who “purposefully inform an understanding of the research problem and central phenomenon in the study” (p. 156). Furthermore, Yin (2014) states that participants can provide insights into the actions of the studied case as well as providing historical context. The theoretical framework of this study (Principal-Agent Theory) assumes the existence of conflict between both principal and agent; therefore, a purposeful sampling strategy will be utilized to select faculty participants who have knowledge or may otherwise be directly impacted by performance funding initiatives. In this study, participants were selected from each college based on their perceived knowledge and connection to the seven current NCCCS performance measures. Two of the seven NCCCS performance measures are directly connected to specific disciplines (curriculum math and English) while three others are directly connected to academic discipline areas (transfer success, basic skills progress, and licensure passing rate). The remaining two performance measures are more broad and generalized across the entire institution; thus, no one specific faculty group is connected (curriculum completion and first year progression). Two faculty will be interviewed from each of the following academic areas: The curriculum math department; the curriculum English department; college transfer (e.g. math, science, English, fine arts, and social sciences); basic skills (e.g. adult high school

and English as a Second Language [ESL]); and licensure programs (e.g. Licensed Practical Nurse (LPN), Registered Nurse (RN), Dental Assisting, Dental Hygienist, and Basic Law Enforcement Training [BLET]). The remaining two performance measures, curriculum completion and first year progression, are not specific to any particular academic major, thus the previously identified interview candidates can address these performance measures as well. Ten faculty interviews will be conducted at each institution for a total of 20 faculty individual interviews. Where possible, adjunct faculty will be included in the sample since both institutions utilize a significant percentage of such faculty. In addition, faculty who were teaching for the institution prior to 2012 will be preferred, as they will have contextual knowledge of their institutions pre/post-performance measure implementation. It is assumed that faculty will vary in age and years of experience.

Data Collection Methods

This section describes the data collection methods utilized in this study. Methods include semi-structured interviews, document analysis, and direct observation.

According to Yin (2014), case studies provide appropriate avenues for exploring how and why questions. Thus, one of the most valuable sources of information is the personal interview. Accordingly, semi-structured interviews were the primary source of data for this study. The semi-structured interview protocol for this study can be found in Appendix B. Each of the questions was created with the faculty experience in mind and aims to allow faculty to expand on their own experiences as they relate specifically to performance funding. The questions tie specifically into the previously explored literature and theoretical frameworks of Principal-Agent Theory, Lipsky's (1980) Street-Level Bureaucracy, and Bottom-Up Policy Perspective. The questions are designed to shed further light on how the faculty experience is impacted by

performance incentives and how such impacts spur faculty to respond, if at all, as street-level bureaucrats.

Question 1 establishes the position of each respondent as it relates to their campus. Questions 2-3 were crafted to examine respondent's overall knowledge of performance funding initiatives in North Carolina. The literature showed faculty to have less knowledge about such programs than their administrators (Burke, 2002; Dougherty et al., 2014). Questions 4-5 examine the experiences of the respondents inside and outside of the classroom. Questions 6-8, allow respondents to discuss how their institutions have responded to performance funding and how they have been able to be a part of that response. Questions 9-10 allow respondents to compare their experiences to those of faculty at other institutions and to add any information that may have been overlooked in the previous questions. Although the study seeks a consistent line of inquiry, due to the nature of qualitative research, the interview itself will be fluid and flexible (Yin, 2014). Faculty participants will be given pseudonyms in an effort to protect their identity.

Yin (2014) offers that since case studies occur in real world environments, the opportunity for direct observations exist. This study is specifically interested in examining the faculty experience, therefore observations may vary from one site to the next depending on the processes, policies, and activities at each institution. Of particular interest will be any formal or informal campus committees that convene to specifically address performance measures and outcomes. Observations will be dependent upon the individual campus culture and available opportunities.

Document Collection

Because of their overall value, Yin (2014) states "documents play an explicit role in any data collection in doing case study research" (p. 107). Institutional and NCCCS documents

pertaining directly to the performance funding initiatives was collected, analyzed, and used to corroborate information received from faculty participants. These documents include the Performance Measures for Student Success annual report created by the NCCCS, the NCCCS website, the community college's websites, catalogs, handbooks, annual budget reports, and other public documents. As noted in Yin (2014), case studies utilizing multiple sources of information is preferred and allows for a wide look at historical and behavioral issues.

Site Visits

I visited each college to retrieve documentation and conduct semi-structured interviews with faculty participants. Due to location, interviews were conducted over two days at WNCCC and during a two week period at ENCCC. Documents were also collected by visiting each institutions website and the NCCCS website. Two electronic recording devices were utilized to record the individual interviews and I maintained a field journal for taking notes regarding observations and recording general thoughts about the experience.

Data Analysis

The data from this study will be analyzed both as individual cases and through a cross-case analysis. Institutional comparisons will include overall student enrollment, operating budgets, performance funding allocations, organizational charts, strategic plans, and institutional committees or structures pertinent to performance funding. Individual comparisons will include faculty workloads, committee responsibilities, institutional responsibilities such as advising or tutoring, and knowledge of performance funding. According to Yin (2014), a cross-case synthesis is appropriate when case studies involve at least two cases. Furthermore, Yin (2014) adds that findings are more likely to be more robust and potentially strengthens the findings further. Thomas (2006) recommends that inexperienced researchers immerse themselves into

their data through reading for content and identifying similarities, discrepancies, and omissions. This process involves the use of coding which Creswell (2013) defines as “aggregating the text or visual data into small categories of information, seeking evidence for the code from different databases being used in a study, and then assigning a label to the code” (p. 184). My analysis of the data will begin with open coding from which starter codes will be developed using my interview protocol and literature review as a reference which allows for themes and meaning to occur. All interviews will be recorded with the permission of each study participant. Interviews will later be transcribed and coded utilizing a password protect computer in a locked office. Coded interviews and documents allowed for further organization and analysis.

Validity and Reliability

Validity and reliability in qualitative research is dependent upon keen pattern recognition and the general obligation on the part of the researcher to produce methodical details regarding data collection and analysis (Patton, 1999). Nobel and Smith (2015) add the goal of qualitative researchers is to “design and incorporate methodological strategies to ensure the trustworthiness of the findings” (p. 34).

Triangulation of multiple data sources is used within qualitative research to eliminate much of the vulnerability existent when only one source of data is utilized (Patton, 1999). Yin (2014) adds that a significant strength of case study data is the presence of multiple sources of data. This study will utilize data triangulation in examining data obtained through semi-structured interviews, document analysis, and observation. The use of multiple data sources allows for the development of “converging lines of inquiry” thus producing a conclusion that is more convincing and accurate (Yin, 2014, p. 120). The semi-structured interviews in this study will look at the experiences of faculty and how they are shaped by intended and unintended

consequences of performance funding initiatives. As Yin (2014) describes, it is entirely possible that through the triangulation of data sources multiple realities exist as they relate to the faculty experience. The reliability of this study is supported through the use of a protocol that can be replicated.

Limitations

I have significant experience with the current NCCCS performance measures, both as a faculty member and administrator. The limitations in this study include both researcher and participant bias. Efforts will be taken to reduce any power imbalance between myself and the participants through the use of an interview protocol and the non-use of leading interview questions (Creswell, 2013). When utilizing interviews as part of qualitative research, Yin (2014) notes that the responses of interviewees are “subject to the common problems of bias, poor recall, and poor or inaccurate articulation” (p. 113). The use of data triangulation through conducting semi-structured interviews, collecting documentation, and observation will assist in reducing the limitations listed above.

Summary

This chapter has summarized the qualitative methods of study used to examine how the experiences of community college faculty are shaped by performance funding initiatives. The overall design of the study, site selection, sample selection, data collection, data analysis, issues of validity and reliability, and limitations are found herein.

CHAPTER 4: RESULTS

The purpose of this study was to compare how performance funding initiatives shape the experiences of community college faculty at two North Carolina Community Colleges. This chapter includes the major themes that emerged from the experiences of selected community college faculty at each institution. I collected, coded, and analyzed data from semi-structured interviews, document analysis, and direct observations. The interview questions were designed to answer the overarching research question and sub-question: How do performance funding initiatives shape the experiences of community college faculty? Also, from where and to what extent they receive their information concerning performance funding and its impact on their institution. The interview questions tie specifically into the previously explored literature and theoretical frameworks of Principal-Agent Theory, Lipsky's (1980) Street-Level Bureaucracy, and Bottom-Up Policy Perspective.

This chapter begins with a description of each college, followed by a brief description of the faculty participants in this study. The chapter proceeds with a discussion of the significant themes that emerged from the data analysis and a cross-case comparison. Finally, the chapter concludes with a brief summary.

Context and Demographics

Settings

The settings for this study were the campuses of two North Carolina Community Colleges. Both institutions have been assigned pseudonyms for the purpose of maintaining confidentiality. Western North Carolina Community College (WNCCC) is located in the Blue Ridge Mountains of North Carolina and has an enrollment of 1,120 students representing a student population that is 86% white, 7% Latino, and 3% African American. At the time of the

study, the institution composed of a main campus complex and additional sites housing a small business center, advanced manufacturing center, and career center. Approximately 32% of the 147 instructional faculty are full-time, while 68% are considered part-time. The mission of WNCNC is to provide student-centered, accessible, high-quality educational opportunities and services that fulfill the personal development, training, and employment needs of residents, businesses, and industries through an open-door admissions policy.

Located in Eastern North Carolina, Eastern North Carolina Community College (ENCCC) has an enrollment of 3,402 students representing a slightly more diverse student population that is 60% white, 21% African American, and 13% Latino. Similar to WNCNC, ENCCC operates multiple sites, including a main campus, an aviation complex, business and industry center, and satellite campus on a nearby military installation. Approximately 41% of the 307 instructional faculty are full-time, while 60% are considered part-time. The mission of ENCCC is to meet the educational, training, and cultural needs of the communities it serves.

Although one-third the size of ENCCC, WNCNC's organizational chart is similar but representative of an institution lacking the organizational capacity and resources of ENCCC. WNCNC's executive leadership includes the President, a Vice-President for Finance and Administration, a Vice-President for Learning and Student Services, an Executive Director for the Foundation, a Resource Development Officer, a Director of Technology, a Director of External Relations, and Director of Institutional Effectiveness. ENCCC's executive leadership includes the President, a Vice President for Administrative and Financial Services/Chief Financial Officer, a Vice-President of Academic and Student Services, an Associate Vice-President of Academic and Student Services, an Associate Vice-President of Continuing Education Services, an Associate Vice-President of Administrative Services, an Associate Vice-

President of Human Resources, Marketing, Safety, and Compliance, an Associate Vice-President of Institutional Effectiveness/Chief of Staff, an Executive Director for the Foundation, and an Executive Director for the Business and Industry Center and Works Initiative. Both institutions refer to their executive leadership team as the President's Council. In addition, ENCCC has five academic curriculum divisions, with each division led by a division dean. Department chairs and/or program directors oversee each academic discipline within the division. There are twenty-two different department chairs/program directors throughout the five academic curriculum divisions. Transitional programs for college and career include areas such as basic skills and adult high school and falls under the Associate Vice-President for Continuing Education Services. WNCCC employs two academic deans who oversee the entire campus. The Dean of Health Sciences oversees all academic programs related to allied health and health sciences. There is one department chair within health sciences. The Dean of Academic Programs oversees all other remaining academic areas. Within these areas there are three department chairs. Basic skills and adult high school fall under the Director of Career and College Readiness, which reports directly to the Vice-President of Learning and Students Services.

A review of the 2019-2024 strategic plan shows that ENCCC makes use of a planning council consisting of 35 members. Of those, 18 are permanent members and include each of the President's Council members, the public information officer, each of the five academic division deans, institutional effectiveness staff, and the information technology director. The remaining 17 members rotate from areas such as administrative and financial services/human resources, student services, academic services, workforce continuing education services, and each of the five academic divisions. While the Planning Council at ENCCC is responsible for overseeing a myriad of areas including the Institutional Effectiveness Plan, Strategic Plan, and Academic

Assessment, of particular interest to this study is the reality that within the planning council are sub-committees for each of the seven NCCCS performance measures. Each sub-committee is chaired by a member of the planning council, with each chair responsible for creating a membership of appropriate members outside of the planning council. Each committee is responsible for meeting at least twice each academic year to evaluate the previous year's performance measures report and discuss improvement strategies. Each sub-committee chair is tasked with completing a year-end report that evaluates the effectiveness of past strategies/action items and creating new strategies/action items for the next year. Some of the sub-committee chairs are permanent members, while others are members who will rotate off every two to three years. A review of the strategic plan at WNCCC showed no similar initiatives at the institution.

In 2016, ENCCC was reaccredited through the Southern Association of Colleges and School Commission on Colleges (SACSCOC) and is currently in the middle of a Quality Enhancement Plan (QEP) that is addressing academic advising and academic planning within the college transfer student population. The fifth year report will be due in 2021. By contrast, WNCCC is getting ready to begin its reaccreditation process through SACSCOC. The last QEP at WNCCC involved the creation of an academic resource center.

Participants

There were twenty faculty participants interviewed for this study, with ten representing WNCCC and ten representing ENCCC. All faculty were full-time and taught specific disciplines in the areas of curriculum math and English, college transfer, basic skills, and licensure programs. There were three notable exceptions to the above faculty at WNCCC. Due to its overall size, WNCCC employs one full-time English instructor, thus a full-time pre-curriculum English instructor replaced the second curriculum English faculty. In addition, both of the basic

skills faculty members were part-time and worked 20 to 25 hours per week. Each participant in this study was assigned a pseudonym for the purpose of providing individual confidentiality.

Table 1 provides a summary of faculty by sex, years of service, and academic discipline.

Themes

Themes emerged as a result of the review of relevant documentation and participant interviews. Relevant documentation was retrieved from the websites of both institutions, as well as the North Carolina Community College System website. All documentation was publicly available and included Board of Trustees meetings, strategic plans, performance measures success reports, budget allocation reports, and organizational charts. Board of Trustees meeting minutes were only publicly available for WNCNC and included years 2017 through 2019. No Board of Trustees meeting minutes were available at ENCCC. Strategic plans included WNCNC's 2015-2020 plan and ENCCC's 2013-2016 and 2019-2024 plans. The performance measures success reports reviewed were years 2014-2019. Budget allocation reports were reviewed for each institution and included fiscal years 2017-2019, these being the only years publicly available. The current organizational charts at both institutions were available online. Table 2 provides a summary of all the documents reviewed per institution and the academic years for the reports. Interviews were recorded and transcribed using Otter AI software, and each of the resulting transcripts was carefully reviewed to ensure the fidelity of the spoken word. Interviews lasted between thirty minutes and one hour for each participant. At ENCCC, each of the interviews was conducted in the participant's office. Eight of the ten interviews at WNCNC were conducted in a vacant office centrally located on campus. The remaining two interviews occurred at WNCNC's small business center, which houses basic skills. Observations occurred within the natural setting of the research site and were unstructured. Observations were

Table 1

Faculty Participants by Institution

Institution/ Participant Name	Sex	Years at Institution	Academic Discipline
Western North Carolina Community College			
Elaine	F	<1	Basic Skills
Bethany	F	1.5	Basic Skills
Aaron	M	8	Basic Law Enforcement Training
Clint	M	10	Biology
Susan	F	14	Nursing
Jessica	F	15	Mathematics
James	M	18	History/Sociology
Donna	F	23.5	*
John	M	24.5	*
Joann	F	28	Mathematics
Eastern North Carolina Community College			
Stacie	F	4.5	Mathematics
Roslyn	F	5	Transitional Programs for College & Career
Jocelyn	F	6	English
Adam	M	6	Biology
Chuck	M	6	Psychology
Sam	M	7	Nursing
Mark	M	10	Basic Skills
Gwen	F	13	Emergency Management Services
Stephanie	F	18	Mathematics
Ron	M	22	English

Note. *Academic discipline withheld to maintain confidentiality.

Table 2

Documents Reviewed by Institution

Document Type/Year	ENCCC	WNCCC
*Board of Trustees Meetings (2017-2019)		•
Strategic Plan (2015-2020)		•
Strategic Plan (2013-2016)	•	
Strategic Plan (2019-2024)	•	
Performance Measure Success Reports (2014-2019)	•	•
Budget Allocation Reports (2017-2020)	•	•
Organizational Charts	•	•

Note. *Board of Trustees meetings were not publicly available at ENCCC.

documented using field notes and focused on the body language, facial expressions, and other non-verbal communications of study participants. Observations did not meet the traditional standards of direct-observations that occur within the natural setting of the research site such as meetings, interactions, or classrooms. Once I was in the field, the direct observations I originally thought would add value to the study did not, in fact, offer much value at all. Instead, I focused on the other sources of data, particularly participant interviews.

Manual coding was used to organize and analyze the data gathered from the semi-structured interviews. The interview protocol of this study closely followed the previously explored literature and theoretical frameworks of Principal-Agent Theory, Lipsky's (1980) Street-Level Bureaucracy, and Bottom-Up Policy Perspective and allowed for the creation of thematic categories. In addition, the review of institutional documentation allowed for greater specificity within the interview questions. Given the interview protocol's connectedness to the literature of the study's theoretical frameworks, starter codes were specifically generated from the literature and employed during the first reading of the transcripts. As discussed in Saldana (2016), qualitative data requires multiple passes and reflection, thus the transcripts were reviewed multiple times. During the second review of the transcripts, new emergent codes were identified, as well as the creation of categories of data. I also noted and highlighted direct quotes in the transcripts that illuminated concepts or theories discussed in the literature. Using these categories of data, themes were developed prior to the third review of interview transcripts. Initially, there were four themes and 8 subthemes; however, during the third review, the issue of fairness was identified as a significant subtheme regarding how faculty respond to performance funding. In addition, a new theme emerged regarding the impact of external agencies on the out-of-class faculty experience.

Six major themes and four subthemes emerged from the collected data of this study regarding how the experiences of community college faculty are shaped by performance funding initiatives:

1. The awareness of performance funding measures is relative to faculty member's obligations within the institution and their overall desire to be informed
 - a. Faculty are familiar with performance funding, but lack specific knowledge
 - b. The dissemination of information regarding institutional performance varies and is dependent upon the sharing of information
2. The institutional response to performance funding measures is dependent upon the organizational capacity and budgetary capabilities of each institution
3. How performance measures shape the in-class faculty is dependent upon the institution and overall perceptions of faculty
4. Institutional focus on retention and success have indirect impacts on the in-class experience
5. External agencies add institutional responsibilities that shape the out of class faculty experience
6. The faculty response to performance funding measures varies according to the institution
 - a. Fairness is a matter of perception
 - b. There is a lack of faculty opposition to performance funding

Faculty Awareness Relative to Job Roles

The awareness of performance funding measures is relative to faculty member's obligations within the institution and their overall desire to be informed. Faculty are familiar

with performance funding, but lack specific knowledge. Study participants were generally familiar with the concept of performance funding, but lacked specific knowledge of actual performance measures, particularly those measures that are not directly tied to their academic discipline. The faculty at ENCCC who were found to be familiar, but lacking specific knowledge, were all aware that performance measures provide additional funds to the overall operating budget, but were unaware of funding totals. Jocelyn stated, “I don’t pay so much attention to the money side. I think I focus more on what our students can and cannot do. The money is a secondary concern.” Sam added, “I don’t know what percentages are being looked at, but I do know that you have to maintain a certain percentage to receive a certain level of funding.” Due to their involvement with the planning council and performance measure subcommittees, two of the ten faculty at ENCCC were found to be familiar and more knowledgeable than the other participants. Stephanie indicated that she had been on the planning council for nine years and had been the chair of the math performance measure subcommittee for five years. Stephanie indicated she considered herself to be “the resident expert on the math performance measures” and that she had spent a lot of time reviewing math performance outcomes over the previous five years. Gwen stated that she had been on the planning council so many years that she couldn’t remember not being on it. Gwen was also the subcommittee chair for licensure pass rates. Both Stephanie and Gwen discussed the NC Performance Measures for Student Success Report and voiced their understanding of the reporting process. Gwen and Stephanie each indicated they had attended previous “performance summits” sponsored by the NCCCS each year summer in Cary, NC. While Stephanie and Gwen were found to be familiar with and knowledgeable of performance funding, neither knew to what extent their institution received performance allocations. Interestingly, when asked about the impact of performance

funding on the institution, Gwen stated, “I know we’re here for education, but ultimately it (ENCCC) is a business, and it has to be funded in order for the programs to get the equipment they need and to be the best programs they can be. Licensure pass rates are extremely important to our business.”

Faculty at WNCCC were found to be diverse in their familiarity, or lack thereof, with performance measures. Five of the ten faculty at WNCCC indicated they had no knowledge of performance funding. Susan indicated, “I really, probably, have no understanding of it at all whatsoever.” John added that he “had never heard of it.” Jessica offered, “I do not know anything about that” and “I just do my job to the best of my ability and hopefully when they pull data, it’s good.” Aaron stated that he didn’t “have a vast knowledge” of performance funding. Each of these faculty, excluding John, all taught in areas with discipline specific performance measures. Similar to ENCCC, five of the ten faculty at WNCCC were familiar with the concept of performance funding, but unaware of the funding totals for the institution. James stated that he had no idea how performance funding dollars were allotted for institutional expenses or initiatives. Joann stated that she understood WNCCC had done fairly well on the performance measures, but added “as far as the amount of money, I don’t know.” Bethany was found to be the most knowledgeable faculty member, but was one of the newest faculty members interviewed. She indicated that she had participated in personal professional development through a nearby state university designed specifically for college and career readiness faculty, which increased her overall knowledge.

Flow of Dissemination

The dissemination of information regarding institutional performance varies and is dependent upon the sharing of information. Nearly all participants indicated that information

typically flows from either the president's office or the Office of Institutional Effectiveness at ENCCC. Aside from Stephanie and Gwen, who were on the Planning Council, no other faculty indicated they were aware of faculty led meetings in which performance measures or funding were discussed. Most study participants indicated they received most of their information concerning performance funding from administrators at campus-wide gatherings or other formal meetings. At ENCCC, Convocation is held each year in August prior to the first day of classes. Convocation is led by the President's Council, with each of the members allotted time to speak on matters or issues specifically related to their areas. Stacie offered that she received most of her information regarding performance funding from either Convocation or her division meeting that occurs at the beginning of the semester each fall. Adam stated, "At Convocation we go through some of that stuff, and they have a review of the previous academic year." Sam added that it's addressed at convocation, "but that's probably where nursing faculty get most of their information" and "we get updates from our Division Dean periodically, but most information comes from Convocation." Chuck added that the information shared at Convocation was more along the lines of "matter of fact" than discussion: "There's not a lot of discussion in Convocation about what we need to do to get where we need to be." He added, "We've always been pushed by administration to do the best we can... I only hear about it when things aren't as good as maybe they need to be." Chuck felt like most of the pertinent information concerning specific performance measures is shared at the individual performance measures subcommittee meetings.

The Planning Council at ENCCC is a significant source of information for a variety of campus issues, but specifically for performance funding. However, the dissemination of information from Planning Council is dependent upon the members taking the information back

to their respective departments and sharing. While Stephanie stated “everything comes through the Planning Council,” she acknowledged that “I think I know a little more about performance measures because I am on the Planning Council and I am the chair of the math performance measure subcommittee.” Gwen echoed similar thoughts as the subcommittee chair for Licensure Pass Rates. As evidence of this dynamic, Ron and Jocelyn, who are both English faculty members, were unaware of an English performance measure subcommittee within the Planning Council. Jocelyn stated that it made sense to have such a committee, but didn’t surprise her that she didn’t know. Ron added, “I probably should have known, but I don’t.” When pressed further as to why they didn’t know, neither was willing to lay blame at the feet of the subcommittee chair, who was a fellow English faculty member, for a failure to communicate. Jocelyn stated, “I would like to know more because everyone’s uncomfortable when they are ignorant. So sure, it would be nice to know more about it, but I am not sure about the best way to do that.”

In addition to Convocation, Planning Council, and the individual performance measure subcommittees, the president at ENCCC produces a newsletter every two to three months. A review of the most recent presidential newsletter indicated that it was mainly a source of good news regarding campus events and happenings and a location for the president to offer congratulatory remarks to faculty who had received awards or had been recognized in the community. Roslyn was the only faculty member to reference the president’s newsletter, but she indicated that she felt disconnected from the rest of campus as a continuing education faculty member. Roslyn stated that she used to receive most of her information from her administrative supervisors, who recently retired. Now she feels as though she has to find out information on her own and offered that “occasionally we do get a ‘you’re doing good,’ but not so much as before the retirements.” Mark, who is also located in Continuing Education, echoed similar thoughts

concerning the deprivation of information following the recent retirements. Mark stated, “We used to have meetings every week, now every couple of months, but we were much more informed when we had regular meetings.” In regards to the retirements and the filling of those vacancies, Roslyn indicated that those roles had been filled, but it was through the shuffling of current faculty and staff, and she added, “Right now a lot of people are taking on multiple roles and changing hats.” The president at ENCCC also hosts a monthly Coffee with the President event at which he discusses the current state of affairs at the college. Each of these events occurs from 7:30 a.m. to 8:30 a.m. Two faculty members referenced these events, but offered that they rarely attend. Mark explained, “When he first started having them, I attended regularly, but they are largely attended by staff and only the president speaks. There is not really an opportunity to ask questions.”

Participants at WNCCC painted a much different picture of their organization’s effort to share information. Similar to ENCCC, information at WNCCC is generally shared by either the president, vice-president, or director of institutional effectiveness. All participants indicated that WNCCC has college wide meetings once or twice a year, and news regarding performance funding is typically shared at one of these meetings. There was no indication that WNCCC utilizes any formal campus committees similar to ENCCC’s Planning Council or performance measure subcommittees.

Participants generally demonstrated less enthusiasm for campus wide meetings and downplayed their significance. James stated:

Departmentally, we never discuss it. Either amongst the faculty or with the department chair or dean. Once a year, we’ll come together and have a professional development

meeting, and sometimes the Director of Institutional Effectiveness, President, or Vice-President will mention performance measures and its funding.

When asked how often faculty are addressed regarding performance funding, Donna replied, “We’re not, other than it’s generally brought up in once-a-year meetings, but it’s not a regular discussion.” Jessica and Donna both indicated that performance funding information usually originates from the Director of Institutional Effectiveness via email and is then shared at the campus meetings. Elaine stated, “I don’t look at the information. I don’t feel restricted to the information necessarily, but it’s not useful to me in the classroom.” Other faculty indicated that they were a little more skeptical of the sharing of information and the faculty’s overall knowledge of performance funding. Clint indicated that he didn’t have a high need to know, but added, “A little more transparency would be of value. I feel like we get enough information, but I think there could...I would appreciate more.” When asked if she felt like faculty were well aware of issues such as performance funding, Susan offered, “I don’t know that I would say that. I think it would depend on the faculty. Let’s just say aware, I don’t know that I would say well aware.” Jessica stated, “The one common thread on this campus, even with an administration change, is communication is poor, always has been for as long as I’ve been here.”

Performance Funding Relative to Institutional Capacity and Capabilities

The institutional response to performance funding measures is dependent upon the organizational capacity and budgetary capabilities of each institution. ENCCC and WNCCC varied greatly in both their organizational capacity and budgetary concerns. As an average sized institution, ENCCC possesses a robust organizational chart along with sufficient historical student enrollments and corresponding operating budgets. At nearly one-third the size of ENCCC, WNCCC faces significantly lower student enrollments and operating budgets. A review

of enrollment and budget data on the NCCCS website shows that between 2014-2015 and 2018-2019 WNCCC experienced a 10.3% overall reduction in full-time equivalents (FTE) and a 3.5% overall reduction in total institutional and academic support budget. Likewise, ENCCC experienced only a 6.5% overall reduction in FTE, but its total institutional and academic support budgets rose 1.9%. Performance based allocations are included within the institutional and academic support budgets, as well. During this same time period, WNCCC's performance allocations were up 18.5% compared to ENCCC's, which were slightly down 1.1%. It is important to note, however, that ENCCC experienced four consecutive years of growth in performance allocations between 2014-2015 and 2017-2018, with 2018-2019 being the outlier. Even with WNCCC's considerable growth in performance allocations, its budget is still nearly one-third that of ENCCC. Several participants at WNCCC voiced concerns regarding recent reductions in force (RIF) that had largely impacted faculty positions. In addition, several WNCCC participants interviewed for the study were the sole faculty presence in their respective areas, whereas nearly all of the participants at ENCCC belong to departments that utilized five to ten full-time faculty members, plus a department chair or program director. A review of available documents or participant accounts did not reveal any formal committees at WNCCC similar to the Planning Council at ENCCC.

An iteration of the Planning Council at ENCCC has been in place since at least the early 2000s. Prior to performance funding, the planning council was primarily used as a forum to prioritize planning objectives for equipment. One participant stated, "Back in the old days, the Planning Council was like horse trading in the Wild West. If you had a planning objective you wanted funding for, you found a way to make allies in another area and simply traded votes." The current iteration of the Planning Council at ENCCC took shape at the same time as the

inception of the most recent NCCCS performance funding model in 2012. During this time, it became much more refined and serves three primary purposes: (1) to guide the college's planning and institutional effectiveness process, (2) to serve as liaisons for the various planning groups and units, and (3) to ensure continuing compliance with SACSCOC. As previously discussed, within the Planning Council each of the seven NCCCS performance measures has individual subcommittees, with a member of the Planning Council serving as the responsible subcommittee chair. The memberships of these committees range from four to seven members.

While the majority of participants interviewed at ENCCC were largely unfamiliar with the details of the Planning Council, the impact and presence of the Planning Council was obvious. While Gwen and Stephanie had served on the committee for a number of years, and Chuck had recently served on the math performance measure subcommittee, other faculty members recalled ways they had seen the Planning Council in action as well. Jocelyn and Stacie both referenced ways in which they had seen impacts to the way faculty advised and the prioritization of math within academic programs. Both indicated that, through the work of the Planning Council most academic programs across campus had adjusted their curriculums in order for math to be taken during the first two academic semester. Jocelyn explained, "Our dean, in coordination with the college transfer advising center director, designed advising sheets for all college transfer faculty use so that we are constantly reminded to put students in English and math first."

The Planning Council at ENCCC is a significant commitment to performance funding and is indicative of the administration's response to the pursuit of performance excellence. In regards to the institutional response to performance funding, Chuck stated, "The institution takes

it (performance funding) seriously, the allocation of human resources to those subcommittees shows that they're taking it seriously." Stephanie offered:

When the performance measures first came out, we, as a Planning Council, jumped on them. I've been at other events across the state, and colleges are just now getting on board with this idea. I think we've been in the forefront of making decisions to try and improve our performance measures.

Gwen added, "All these performance subcommittees have made a big push to make sure the performance measures are where they need to be or at least putting them, in regards to priority, where they need to be."

The majority of participants at WNCCTC were concerned about the budget constraints and the pressures being placed on faculty, including recent reductions in force. James stated:

Obviously, we've had tremendous budget cuts, which over time has just placed inordinate duress on various aspects of the institution. Faculty and staff at times are stretched too thin. Faculty are getting together a couple of times a year to take care of landscaping, trimming bushes, weeding flower beds, cleaning bathrooms and classrooms. I mean the budget is terrible, it's a terrible situation with faculty and staff cuts now, year in and year out. At some point you begin to wonder if they can't take any more flesh, when will they take the body.

It is important to note that James' last statement regarding flesh and the body was in reference to campus consolidations in an effort to save costs. James was the only participant to reference consolidation. Joann offered that budget concerns weigh on faculty more than anything else, including performance funding. "We're very concerned with the budget here. For four years now, it has just been the thing that weighs on us, knowing that we may not have materials to

work with in our classroom.” When asked if the budget was a concern for him, Aaron stated, “Absolutely, sometimes I can ask for certain things, and I get it, other times I get the hard “no” and “try again some other time.” Aaron also voiced concerns with what he sees as a lack of staffing in his area as well. Within his program area, it is only him and one other Qualified Assistant (QA). He stated that between 2017-2018 and 2018-2019, his area saw an increase of nearly 300 students, but he added, “The struggle keeps coming at us with budgeting woes and a lack of resources.” According to Aaron, within the Basic Law Enforcement Training (BLET) program, resources such as training vehicles, guns, and ammunition are always an issue. Criminal justice education training standards requires that WNCCC have four fully operating training vehicles. Aaron indicated that WNCCC currently had six cars, four of which were currently operating. Aaron stated that he desperately needed cars and had sought out grant opportunities through Homeland Security in the past. Aaron added, “I have no clue how to write grants, so I wasn’t surprised to be turned down.” Bethany voiced similar concerns within basic skills. According to Bethany:

The first thing that’s cut is career and college readiness (CCR). The cuts definitely affect us. The budget is what it is; we have very few resources. The internet is my best friend because I can get worksheets without having to have a textbook, which we don’t have the budget for. Occasionally, we will get to order some things and we scrounge around to find things for our classes.

While Clint voiced concerns regarding the budget and recent RIFs, his tone was much softer and sympathetic towards the administration. When speaking about RIFs Clint stated, “People are shocked first and then outraged, but my personal opinion is that it’s been relatively human.” He added:

I see both sides of it very clearly. I don't know that everybody else does. People are just..., they get it in a corner somewhere and they forget that there's a bigger world within the campus. It was interesting to watch people...finally have the blinders removed. From my perspective, I've seen a very humane administration trying their best to negotiate a very difficult circumstance.

When harkening back to the topic of faculty and staff helping in other areas such as the campus landscape, he stated, "I remember an email coming out about working in the garden, and I thought to myself, yeah, that's where we are as an institution." Clint and other participants all agreed, however, that helping with activities such as campus landscaping was completely voluntary.

Performance Measures Relative to Faculty Perceptions

How performance measures shape the in-class faculty experience is dependent upon the institution and overall perceptions of faculty. While faculty workload is a small part of the in-class experience for faculty, faculty at ENCCC and WNCCC shared very different experiences regarding workload. ENCCC is 15-22 contact hours, with full-time faculty adhering to an unwritten expectation of 18 contact hours each semester. The expected faculty workload at WNCCC is 18-21; however, most faculty indicated they teach far more contact hours than is expected. While no faculty at WNCCC referenced their teaching load as a source of conflict, five of the ten faculty indicated they teach significantly more contact hours than the expected 18-21. James indicated that he typically teaches 33-36 contact hours in the spring and around 45 each fall. James was by far the most extreme, but Donna, John, Jessica, and Clint all indicated they taught 24-28 contact hours each semester as well. Clint shared that as a result of a partnership between WNCCC and another NCCCS institution, he taught an online science course for the

partner institution, with 100 students enrolled during spring 2019. All faculty acknowledged they received “overload pay” for each additional hour over 21. As a single mother, Donna stated that the overload pay had allowed her to put two kids through college and made a huge difference in her household. Each of the above WNCRC faculty were appreciative of the opportunity to earn additional income.

All ten participants at WNCRC indicated that performance funding had no direct impact on their in-class experience, compared to only four of ten participants at ENCC. Some of the participants at WNCRC and ENCC were emphatic in their assertion that performance funding had not impacted their in-class experience while offering very direct statements such as “I don’t think about it”, “not at all”, “none whatsoever”, or “never enters my mind.” Other participants focused their response on their individual teaching style and/or student success. At WNCRC, Jessica stated, “I’m just trying to help students pass. I teach to the best of my ability, that’s all I’m thinking about.” Jessica noted that math faculty collectively adopted a flipped classroom model during the last academic year, but she added, “Any changes we have made have been the result of the challenging attitudes and practices of students involving technology and devices.” Donna, too, felt that she teaches to the best of her ability and noted that her primary task was to prepare students for transfer. “I don’t do anything differently based on funding; I want my students to get the same experience in my classroom that they would get at any four year institution.” Likewise, Bethany wasn’t concerned with performance funding, stating, “I have never taught to the test. That’s not my thing; I think learning should be fun.” Joann was a little broader in her response, stating that “WNCRC puts our students first. We want them to learn and we are going to give them our very best effort.” She also doubted that any faculty would feel as though performance funding had impacted their classroom.

While fewer participants at ENCCC believed performance funding had not impacted their in-class experience, those who didn't indicated they were also focused on student success or their individual teaching styles as opposed to performance funding. Adam and Jocelyn both felt their primary concern was always the success of the student. Adam added:

I spend a lot of time thinking about a lot of things, but performance funding isn't one of them. My task as a teacher is to teach all of my students to the best of my ability and I can't do that if I am consumed by things out of my control like performance funding.

Chuck felt his primary responsibility was to prepare his students for transfer to a four year institution. "I run my classes how I expect them to run at the university so that my students aren't so shocked once they transfer." Of the four participants at ENCCC who indicated performance funding had not impacted their in-class experience, each stated that the specific language of performance funding did not cross their mind as they taught their classes.

Of the participants at ENCCC who felt as though performance funding had directly impacted their in-class experience, most attributed additional stress or pressure as the most common outcome. Ron stated:

I've noticed more external pressure than in the past. I can't say that it is overwhelming, no one is there looking over my shoulder as I teach, but at the same time I am very aware of it. We talk about it (English success performance measures) in department meetings and that does affect how I teach in the classroom in terms of the things I choose to emphasize or the concepts I cover in greater detail.

When asked for clarification regarding his use of "external pressure," Ron added that he was specifically referring to administrative pressure, noting, "There have been times in the past where it has been far heavier, but at the moment it doesn't seem to be quite so heavy handed."

Roslyn noted that teaching transitional studies had always been difficult, but the addition of performance measures and alterations from one year to the next made an already challenging job that much more difficult. Roslyn felt that the worries of student attendance and participation in conjunction with measurable skill gains created an environment that “was constantly stressful.” While Roslyn felt as though her job was stressful, she didn’t feel as though the stress was created from within the institution, but rather was a product of initiatives being passed down to institutions from the NCCCS. Gwen also felt that performance measures had added additional pressures to her classroom. Gwen stated:

We have always wanted our students to get the education they deserve, we want exceptional EMTs and paramedics treating our community, but there’s an added pressure now to make sure they not only pass the program, but that they pass the licensing exam on the first attempt.

Gwen felt that the performance measure had forced her and her colleagues to spend more time teaching topics such as study skills and note taking. As part of their program, they also now work with students on test taking strategies in an effort to reduce the number of students having to retake the licensing exam. Stephanie and Stacie both felt that performance funding had directly added pressure or stress to their in-class experience. Stephanie stated, “There has always been a pressure inside the classroom to try and make sure our students are successful, but now there’s always that “we need a green light” in the back of our mind.” Similarly, Stacie felt as though performance measures place additional stress on faculty to make sure students are successful, while failing to account for the differences in students’ abilities and life situations.

In-Class Experience Relative to Retention

Institutional focus on retention and success have indirect impacts on the in-class experience. While participants at WNCCC and ENCCC had differing opinions regarding the impact of performance funding on their in-class experience, it was obvious that student retention and success were as important, if not more so, in shaping the faculty experience. ENCCC was noticeably more invested, as an institution, in pursuing student retention and success than WNCCC. As part of the Strategic Plan for Institutional Effectiveness at ENCCC, each academic program identifies intended program outcomes (POs), assesses those outcomes, and uses the results to make improvements. As noted by participants and confirmed by reviewing previous PO reports, each academic program's PO was programmatic and institutional retention. As part of the assessment report, each academic program is provided a standard template that includes the previous year's fall to fall and fall to spring retention data. Included in the report is a baseline, which is the previous three years' average, and a standard and target. Both the standard and target are selected by the program faculty based on the established baseline and programmatic data. Beginning in 2018-2019, program reports only included fall to fall retention. Much like the performance measure subcommittee reports, each of the PO reports includes strategies to increase programmatic and institutional retention, and most academic reports utilized between two and five individual strategies. Strategies included items such as opening labs for students to remediate content already covered, implementing retention software, creating cohorts with activities for first year students, and adding more intensive writing assignments. The PO reports are due each April and are completed by the appropriate program director, department chair, or academic dean.

In addition to the PO reports, faculty at ENCCC also submit retention and success data at the end of each academic semester. Faculty are responsible for collecting and submitting three pieces of information for each class: (1) the number of students at the 10% point, (2) the number of students who finished the class, and (3) the number of students who successfully finished the class with a C or better. These data are entered into a departmental spreadsheet that includes each of the classes taught by the instructor, as well as by the other faculty within a given department. Each department's spreadsheet is sent to the Office of Institutional Effectiveness.

The majority of participants at ENCCC indicated that retention and success are a vital part of their in-class experience. Participants also discussed the relationship between retention and success and academic rigor, specifically noting the challenges of maintaining a balance between quality and student success. Jocelyn provided the clearest explanation of this relationship and the challenges faced by faculty:

I aim to give my students a rigorous experience. I hope that they can be successful, but at the very least I want to retain them because even if they don't succeed the first time, they can a second time. Unfortunately, we treat retention, success, and rigor as three separate things when we turn our data in at the end of the semester, but they aren't. Even if our students aren't succeeding and meeting the rigorous goals we set for them, it's important we retain them and get them to try throughout the semester and perhaps return the following semester and successfully pass a course.

Stacie offered:

The words "retention" and "success" ring loudly in our minds as we're in the classroom because of what we've heard from our higher authorities about retention and success. We know those numbers are looked at and it makes you think about your rigor in the

classroom. Sometimes you want to go more in depth, but you know that some students just aren't capable and you just don't want them to drop the course.

Stephanie added that there was a fine line between retention and success. Stephanie felt that all faculty want their students to be successful, but faculty also want students who aren't successful to remain in the class until the end. "We don't want to drop them," she says. "We want to keep them in class, but we don't want to pass someone that doesn't know what they are doing. So the struggle we face daily is trying to maintain our rigor and quality given our student population."

Adam acknowledged this struggle when he discussed the balance between rigor and the reality that funding is tied to retention and success. Adam felt that too many measures within higher education are focused on retention and success and not on overall academic quality. He referenced the NCCCS performance measures and noted that five of the seven are essentially measures of retention and success and have nothing to do with excellence or programmatic quality. Adam was the only participant who discussed his unwillingness to weaken his standards and added, "I wouldn't do the job if I felt like there was not adequate attention paid to rigor. If I was being pressured or forced to water down my courses to boost retention or success, I wouldn't do the job."

As a nursing instructor, Sam viewed retention and success a little differently. Sam indicated that student retention is a problem for all nursing programs, not just ENCCC, due to nursing shortages. Unlike other participants who felt maintaining rigor was a challenge, Sam indicated the inherent difficulty of nursing programs demanding a balance between the rigor of the program and the need for retention.

Sam stated:

Rigor will take people out of the program. There has to be a balance there. You can teach people how to be a safe entry-level practitioner, which is what the licensure examination is after. So our rigor has to be high enough that a person can be a safe practitioner, but yet, not so hard that we are taking people out of the program who could otherwise pass the licensure exam. There's a fine line you are walking to try and maintain both of those areas. We are constantly looking at retention from a variety of areas, including whether or not the program is too rigorous.

Roslyn and Mark both discussed the challenges of maintaining retention and success standards while trying to manage student populations who often face difficult life situations.

Roslyn added:

In basic skills, our jobs are dependent on us being able to have the students show progress. It behooves us to make sure that every student is taking that seriously. When they stop coming, we have to show that we have tried to get them back and are doing something to keep them active in their educational pursuits.

Both addressed the realities that students are often required to enroll in basic skills due to a variety of life situations and lack personal buy-in. Roslyn and Mark both indicated that the added pressure for retention and success wasn't so much the product of the institution, but rather due to changes to the performance measure for basic skills progress.

Participants at WNCCC were equally concerned with retention and success, but no participants indicated they were concerned with a lack of academic rigor. As previously mentioned, the last QEP at WNCCC created an academic resource center to specifically address student success. The ARC Lab, now almost ten years old, was designed to make additional resources, such as tutoring, readily available to students. A few participants discussed the

forthcoming QEP, which will specifically address student retention and success, but no details were available at the time of the interviews. Participants discussed the importance placed on retention and their responsibility as faculty to help ensure students stay enrolled. Similar to participants at ENCCC, James stated:

Retention is always on the tip of everyone's tongue, including our administration. The institution is funded through full-time enrollments, so our philosophy is customer service, advising, registration, recruit, retain, retain, retain. There's a huge push right now institutionally to kind of move in the direction of covering any and all bases when it comes to retention and recruitment. It's kind of considered the life line of the school.

Clint shared similar thoughts while discussing the importance of retention but offered that, from a business model perspective, it was more cost effective to retain students than find new ones. He explained, "I think there's an expectation that we should be producing a product that students are satisfied with, that they understand what they are doing, and that through advising we are grabbing them and putting them where they need to be." Other participants such as Joann and Aaron also acknowledge the importance of retention and success and the relationship to funding. Aaron indicated that the administration encouraged faculty to try hard and hold onto all students up until the 10% mark or census date. Students enrolled at the census date were counted towards the institutional enrollment and thus part of the full time equivalency for funding purposes.

While all the participants at WNCCC discussed the importance of retention and success, only one participant indicated they felt additional pressure as a result. John stated:

It's been a little more stressful trying to keep those students that are on the edge from dropping off. You have to go that extra step, maybe make phone calls or send extra

emails to make that personal connection. Faculty have had to become therapist and counselors in order to help our students. The days of faculty just teaching are long gone. John's comments also were similar to some participants at ENCCC. Ron stated, "I have had to have cheerleading sessions with students while trying to convince them to stay in the class. I can't say I wouldn't have done that in that past, but it seems to happen more frequently these days." Stephanie also indicated that she tries to reach out to students more through phone calls or emails in an effort to encourage students to keep working hard. She explained, "There used to be a time when students came to class because they wanted to; now we spend an awful lot of time trying to track them down, see what's going on, and act as their cheerleader." While it was more work, Stacie felt as though she owed it to the student to go the extra mile. She added, "I could just drop students from my class when they overcut, but I feel like I spend a lot of my time leading up to that by calling them, emailing them, and sending alerts."

Experience Relative to External Agencies

External agencies add institutional responsibilities that shape the out of class faculty experience. Excluding those faculty members at ENCCC who serve on the performance measure sub-committees, performance funding did not appear to have any impact on the out-of-class faculty experience at either WNCCC or ENCCC. Faculty obligations at both institutions involved common community college practices such as recruitment, academic advising, communication with students, and grading. At both institutions faculty were required to hold 5 office hours per week. Participants did indicate however that external agencies and accrediting bodies add responsibilities and tasks that require their attention outside of the classroom.

Both WNCCC and ENCCC are involved with accreditation efforts through SACSCOC, with WNCCC just beginning its reaccreditation process and ENCCC halfway through its current

QEP. Both institutions are utilizing full-time faculty from college transfer areas to facilitate the QEP process. While WNCRC has not finalized its QEP, the faculty representative stated that it was going to address student retention and success. ENCCC's current QEP is examining student advising and academic planning within the college transfer student population. As part of the QEP at ENCCC, every college transfer faculty member is required to teach an academic success course, ACA 122, every third semester. These courses are specifically designed for new students and the instructor teaching the courses also serves as the academic advisor until the student completes 30 semester hours and maintains a 2.6 grade point average. Chuck, who is the QEP facilitator, indicated that his responsibilities decreased his course load by half but added significantly more assessment and reporting requirements. As the QEP facilitator, Chuck has also been responsible for scheduling the ACA 122 classes, as well as overseeing the course and providing periodical training for those faculty teaching it each semester. Chuck noted that while his regular teaching responsibilities have been reduced, he regularly has to pick up one or two ACA courses because there are not enough available faculty. In addition to those responsibilities, ENCCC added a retention and success software package for which Chuck is responsible for maintaining. While Chuck offered no negative comments towards his QEP responsibilities, his body language and facial expressions suggested he has grown tired of the process and is ready to get back to a regular teaching load. None of the other college transfer faculty at ENCCC discussed the QEP or referenced their responsibilities.

The previous QEP at WNCRC resulted in the creation of an academic resource center or ARC Lab. As part of the original design of the ARC Lab, most faculty at WNCRC were required to hold at least two of their weekly office hours in the lab in an effort to assist students who were in need of academic assistance. While the previous QEP has been finished for five years, the

ARC Lab remains in place. Half of the participants, all college transfer faculty, indicated that they still spend time in the lab each week. The participants who indicated they did not spend time in the lab each week were either located off campus, taught in a specialized area such as BLET, or had their own lab, as was the case with John. The remaining participants were all very positive regarding the lab and the time they spend there each week. Clint stated, “Faculty really want to get behind things, like the lab, that support student success.”

Aside from SACSCOC, other participants identified accrediting bodies as having significant impact on their academic areas. Nearly all of the faculty who taught in areas requiring students to pass a state mandated test identified their accreditation bodies as significant external agencies. In fact, three of the four faculty in these areas indicated that accreditation standards supersede those of performance funding. At ENCCC, Sam stated that while performance funding was important, “Probably more in our face is the issue with accreditation and with our approval with the Board of Nursing. If we don’t have that, then we don’t have a program, and then performance measures become a moot point.” At WNCCC, Aaron indicated that while performance funding was important, the administrative code of Criminal Justice standards dictated everything he did as a faculty member. For example, Aaron is unable to accept any student who has a Class B misdemeanor within the last five years or any type of felony conviction. Students must also meet minimum physical standards. Similar to Sam, Aaron felt that the criminal justice standards he adheres to supersedes performance measures and adds additional pressures. He noted, “The stress level for me is very high. I feed a large area and have built a rapport with the surrounding agencies I serve. These agencies and their officers trust me to produce the best law enforcement possible.” Aaron added that while he is concerned with the performance measures, he’s more concerned with the success of the students, whether they pass

the exam on the first attempt or third attempt: “The agencies I serve have to know that I am producing capable law enforcement officers, not just officers that do well on a test.”

Performance Funding Relative to Different Institutions

The faculty response to performance funding measures varies according to the institution. Fairness is a matter of perception. The majority of participants at ENCCC viewed performance funding as unfair, whereas most participants at WNCCC viewed performance funding as generally fair or were indifferent altogether. Participants at ENCCC found performance funding to be unfair due to either the specification of individual measures or issues related to the measures viewed to be beyond their control. On the other hand, WNCCC participants generally identified performance funding as fair since all institutions were held to the same measures and/or measures inherently reward institutions and faculty for meeting the already established mission of the institution.

All six of the college transfer participants at ENCCC felt performance funding was unfair. Those participants particularly felt it was unfair to hold community colleges responsible for a student’s poor performance at a senior institution upon transfer. Chuck summed up the collective sentiment when he stated:

It’s nonsense to hold community colleges accountable for these students who transfer to a large university and are away from home for the first time. A lot of these kids are navigating their newly found freedom at the expense of their academic performance, yet it’s our (the community college) fault they do poorly?

Other ENCCC transfer participants felt performance measures were unequally skewed towards college transfer or disciplines located within college transfer. Stacie felt pressure was

unnecessarily placed on college transfer faculty while many of the other faculty groups on campus were completely unrepresented. She added:

We (math faculty) constantly worry about performance funding, so does English faculty, and we (all college transfer faculty) all indirectly worry about our transfer performance. But there are numerous faculty across campus that don't have to worry about a single performance measure.

Likewise, Jocelyn questioned the fairness of some programs, such as nursing or dental, which admit students using limited admission policies. She felt there was a sizable difference in student performance between the select students admitted to the nursing program every year and the rest of the open door campus. Stephanie echoed similar thoughts while acknowledging the open door nature of community colleges. Stephanie added:

The beauty of the community college is that we take any and all students, but that doesn't mean that all our students are prepared for college. The ugly truth is that a lot of students aren't college ready, but we still have to teach them. I wonder what it would be like to only teach students that were above average and eager to learn.

At both institutions, participants took exception to the idea that all colleges were measured equally. At WNCCC, John felt it was impossible for performance funding to be fairly administered when schools differ in location, resources, and student population. For example, Stephanie discussed the reality that ENCCC has not one but two innovative high schools within the county. The early college high school is located on ENCCC's campus, while the STEM high school is located off campus. Innovative high school students typically do not complete their first college level math course until their junior year of high school. However, both the math and English performance measure previously measured student success in those courses within the

first two academic years. Stephanie offered, “We are not always comparing apples to apples; some counties don’t have any innovative high schools and we have two. For years, we have been penalized in math because 200 high school students weren’t taking college math until their junior year.” While WNCCC also had an early college high school on its campus, both James and John viewed early colleges as an asset not available to all colleges. From a student success model, James viewed early colleges as “resource rich” and possessive of a captive audience bound for success. He noted, “If retention is a measure of success, by default, those schools are going to perform better without having to do anything extra. Those students have few options in regards to dropping classes and are generally successful.”

Non-nursing faculty within licensure areas at both institutions disagreed with the licensure pass rate performance measure only recognizing students who pass their licensure exams on the first attempt when some exams allow for multiple attempts. Gwen believed the measure was unfairly superseding the leniency afforded by the exams to each of the test takers: “When do we ever ask a paramedic how many times it took them to pass their certification exam? We don’t, yet our performance measure is holding institutions accountable for a guideline that is non-existent.” Similarly, at WNCCC, Aaron felt that the licensure pass rate performance measure placed a “stigma” on students who didn’t pass the test on the first attempt while adding additional pressure that isn’t necessary. Aaron stated, “Whether it’s the first time, third time, or fifth time, what difference does it make? A pass is a pass.” Contrary to Gwen and Aaron, Susan and Sam, as nursing faculty, were both much more supportive of the licensure exam pass rate. Both participants viewed first attempt success rates as marketing and recruiting tools. Susan stated, “It’s a real plus for us to be able to share our success rates with local providers when

trying to place our students at clinical sites.” Similarly, Sam viewed success rates as “justification for all the hard work put in by both faculty and students.”

At WNCCC, participants who viewed performance measures as fair were much more likely to view them as indicators of personal success. As the only faculty member in her discipline, Donna viewed performance funding as fair and added “I think it’s fair for me because my students do well. I don’t think you should have a problem with it if you’re doing your job and working hard at it.” Jessica shared similar sentiments and added that student success is the job of all faculty members. She found it troubling that there was even a need for performance measures, commenting, “It’s ridiculous that it takes performance measures to make people do their job. If it’s not someone’s goal to help students succeed, then they don’t need to be teaching.” Likewise, Joann found it appropriate to hold faculty to common standards: “If students aren’t being successful, shouldn’t we want to know? I think it’s completely fair to hold faculty to some standard of success.” Clint also viewed performance funding as fair, but offered a more measured response in stating:

Yes, it’s fair as in its being applied evenly across all 58 institutions. I see it as an attempt at control from a central place, which I understand, I guess. We (institutions) are given money and in return something is expected, so that makes perfect sense to me.

While Clint felt performance funding was fair, he was skeptical of its use as an incentive: “In a resource poor environment, the proverbial carrot that is performance funding can quickly turn into a whip.” When pressed further as to how that transpires at WNCCC, Clint offered that he wasn’t sure it had, but felt performance funding “compounds whatever issues already exist due to a shrinking budgets.”

Faculty Opposition

There is a lack of faculty opposition to performance funding. At both institutions, participants failed to voice or demonstrate any real opposition to performance funding. In general, participants at ENCCC and WNCCC viewed performance funding as an added addition to an already challenging job description. However, at ENCCC, participants were much more likely to use the words “pressure,” “fear,” and “resentment” when discussing their response to performance funding and acknowledged that informal conversations between faculty occur.

Stacie offered:

I think, as is the case with most initiatives, there’s informal conversations that happen about performance measures. You know that some instructors don’t have to worry about it because they teach in an area that isn’t specifically tied to a performance measure. It kind of puts a lot of pressure on the ones that do to have to live up to the measures.

Roslyn added:

There is a constant fear due to the fact that even though we’re at the top, every year the state is knocking us down a little more or changing the metrics. We are being asked to do more with less. There’s a lot of stress on us that performance measures doesn’t take into consideration given the real realities of what we do.

Gwen was hesitant to regard faculty conversations as pushback, but added:

I think it puts a lot of pressure on the divisions and the instructors because it’s almost like elementary school end of grade testing. We are being forced to push the test more and more to make sure our students pass it.

Adam scoffed at the idea of any formal opposition to performance funding, but added, “I think individually, everyone kind of has, I don’t want to say a fear, but a little bit of anxiousness about

performance funding becoming the norm or even expanding.” Ron stated, “I don’t think it’s been on a front channel type of thing, it is more discussions within department meetings and in between faculty members, but there is a certain level of resentment.”

Mirroring their perceptions of fairness, the majority of participants at WNCCC indicated there were no conversations, informal or formal, between faculty regarding performance funding. In fact, when asked about opposition to performance funding, most faculty responded to the question with a simple response of “no”. James, Bethany, Susan, John, and Joann indicated that they had never had a conversation with another faculty member regarding performance funding. Clint articulated the sentiment of the group by stating:

You know, it (opposition) hasn’t been presented as an option. I mean...because it’s not, right? So nobody goes around flogging performance funding as either good or bad. It’s part of the landscape. We don’t really talk much about the additional funding that we get based on...I’m trying to think if I’ve ever heard it.

Only one participant at WNCCC voiced an opinion that reflected that of outright opposition. Elaine felt as though performance funding was merely the newest initiative designed to garner attention and that faculty simply will “get with it, roll with it, and do well until the next new thing comes along.” Elaine also viewed performance funding as “just another number” and felt as though “there are things you can do to meet that number.” When asked to elaborate, she stated she merely meant institutions and faculty are very adaptable at responding to system-wide initiatives. Excluding Elaine, all of the participants at ENCCC and WNCCC felt performance funding was here to stay and viewed it as a permanent piece of the higher education landscape.

Three major assertions were derived from this study as a result of the analysis of the individual cases and the cross-case comparison of how the experiences of community college

faculty are shaped by performance funding initiatives. The findings were (1) Faculty experiences are shaped according to the institutions overall capacity and response to performance funding; (2) The awareness of faculty regarding performance funding is dependent upon the institutions efforts to share information; (3) Depending upon the institution, faculty can be seen as both street-level bureaucrats and passive recipients of performance funding initiatives. The conclusions regarding how the experiences of community college faculty are shaped by performance funding initiatives support, in part, the theoretical frameworks of this study, which are principal-agent theory and bottom-up policy perspectives. Principal-agent theory was used due to the multi-directional aspect of performance funding models. Viewing institutions as principals and faculty as agents allows faculty to be seen as street-level bureaucrats and for performance funding to be examined from a bottom-up policy perspective. This study found that the faculty experience varies across institutions due in part to the overall capacity of the institution to respond, the role of the institution as a principal, and how faculty respond to institutional initiatives.

Summary

This chapter presented the findings of the data collected through interviews, observations, and documentation. Themes and subthemes that emerged from this data were presented using passages from interviews in an effort to emphasize the experiences of each participant. A cross-case comparison was also provided. The six themes and four subthemes of this study summarize how the experiences of community college faculty are shaped by performance funding initiatives.

The institutions in this study varied in their overall size, student enrollment, and operating budgets. These differences, in part, help explain differences in the faculty experience at each

institution. ENCCC was found to have sufficient operating budgets, student enrollments, and organizational capacity to respond to performance funding measures. In addition, ENCCC was found to have a large organizational chart, which included prominent structures such as the Planning Council and Office of Institutional Effectiveness. WNCCC had significantly lower operating budgets, student enrollments, and overall capacity to respond to performance measures. WNCCC's organizational chart was much smaller than ENCCC's and was not found to have anything similar to ENCCC's Planning Council. Finally, due to the budget constraints present at WNCCC, participants voiced concern regarding consecutive years of reductions in force which resulted in the loss of faculty and staff positions.

Participants across both institutions generally felt uninformed or were skeptical of the information shared by their institution. While the majority of participants across both institutions indicated performance funding has no impact on their in-class experience, those who did believe it adds additional pressures or stress. These pressures and stress are further exacerbated by an increased focus on retention and success which is the result of constrained budgets and a funding formula that focuses on full-time enrollment. The majority of all participants indicated the pressure of retention and success impacted their experiences as faculty. The experiences of faculty at both institutions were also shown to be impacted by outside accrediting bodies and licensing efforts. Given the differences between institutions, interestingly, not all participants found performance funding to be unfair. Participants at ENCCC were much more likely to view performance funding as unfair compared to participants at WNCCC who either viewed it as fair or were indifferent altogether. Regardless of their views on fairness, participants at both institutions failed to voice any opposition to performance funding measures. Participants at both institutions saw performance funding as an addition to their job description. Participants at

ENCCC, however, were much more likely to describe their response to performance funding using words such as “pressure”, “fear”, and “resentment.” Chapter 5 will provide a summary, conclusions, theoretical and practical implications, and recommendations for future research.

CHAPTER 5: SUMMARY, CONCLUSIONS, IMPLICATIONS, AND FUTURE RESEARCH

The purpose of this study was to compare how performance funding programs shape faculty experiences at two North Carolina Community Colleges. This study was necessary for two reasons. First, existing research indicates that performance funding advocates and policy framers have been successful at communicating the overall goals of performance funding initiatives and creating widespread institutional buy-in amongst senior administrators. Faculty, however, have been shown to be much less knowledgeable of such programs or their impacts (Dougherty et al., 2014). Second, a review of existing literature found no research that solely examined the experiences of faculty regarding performance funding. The experiences of faculty as they relate to performance funding initiatives are equally as important as those of policy framers and campus administrators (Lahr et al., 2014). Findings from this study contributed to the lack of research examining the impact of performance funding on community college faculty. The voices of community college faculty provide rich details of their experiences as they respond to institutional performance funding initiatives and the role they play in shaping organizational culture.

Summary of the Study

This was a qualitative comparative case study of two North Carolina Community Colleges located in western and eastern North Carolina. Relevant documentation was retrieved from the websites of both institutions, as well as the North Carolina Community College System website. All documentation was publicly available and included Board of Trustees meetings, strategic plans, performance measures success reports, budget allocation reports, and organizational charts. Ten participants at each college were selected from academic areas

specifically related to established performance funding measures. Two faculty were selected from the curriculum math department; the curriculum English department; college transfer; basic skills; and licensure programs from each institution for a total of twenty participants. The college settings were selected based upon their student enrollment, budget allocation information, and performance reporting and funding summary data.

Data were collected utilizing semi-structured interviews, document analysis, and direct observation. All interviews were conducted on the participant's respective community college campus and lasted approximately one hour. All interviews were digitally recorded and transcribed with specific attention to the confidentiality requirements of the study. Printed and electronic documents relating to performance funding were collected and analyzed as well.

From this study, six major themes and four subthemes emerged from the data regarding how the experiences of community college faculty are shaped by performance funding initiatives:

1. The awareness of performance funding measures is relative to faculty member's obligations within the institution and their overall desire to be informed
 - a. Faculty are familiar with performance funding, but lack specific knowledge
 - b. The dissemination of information regarding institutional performance varies and is dependent upon the sharing of information
2. The institutional response to performance funding measures is dependent upon the organizational capacity and budgetary capabilities of each institution
3. How performance measures shape the in-class faculty is dependent upon the institution and overall perceptions of faculty

4. Institutional focus on retention and success have indirect impacts on the in-class experience
5. External agencies add institutional responsibilities that shape the out of class faculty experience
6. The faculty response to performance funding measures varies according to the institution
 - a. Fairness is a matter of perception
 - b. There is a lack of faculty opposition to performance funding

Findings

Three major assertions were derived from this study as a result of the analysis of the individual cases and the cross-case comparison of how the experiences of community college faculty are shaped by performance funding initiatives. The findings were (1) Faculty experiences are shaped according to the institutions overall capacity and response to performance funding; (2) The awareness of faculty regarding performance funding is dependent upon the institutions efforts to share information; (3) Depending upon the institution, faculty can be seen as both street-level bureaucrats and passive recipients of performance funding initiatives. The conclusions regarding how the experiences of community college faculty are shaped by performance funding initiatives support, in part, the theoretical frameworks of this study, which are principal-agent theory and bottom-up policy perspectives. Principal-agent theory was used due to the multi-directional aspect of performance funding models. Viewing institutions as principals and faculty as agents allows faculty to be seen as street-level bureaucrats and for performance funding to be examined from a bottom-up policy perspective. This study found that the faculty experience varies across institutions due in part to the overall capacity of the

institution to respond, the role of the institution as a principal, and how faculty respond to institutional initiatives.

Faculty Experiences Influenced by Institutional Capacity

Faculty experiences are shaped according to the institutions overall capacity and response to performance funding. When used as a policy instrument, performance funding has been shown to create new demands on academic institutions. However, as shown in the literature, scarce attention has been paid to the ability of institutions to respond to such initiatives. The capacity to respond varies significantly across institutions according to available resources (Dougherty et al., 2016). Resources, as it relates to institutional capacity, are not limited to only budgetary allotments, but include adequate faculty and staff, physical space/classrooms, policies and procedures, and organizational structures. Dougherty et al. (2016) suggest that performance funding advocates pay little attention to “the capacity of colleges to respond to the demands of performance funding, particularly through effective organizational learning...” (p. 149). The data in this study supported this research while illuminating the differences in organizational capacities to respond at WNCCC and ENCCC. Data from this study suggest, as was exemplified at ENCCC, increased student enrollments and operating budgets lead to larger organizational hierarchies, greater institutional capacity, and institutional oversight which are the bedrock of principal-agent theory. Matland (1995) and Dougherty et al. (2016) suggest that as the institution’s role of principal increases, so too does the opportunity for faculty to act as agents and street-level bureaucrats as they respond to the initiatives handed down by the institution. However, this opportunity is dependent upon the awareness of institutional initiatives by faculty. As was seen at ENCCC, faculty who were not part of the planning council were less aware of efforts such as the performance measure subcommittees.

The institutions in this study varied greatly in their overall capacity and organizational hierarchies. ENCCC employed three times as many faculty as WNCCC and had a significantly larger President's Council. Nine out of ten participants at ENCCC belonged to departments consisting of five to ten faculty members and a department chair or program director. Previous research by Harbour and Nagy (2005) and Natow et al. (2014) found that performance funding influenced institutions to engage in activities designed to improve performance ratings. Examples of this dynamic existed at ENCCC, as it was shown to be significantly more active in its use of campus committees and assessment, both of which had impacts on the overall faculty experience. As an average sized NCCCS institution, ENCCC possessed sufficient budgetary allotments and human capital in the form of administrators and faculty to respond to performance funding through the creation of performance measure subcommittees as part of the institution's Planning Council. In addition to the Planning Council and individual performance subcommittees, ENCCC collects retention and success data from every faculty member at the conclusion of each academic semester through the Institutional Effectiveness Department.

ENCCC's creation and use of the Planning Council, performance measure subcommittees, and the collection of retention and success data exemplifies the Principal-Agent framework. ENCCC's response to performance funding ultimately created a system in which the principal (ENCCC) could monitor and influence the behaviors of the agents (faculty) (McClendon, 2003a). Given that performance funding is embedded within the construct of the planning council, which includes performance measure subcommittees, and is an active part of its five-year strategic plan, the participants at ENCCC were more familiar with performance funding than their counterparts at WNCCC. However, participants at ENCCC were much more

likely to voice feelings of anxiety, stress, and pressure towards performance funding and overall accountability.

Unlike ENCCC, WNCCC was shown to lack the overall capacity to respond to performance funding. There was no evidence of any institutional committees similar to ENCCC's Planning Council or performance measure subcommittees. Contrary to previous research, there appeared to be no real action or activities on the part of the institution to improve or maintain performance ratings. As a condition of their overall size, faculty were much more concerned with the effects of institutional budget constraints which had resulted in reductions in force over the previous several years. The budget woes at WNCCC have created an environment in which the faculty experience has grown increasingly stressful, but not as a result of performance funding. Instead, few faculty viewed performance funding as stressful or problematic. Rather, it was viewed as a positive incentive for doing well and an additional revenue stream for an already financially strapped campus. Furthermore, outside of the information shared at campus-wide meetings, participants indicated that performance funding or measures are not discussed amongst the faculty, either formally or informally.

The findings above indicate that the Principal-Agent dynamic was very evident at ENCCC. The rewards of performance funding have been deemed sufficient enough by administrators to warrant efforts designed specifically to secure compliant behavior from faculty, resulting in increased performance and monetary incentives. This compliance is sought primarily through the use of the performance measure subcommittees, which are responsible for evaluating performance data and developing strategies to improve individual measures. Compliance is further sought through the use of institutional reporting mechanisms in which each subcommittee chair is responsible for submitting strategies and action items to the Institutional Effectiveness

Office. Additionally, subcommittee chairs are responsible for reporting their efforts to the Planning Council periodically. Faculty members serving on the Planning Council and subcommittees have tremendous opportunity to respond individually and as a collective group. However, given the exclusivity of the Planning Council and subcommittees, the ability of faculty to participate in policy shaping activities is limited and completely dependent on the sharing of information by those committee members.

Faculty Awareness Influenced by Institutional Communication

The awareness of faculty regarding performance funding is dependent upon the institutions' efforts to share information. Existing research on performance funding has shown that faculty tend to be less knowledgeable of performance funding initiatives than campus administrators (Dougherty et al., 2014). According to Dougherty et al. (2016), the lack of awareness is a product of the demands placed on faculty, lack of involvement in decision-making matters involving performance funding, and a withholding of information deemed irrelevant to faculty. Participants at both ENCCC and WNCCC indicated that the institutions shared performance funding information at campus wide meetings held each academic year. However, the extent of the information at both institutions was limited and more of a summary of the overall performance report.

While aligning with the institution's overall capacity and response, participants at ENCCC were more exposed to information than their counterparts at WNCCC. ENCCC utilized its Convocation, Planning Council, and performance measure subcommittees to disseminate information. Convocation was the only source of information that was also available to all faculty. All of the participants at ENCCC spoke favorably of Convocation. Each of the participants at ENCCC was familiar with performance funding, but the majority of participants

indicated they desired more in-depth information than provided at Convocation. While the Planning Council and performance measure subcommittees were a significant source of information, a disconnect existed between the faculty who were part of the Planning Council and subcommittees and those who were not. It was apparent that some of the faculty who were on the Planning Council and/or performance measure subcommittees were not actively sharing information from those meetings and activities with their colleagues.

As opposed to the participants at ENCCC, WNCCC participants voiced considerably less enthusiasm for the campus wide meetings. Participants also voiced skepticism in the institution's effort to share information. Participants indicated that communication had been a historical challenge at WNCCC across both years and administrations. As a result, only five out of ten participants at WNCCC were familiar with performance funding. Given the lack of institutional committees such as ENCCC's Planning Council or performance measure subcommittees, faculty at WNCCC were completely dependent upon the administration for the dissemination of information.

Previous research on performance funding and faculty morale indicates that if faculty are unaware of the impacts of performance funding on their campuses, they are much less likely to actively help in shaping their institution's response (Dougherty & Reddy, 2011). Aside from participants at ENCCC who participated in the Planning Council and performance measure subcommittees, participants at both ENCCC and WNCCC lacked specific knowledge of the impacts of performance funding on their campuses. This lack of information undermines the dynamic that is bottom-up policy perspective, as it diminishes the role of the local actors and their role in their institution's response to initiatives such as performance funding (Matland, 1995).

Faculty Negative Perceptions of Performance Funding

Depending upon the institution, faculty can loosely be seen as both street-level bureaucrats and passive recipients of performance funding initiatives. The lack of awareness on the part of faculty has been shown in previous research to erode faculty participation in shared governance, which in turn presents faculty as passive actors and reactive to institutional instructions. However, street-level bureaucracy suggests that faculty see performance funding programs as attacks on their profession, autonomy, and overall expertise. While participants in this study did not voice outright opposition to performance funding or provide examples of faculty pushback, the majority of participants at ENCCC viewed performance funding as unfair. Participants used words such as “fear” and “resentment” when discussing their response to performance funding. Several participants acknowledged that informal conversations occur between colleagues and behind the closed doors of department meetings. In addition to the perceptions of unfairness, four of the ten participants at ENCCC indicated that performance funding had not had any direct impact on their classroom experience. Each of these participants indicated that they choose not to think about performance funding or make instructional decisions based on performance measures. These findings are supportive of Lipsky’s (1980) and Malak’s (2015) research that suggested faculty may choose to apply, adapt, or ignore campus policies aimed at improving performance. These participants have essentially chosen to ignore performance funding and the measures impacting their campus and specific academic disciplines.

Given their overall lack of awareness and institutional capacity, participants at WNCCC were generally considered passive recipients of performance funding. While participants indicated they don’t think about performance or that it hasn’t impacted their in-class experience,

it is unlikely to be the result of defiance or street-level bureaucracy. Instead, the majority of participants viewed performance funding as an extension of their job description. Given the realities of their budget situation, participants generally viewed performance funding as a welcome addition, thus rendering any opposition moot. Also, it is worth noting that six of the ten participants openly declared an appreciation for their job and institution. Statements included “I love my job,” “It’s the best job I’ve ever had,” and “I wouldn’t change a thing about my job.” While these sentiments could be the result of a social desirability effect, participants genuinely seemed happy and content with their work. Participants taught more hours, more students, and were responsible for more ancillary tasks than their counterparts at ENCCC. Given the realities of the budget situation at WNCCC, the data support the idea that faculty at WNCCC are simply happy to be employed given the budget situation and presence of reductions in force.

Implications for Theory and Practice

The findings of this study offer implications for theory and practice from the community college faculty perspective regarding how their experiences are shaped by performance funding initiatives. Relative to theory, implications for examining performance funding through the lens of Principal-Agent Theory, Bottom-Up Policy Perspective, and faculty as street-level bureaucrats are provided. From a practical perspective, implications are provided for community college administrators and faculty regarding performance funding and efforts to better include faculty in such initiatives.

The findings of this study suggest that the experiences of community college faculty are shaped in various ways depending on the institution’s capacity and response to performance funding initiatives. The institutions included in this study were vastly different in not only enrollment and operating budget but also in the overall faculty experience.

Theoretical Implications

The theoretical frameworks that guided this study were Principal-Agent Theory, Bottom-Up Policy Perspective, and street-level bureaucracy. Institutions, while acting as principals, use campus initiatives to elicit behavior from the campus agents (faculty) that are supposed to result in improved performance and financial incentives. Faculty act as street level bureaucrats as they resist, ignore, or modify the campus initiatives and in turn begin to adapt and merge the campus initiatives into the realities of their everyday tasks and responsibilities. The study demonstrated that while performance funding can result in the Principal-Agent dynamic, Bottom-Up policy perspective, and street-level bureaucracy, each of those is dependent upon the sharing of information. When faculty lack familiarity or are unaware of performance funding or its impact on the institution, the ability of faculty to respond or take part in shaping the institutional response is diminished. In addition, Principal-Agent Theory, Bottom-Up Policy perspective, and street-level bureaucracy are dependent upon the institution acting like a principal in their response to initiatives such as performance funding. According to Dougherty et al. (2016), institutions are revenue maximizers and will make significant efforts to improve their performance if funding is deemed sufficient enough. However, institutional efforts often negate demands on faculty time and demonstrate a lack of faculty involvement in decision making processes. As demonstrated in this study, when an institution is small and suffers significant budget constraints, the budget woes take precedent and create greater problems than those of performance funding.

Practical Implications

Understanding how the experiences of community college faculty are shaped by performance funding initiatives is important to all institutions as they develop campus initiatives

aimed at improving overall performance metrics. Practical implications of this study are provided and focus on the roles of both institutions and faculty in positively shaping the faculty experience. In addition, an implication for educational systems is included that addresses their efforts in creating performance funding systems that account for the differences in institutions. These implications were derived from the individual cases, as well as from the comparative case analysis, and are presented in the following section.

Information regarding performance funding and any subsequent budgetary allotments should be readily available to all faculty. Participants at WNCCC and ENCCC voiced a desire to have access to greater information than what was presented to them at campus meetings by administrators. While participants were generally aware of performance funding, several participants voiced frustration over not understanding how the metrics were calculated. An immediate solution would be for institutions to print color copies of the Performance Measures for Student Success report that is released annually. It is important that the copies are in color so that faculty can easily read and digest the report. Along with printing the report, institutions should make information regarding the funds received from each performance measure, as well as the total institutional allotment. At both institutions in this study, participants were unaware of the financial implications associated with the performance measures and desired greater transparency. Participants at both institutions found it difficult to be overly concerned with performance when they couldn't see the tangible impact on their classroom. This is particularly important for faculty who teach in disciplines aligned with specific performance measures such as curriculum English, math, college transfer performance, and licensure pass rates. It is expected that the faculty buy-in would be greater if faculty were able to see the tangible impacts of their efforts in the classroom.

Another practical implication involves institutions' attempts at creating initiatives and response mechanisms that are not inclusive of the entire faculty body. As was the case with ENCCC, information flowed from the top, beginning with the President's Council, down to the Planning Council, on to the performance measure subcommittees. However, actions taken at the Planning Council and subcommittee levels were not being shared as was intended. Some participants at ENCCC were unaware that such subcommittees even existed. The creation of such performance measure subcommittees appeared void of any real shared governance on the part of faculty and were the creation of the previous president as part of a response to performance funding. In some instances, the recommendations and action strategies of the subcommittees appeared to be superficial and irrelevant to the actual work of the faculty. This type of dynamic diminishes the role of faculty and undermines their subject matter expertise. Likewise, it causes faculty to be suspicious of institutional attempts aimed at improving the educational environment.

Given the findings of this study, conditions were present at both institutions potentially leading to the weakening of academic standards. At ENCCC, the presence of the Planning Council and subcommittees, along with retention and success reporting mechanisms, has created an environment in which faculty voiced feelings of stress, fear, and pressure. On the other hand, participants at WNCCC operated in an environment void of any apparent oversight. Furthermore, some participants at WNCCC were the sole faculty in their respective disciplines, and few reported directly to a department chair. While there was no evidence of weakened academic standards at either institution, it is fair to ask how one would know otherwise. As shared by participants, a premium had been placed on retention and success at both institutions. Performance measures such as student success rates in curriculum English and math, first year

progression, and curriculum completion are all measures of successful completion but are not necessarily indicative of student learning. Research has shown that grade inflation is a natural corrective to the inherent pressures of performance funding, as faculty try to balance their own educational standards against those of performance funding which increasingly value retention, success, and completion.

Finally, educational systems should examine performance funding systems while weighing the capability of all institutions to effectively respond. As was shown in this study, institutions such as WNCCC are barely keeping the institution afloat under normal funding conditions. The addition of performance funding initiatives only adds additional pressures that the institution may be incapable of meeting. While participants at WNCCC viewed performance funding allocations as positive additions to the overall budget, performance allocations had been less than \$150,000, or approximately 2% of the total budget each of the previous five years. WNCCC was one example of a small institution with above average performance funding results, but there are other examples of schools smaller than WNCCC with even smaller budgets, lower student enrollment, and below average performance. All institutions are not created equally, and while the performance measures are designed to be measured equally, as was shown in this study, there are stark contrasts in institutions.

Recommendations for Future Research

Some of the findings in this study are consistent with existing scholarly literature on performance funding and its impact on institutions; however, there exists further opportunities for future research. Given the scarcity of research examining the impact of performance funding on the faculty experience, the first recommendation is further qualitative research that includes a significantly larger sample size of faculty participants and institutions. This study only examined

two institutions that were in the 50th and bottom 25th percentiles in enrollment and operating budget, with each representing the top 25th percentile in performance funding. Given that all 58 North Carolina Community Colleges are measured using performance indicators, there remain 56 other institutions and faculty participants available for study.

The second recommendation is a future study that examines the impact of performance funding on adjunct faculty exclusively. Adjunct faculty comprised more than 60% of the faculty body at both institutions included in this study. According to the National Center for Education Statistics, adjunct faculty now comprise more than half of the faculty bodies across the nation and within the NCCCS. While this study included two participants who were considered part-time, it was not reflective of the part-time faculty experience given their position and responsibilities on the campus. Given that the full-time faculty in this study lacked knowledge concerning performance funding, it is almost certain that part-time faculty would be even less knowledgeable. Events such as ENCCC's Convocation and other institutional meetings are rarely attended by part-time faculty given their geographical locations or commitments to other full-time careers.

Summary and Conclusion

This chapter included a restatement of the purpose of the study, setting, methodology, and emergent themes. Also included were the conclusions, theoretical implications, practical implications, and recommendations for future research. The conclusions of the study were: (1) Faculty experiences are shaped according to the institutions overall capacity and response to performance funding; (2) The awareness of faculty regarding performance funding is dependent upon the institutions efforts to share information; and (3) Depending upon the institution, faculty

can be seen as both street-level bureaucrats and passive recipients of performance funding initiatives.

Theoretical implications and practical implications emerged from the findings and conclusions. The theoretical implications includes that the Principal-Agent Dynamic, Bottom-Up policy perspective, and street-level bureaucracy are dependent upon the sharing of information. Faculty cannot effectively respond to initiatives they are unfamiliar with. In addition, Principal-Agent Theory, Bottom-Up Policy perspective, and street-level bureaucracy are dependent upon the institution acting like a principal in their response to initiatives such as performance funding. In cases where other priorities or concerns trump those such as performance funding, the faculty response is focused squarely on the most pressing issue.

Finally, the practical implications of this study include the following: (1) information regarding performance funding and any subsequent budgetary allotments should be readily available to all faculty; (2) an institution's attempts at creating initiatives and response mechanisms should be inclusive of the entire faculty body; (3) performance funding creates conditions potentially leading to the weakening of academic standards; and (4) educational systems should examine performance funding systems while weighing the capability of all institutions to effectively respond.

In conclusion, this study demonstrates that performance funding has varying impacts on the faculty experience. It is important that campus administrators effectively communicate performance funding goals with faculty and subsequently allow all faculty to be part of shaping an institutions response to such initiatives. As was shown in this study, all institutions are not created equally. Institutions with sufficient organizational capacity may over respond which in turn places additional stress, pressure, and fear on the faculty. Other institutions may lack

organizational capacity in general and performance funding is only one of many additional stressors

REFERENCES

- Albright, B. (2009). *Tip sheet: Higher education performance funding 2.0* (Making Opportunity Affordable Initiative). Indianapolis, IN: Lumina Foundation. Retrieved from <http://www.collegeproductivity.org/sites/default/files/resources/TipsheetonPerformanceFunding.pdf>
- Alexander, F. (2000). The changing face of accountability: Monitoring and assessing institutional performance in higher education. *Journal of Higher Education*, 71(4), 411-431.
- Behn, R. (2001). *Rethinking democratic accountability*. Washington, DC: The Brookings Institution.
- Berman, P. (1978). The study of macro and micro implementation. *Public Policy*, 26(2), 157-184.
- Birnbaum, R. (1988). *How colleges work: The cybernetics of academic organization and leadership*. San Francisco, CA: Jossey-Bass
- Bradley, P. (2010, October 18). Reaching the summit: White house summit fixes spotlight on two-year school. *Community College Week*, 6-7.
- Brown, J., & Spies, R. (2015). Reshaping system culture at the North Carolina Community College System. *Ithaca S+R*. doi: <https://doi.org/10.18665/sr.273638>
- Burke, J. (Ed.). (2002). *Funding public colleges and universities for performance: Popularity, problems, and prospects*. Albany, NY: Rockefeller Institute Press.
- Burke, J., & Associates. (2005). *Achieving accountability in higher education: Balancing public, academic, and market demands*. San Francisco, CA: Jossey-Bass.

- Burke, J., & Minassians, H. (2002). The new accountability: From regulation to results. *New Directions for Institutional Research*, 116, 5-19.
- Burke, J., & Minassians, H. (2003). *Real accountability or accountability "lite": Seventh annual survey, 2003*. Albany, NY: Rockefeller Institute of Government.
- Burke, J., & Serban, A. (1998). Performance funding for higher education: Fad or trend? *New Directions for Institutional Research*. San Francisco, CA: Jossey-Bass.
- Campbell, T. & Slaughter, S. (1999). Faculty and administrators' attitudes toward potential conflicts of interest, commitment, and equity in university-industry relationships. *The Journal of Higher Education*, 70(3), 309-352.
- Creswell, J. (2013). *Qualitative inquiry and research design: Choosing among five approaches*. Los Angeles, CA: Sage.
- Cross, P. (1976). *Accent on learning: Improving instruction and reshaping the curriculum*. San Francisco: Jossey-Bass.
- Dougherty, K., Hare, R., & Natow, R. (2009). Performance accountability systems for community colleges: Lessons for the Voluntary Framework of Accountability for Community Colleges. New York, NY: Columbia University, Teachers College, Community College Research Center. Retrieved from <http://ccrc.tc.columbia.edu/Publication.asp?UID=728>
- Dougherty, K., & Hong, E. (2006). Performance accountability as imperfect panacea: The community college experience. In T. Bailey & V. S. Morest (Eds.), *Defending the community college equity agenda* (pp. 51-86). Baltimore, MD: Johns Hopkins University Press.

- Dougherty, K., Jones, S., Lahr, H., Natow, R., Pheatt, L., & Reddy, V. (2016). Looking inside the black box of performance funding for higher education: Policy instruments, organizational obstacles, and intended and unintended impacts. *The Russell Sage Foundation Journal of the Social Sciences*, 2(1), 147-173.
- Dougherty, K., Natow, S., Bork, R., Jones, S., & Vega, B. (2013). Accounting for higher education accountability: Political origins of state performance funding for higher education. *Teachers College Record*, 115(1), 1-50.
- Dougherty, K., Natow, R., Jones, S., Lahr, H., Pheatt, L., & Reddy, V. (2014). The political origins of performance funding 2.0 in Indiana, Ohio, and Tennessee: Theoretical perspectives and comparisons with performance funding 1.0. CCRC Working Paper, 68.
- Dougherty, K., & Reddy, V. (2011). The impacts of state performance funding systems on higher education institutions: Research literature review and policy recommendations. CCRC Working Paper, 37. Retrieved from <http://eric.ed.gov/?id=ED527751>
- Dougherty, K., & Reddy, V. (2013). *Performance funding for higher education: What are the mechanisms? What are the impacts?* (ASHE Higher Education Report). San Francisco, CA: Jossey-Bass.
- Eisenhardt, K. (1989). Agency theory: An assessment and review. *The Academy of Management Review*, 14(1), 57-74. Retrieved from <http://www.jstor.org/stable/258191>
- Elmore, R. (1979). Backward mapping. *Political Science Quarterly*, 94, 601-616.
- Ewell, P. (1998). National trends in assessing student learning. *Journal of Engineering Education*, 87(2), 107-113.

- Ewell, P. (2011). Assessing student learning outcomes in college: The role of the states. In D. Heller (Ed.), *The states and public higher education policy: Affordability, access, and accountability* (pp. 151-172). Baltimore: The Johns Hopkins University Press.
- Friedel, J., Thornton, Z., D'Amico, M., & Katsinas, S. (2013). Performance-based funding: The national landscape. The University of Alabama, Education Policy Center. Retrieved from http://www.uaedpolicy.ua.edu/uploads/2/1/3/2/21326282/pbf_9-17_web.pdf
- Hanf, K. (1982). The implementation of regulatory policy: Enforcement as bargaining. *European Journal of Political Research*, 10, 159-172.
- Harbour, C. (2002). The legislative evolution of performance funding in the North Carolina Community College System. *Community College Review*, 29(4), 28-49.
- Harbour, C. (2003). An institutional accountability model for community colleges. *Community College Journal of Research and Practice*, 27(4), 299-316.
- Harbour, C., & Nagy, P. (2005). Assessing a state-mandated institutional accountability program: The perceptions of selected community college leaders. *Community College Journal of Research and Practice*, 29(6), 445-461.
- Harnisch, T. (2011). *Performance-based funding: A re-emerging strategy in public higher education financing* (Higher Education Policy Brief). Washington, DC: American Association of State Colleges and Universities.
- Harris, M., & Raviv, A. (1978). Some results on incentive contracts with application to education and employment, health insurance, and law enforcement. *American Economic Review*, 68, 20-30.
- Heller, D. (2000). State oversight of academia. In R. G. Ehrenberg (Ed.), *Governing academia*. Ithaca, NY: Cornell University Press.

- Hillman, N., Tandberg, D., & Fryar, A. (2015). Evaluating the impacts of new performance funding in higher education. *Education Evaluation and Policy Analysis, 37*, 501-519. doi: 10.3102/0162373714560224
- Hjern, B., & Hull, C. (1982). Implementation research as empirical constitutionalism. *European Journal of Political Research, 10*, 105-116.
- Honig, M. (2006). Complexity and policy implementation. In M. Honig (Ed.), *New directions in education policy implementation* (pp. 1-23). Albany, NY: SUNY Press.
- House Bill 168, 1999 N.C. Seas. Laws 237 (1999).
- House Bill 950, 2012 N.C. Seas. Laws 142 (2012).
- Jenkins, D., Ellwein, T., & Boswell, K. (2009). Formative evaluation of the student achievement initiative “learning year” (Report to the Washington State Board of Community and Technical Colleges and College Spark Washington). New York, NY: Columbia University, Teachers College, Community College Research Center.
- Kearns, K. (1998). Institutional accountability in higher education: A strategic approach. *Public Productivity & Management Review, 22*(2), 140-156.
- Keller, G. (1995). Managing in tomorrow’s academic environment. *New Directions for Institutional Research, 85*, 59-64. doi:10.1002/ir.37019958507
- Laanan, F. (2001). Accountability in community colleges: Looking toward the 21st century. In B. K. Townsend & S. B. Twombly (Eds.), *Community colleges: Policy in the future context* (pp. 57-76). Westport, CT: Ablex Publishing.
- Lahr, H., Pheatt, L., Dougherty, K., Jones, S., Natow, R., & Reddy, V. (2014) Unintended impacts of performance funding on community colleges and universities in three states. CCRC Working Paper, 78.

- Lattimore, J. (2011). Exceptional institutional performance: A case study of three North Carolina community colleges' strategic responses to accountability factors, 2007-2009 (Doctoral dissertation). Retrieved from UMI Dissertation Publishing. (3457906)
- Liefner, I. (2003). Funding, resource allocation, and performance in higher education systems. *Higher Education, 46*, 469-489.
- Lipsky, M. (1980). *Street-level bureaucracy: Dilemmas of the individual in public services*. New York, NY: Russell Sage Foundation.
- Lorber, J. (2001). Long-term effects of performance funding: A case study of 20 years at Tennessee Technological University (Unpublished dissertation). University of Tennessee, Knoxville, TN.
- Malak, J. M. (2015). Academic integrity in the community college setting: Full-time faculty as street-level bureaucrats (Doctoral Dissertation). (3723281).
- Matland, R. (1995). Synthesizing the implementation literature: The ambiguity-conflict model of implementation. *Journal of Public Administration Research and Theory, 5*(2), 145-174.
- McDonnell, L., & Elmore, R. (1987). Getting the job done: Alternative policy instruments. *Educational Evaluation and Policy Analysis, 9*(2), 133-152.
- McGuinness, A. (1995). Prospects for state higher education relations: A decade of grinding tensions. *New Directions for Institutional Research, 85*, 33-45.
doi:10.1002/ir.37019958505
- McLendon, M. (2003a). State governance reform of higher education: Patterns, trends, and theories of the public policy process. In J. C. Smart (Ed.), *Higher education handbook of theory and research* (Vol. 18). New York: Agathon Press.

- McLendon, M. (2003b). The politics of higher education: Toward an expanded research agenda. *Educational Policy*, 17, 165-191. doi:10.1177/0895904802239291
- McLendon, M., Hearn, J., & Deaton, R. (2006). Called to account: Analyzing the origins and spread of state performance-accountability policies for higher education. *Educational Evaluation and Policy Analysis*, 28(1), 1-24. Retrieved from <http://www.jstor.org/stable/3699540>
- Moe, T. (1987). An assessment of the positive theory of “congressional dominance.” *Legislative Studies Quarterly*, 12, 475-520.
- Moynihan, D. (2008). *The dynamics of performance management: Constructing information and reform*. Washington, DC: Georgetown University Press.
- National Center for Education Statistics. (2017). *Integrated Postsecondary Education Data System, Fall Enrollment Survey*. Washington, DC: U.S. Department of Education.
- Natow, R., Pheatt, L., Dougherty, K., Jones, S., Lahr, H., & Reddy, V. (2014). Institutional changes to organizational policies, practices, and programs following the adoption of state-level performance funding policies. CCRC Working Paper, 76.
- Noble, H., & Smith, J. (2015). Issues of validity and reliability in qualitative research. *Evidence-Based Nursing*, 18, 34-35.
- North Carolina Community Colleges. (2013). *Performance-based funding: A model for embedding performance into formula allocations* (Joint Legislative Education Oversight Committee report, March 1, 2013). Retrieved from http://www.nccommunitycolleges.edu/Business_Finance/docs/BO%20Call%20Notes/Performance%20Based%20Funding_Final.pdf

- North Carolina Community Colleges. (2016). *Performance measures for student success*.
- North Carolina General Assembly. (2016). *Funding for North Carolina's community colleges: A description of the current formula and potential methods to improve efficiency and effectiveness* (Final Report to the Joint Legislative Program Evaluation Oversight Committee, October 10, 2016). Retrieved from https://www.ncleg.net/PED/Reports/documents/CCFunding/CC_Report.pdf
- Offenstein, J., & Shulock, N. (2010). *Taking the next step: The promise of intermediate measures for meeting postsecondary completion goals*. Boston, MA: Jobs for the Future.
- Patton, M. (1999). Enhancing the quality and credibility of qualitative analysis. *Health Services Research, 34*(5 pt2), 1,189-1,208.
- Pfeffer, J., & Salancik, G. (1978). *The external control of organizations*. New York, NY: Harper & Row.
- Pheatt, L., Lahr, H., Dougherty, K., Jones, S., Natow, R., & Reddy, V. (2014). Obstacles to the effective implementation of performance funding: A multistate cross-case analysis. CCRC Working Paper, 77.
- Rabovsky, T. (2014). Support for performance-based funding: The role of political ideology, performance, and dysfunctional information environments. *Public Administration Review, 74*, 761-774.
- Reddy, V., Lahr, H., Dougherty, K., Jones, S., Natow, R., & Pheatt, L. (2014). Policy instruments in service of performance funding: A study of performance funding in three states. CCRC Working Paper, 75.
- Sabatier, P. (1986). Top-down and bottom-up approaches to implementation research: A critical analysis and suggested synthesis. *Journal of Public Policy, 6*, 21-48.

- Saldana, J. (2016). *The coding manual for qualitative researchers*. London, UK: Sage.
- Sanford, T., & Hunter, J. (2011). Impact of performance funding on retention and graduation rates. *Educational Policy Analysis Archives, 19*(33).
- Schofield, J. (2001). Time for a revival? Public policy implementation: a review of the literature and an agenda for future research. *International Journal of Management Reviews, 3*, 245-263.
- Scott, J. (1985). *Weapons of the weak: Everyday forms of peasant resistance*. New Haven, CT: Yale University Press.
- Scott, J. (1986). Everyday forms of peasant resistance. In J. C. Scott & B. T. Kerkvliet (Eds.), *Everyday forms of peasant resistance in South-East Asia*, pp. 5-35. Abingdon: Frank Cass.
- Scott, J. (1990). *Domination and the arts of resistance*. New Haven, CT: Yale University Press.
- Shin, J. (2010). Impacts of performance-based accountability on institutional performance in the U.S. *Higher Education, 60*, 47-68. Retrieved from <http://www.jstor.org/stable/40784045>
- Smith, K., & Larimer, C. (2009). *The public policy primer*. Boulder, CO: Westview Press.
- Snyder, M. (2011). *Role of performance funding in higher education's reform agenda: A glance at some state trends*. Presentation given at the October 2011 Annual Legislative Institute on Higher Education, National Conference of State Legislatures, Denver, CO.
- Sparks, E., & Waits, M. (2011) *Degrees for what jobs? Raising expectations for universities and colleges in a global economy*. Washington, DC: National Governors Association, NGA Center for Best Practices. Retrieved from <http://www.nga.org/files/live/sites/NGA/files/pdf/1103DEGREESJOBS.PDF>

- State Board of Community Colleges. (2015, February 2). Proposed modifications to NCCCS performance measures. Retrieved from https://www.nccommunitycolleges.edu/sites/default/files/state-board/program/prog_02_proposed_mod_cc_perf_measures.pdf
- Tandberg, D., Hillman, N., & Barakat, M. (2014). State higher education performance for community colleges: Diverse effects and policy implications. *Teachers College Record, 116*(12).
- Tandberg, D., & Hillman, N. (2014). State higher education performance funding: Data, outcomes, and policy implications. *Journal of Education Finance, 39*(3), 222-243.
- Tanner, S. (2005). The effectiveness of accountability policy in higher education: The perspectives of higher education leaders. Available from ProQuest Dissertations and Theses database. UMI No. AAT 3180926.
- Thomas, D. (2006). A general inductive approach for analyzing qualitative evaluation data. *American Journal of Evaluation, 27*(2), 237-246. doi:10.1177/1098214005283748
- Thomas, R., & Davies, A. (2005). Theorizing the micro-politics of resistance: New public management and managerial identities in the UK public services. *Organization Studies, 26*(5), 683-706.
- Thornton, Z. M. (2015). *Influencing institutional change through state policy: Rural community college responses to performance-based funding models* (Unpublished doctoral dissertation). Iowa State University, Ames, IA.
- Thornton, Z. M., & Friedel, J. N. (2016). Performance-based funding: State policy influences on small rural community colleges. *Community College Journal of Research and Practice, 40*(3), 188-203. doi:10.1080/10668926.2015.1112321

- Trow, M. (1993). Federalism in American higher education. In A. Levine (Ed.), *Higher Learning in America, 1980-2000* (pp. 39-66). Baltimore, MD: Johns Hopkins University Press.
- Umbricht, M., Fernandez, F., & Ortagus, J. (2015). An examination of the (un)intended consequences of performance funding in higher education. *Education Policy*, 1-31.
doi:10.1177/0895904815614398
- U.S. Department of Education. (2011). *College completion tool kit*. Washington, DC: Author.
Retrieved from
http://www.whitehouse.gov/sites/default/files/college_completion_tool_kit.pdf
- Volkwein, J. (2007). Assessing institutional effectiveness and connecting the pieces of a fragmented university. In J. Burke (Ed.), *Fixing the fragmented University Bolton* (pp. 145-180). MA: Anker Publishing.
- Volkwein, J., & Malik, S. (1997). State regulation and administrative flexibility at public universities. *Research in Higher Education: Journal of the Association of Institutional Research*, 38(1), 17-42.
- Volkwein, J., & Tandberg, D. (2008). Measuring up: Examining the connection among state structural characteristics, regulatory practices, and performance. *Research in Higher Education*, 49(2), 180-197.
- Watson, L., Melancon, G., & Kinchen, N. (2008). Financing higher education: Three case studies in a post-disaster recovery environment. *Community College Journal of Research and Practice*, 32(3), 203-219. doi:10.1080/10668920701875883
- Welsh, J., & Metcalf, J. (2003). Faculty and administrative support for institutional effective activities: A bridge across the chasm. *The Journal of Higher Education*, 74(4), 445-468.

Wimsatt, L., Trice, A., & Langley, D. (2009). Faculty perspectives on academic work and administrative burden: Implications for the design of effective support services. *The Journal of Research Administration*, *XL*(1), 71-89.

Yin, R. (2014) *Case study research: Design and methods*. Los Angeles, CA: Sage.

Zumeta, W. (1998). Public university accountability to the state in the late twentieth century: Time for a rethinking? *Policy Studies Review*, *15*(4), 5-22.

APPENDIX A: INSTITUTIONAL REVIEW BOARD APPROVAL

EAST CAROLINA UNIVERSITY
University & Medical Center Institutional Review Board
4N-64 Brody Medical Sciences Building · Mail Stop 682
600 Moye Boulevard · Greenville, NC 27834
Office 252-744-2914 · Fax 252-744-2284 · www.ecu.edu/ORIC/irb

Notification of Initial Approval: Expedited

From: Social/Behavioral IRB
To: [Brandon Jenkins](#)
CC: [David Siegel](#)
Date: 5/17/2019
[UMCIRB 19-000885](#)
Re: THE IMPACTS OF PERFORMANCE FUNDING ON THE FACULTY
EXPERIENCE

I am pleased to inform you that your Expedited Application was approved. Approval of the study and any consent form(s) occurred on 5/17/2019. The research study is eligible for review under expedited category # 6&7. The Chairperson (or designee) deemed this study no more than minimal risk.

Changes to this approved research may not be initiated without UMCIRB review except when necessary to eliminate an apparent immediate hazard to the participant. All unanticipated problems involving risks to participants and others must be promptly reported to the UMCIRB. The investigator must submit a Final Report application to the UMCIRB prior to the Expected End Date provided in the IRB application. If the study is not completed by this date, an Amendment will need to be submitted to extend the Expected End Date. The Investigator must adhere to all reporting requirements for this study.

Approved consent documents with the IRB approval date stamped on the document should be used to consent participants (consent documents with the IRB approval date stamp are found under the Documents tab in the study workspace).

The approval includes the following items:

Name	Description
B. Jenkins Chapters 1-3	Study Protocol or Grant Application
Informed Consent	Consent Forms
Interview Protocol	Interview/Focus Group Scripts/Questions

The Chairperson (or designee) does not have a potential for conflict of interest on this study.

IRB00000705 East Carolina U IRB #1 (Biomedical) IORG0000418
IRB00003781 East Carolina U IRB #2 (Behavioral/SS) IORG0000418

APPENDIX B: SEMI-STRUCTURED INTERVIEW PROTOCOL

Semi-structured Interview Protocol (Creswell, 2013): Understanding how the faculty experience is shaped by performance funding initiatives: A comparative case study.

Time of Interview:

Date:

Place:

Interviewer:

Interviewee:

Position of Interviewee:

Description of the Project: This study is designed to understand how are the experiences of community college faculty shaped by intended and unintended impacts of performance funding initiatives.

Questions:

1. How long have you been employed as a faculty by ENCC/WNCC? What academic discipline(s) do you teach?
2. Describe your understanding of the current North Carolina Community College System's Performance Funding Initiative.
*Probe possibility – If no knowledge of PF, how about budget as a whole OR matters of retention & success if in math and English.
3. Describe how faculty receive information concerning NCCCS performance funding and any subsequent impacts on your institution.
*Probe possibility - If no information concerning PF, how do faculty receive information in general? What type of information do faculty receive?
4. Discuss how the NCCCS performance funding initiative has shaped your in-class experience as a faculty?
*Probe - Has there been any significant focus directed at a particular area, such as retention & success? Why?
5. Discuss how the NCCCS performance funding initiative has shaped your experiences outside the classroom?
*Probe possibility – What does your time outside of the classroom look like? What consumes your times?
6. Discuss how your institution has responded to performance funding?
*Probe possibility – Are there any new committees or campus activities that exist now that did not prior to 2012?
7. How have you or other faculty responded to performance funding on your campus?
Probe possibility – Informally or formally, has there been any pushback or resistance to PF?
8. Aside from the eight specific performance measures, describe how performance funding has impacted you specifically and all faculty in general.
9. In general, do you think the experiences you have shared with me today are similar to other faculty, both on your campus and across the other 57 NCCCS campuses?
10. Is there anything else that you would like to add concerning your experience as a faculty as it relates to performance funding?

Thank you for your time and participation. Your participation will remain confidential. If necessary, I hope you will be willing to participate in future interviews.

