GRADE INFLATION AND ITS CORRELATES

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ABSTRACT

Is grade inflation altering student expectations of the colleges and universities that they are attending? Is grade inflation impacting the effectiveness of your and my teaching? This article explores the use of a student contract as a viable alternative to dealing with these two problems.

I. THE HISTORY: ATHENS VS SPARTA
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INTRODUCTION

In Ancient Athens, one of the basic premises of that city-state was about teaching citizens what they needed to know to live their lives fruitfully and thoughtfully. Students in the Ancient city were taught a body of knowledge and they and their teachers struggled back and forth in that educational process until the citizen was prepared to become a full-fledged and productive individual empowered to do the very best for himself and by implication the city-state.

In contrast to its historical rival, Ancient Sparta employed an operable philosophy that required citizens in the city-state to be taught to take directions. It was not important what they knew, but that they should take orders from their leaders to do what the state desired them to do to serve the interests of the state. Citizens were part of a cadre of productive laborers or they served in a military unit, and those in charge told them what to do without exception.

One of the strengths of our American institutions of learning as they developed in the 19th and early 20th centuries was that higher education was designed to enrich the intellect of individual students so they could live productive lives in a democratic and free society. Higher education was a valued commodity and college and university teachers were looked up to by the rest of the nation's population. Many university leaders were listened to and they were quoted by the newspapers and media just like leading clergymen, Presidents of the U.S., heroes, explorers, and others during the first half of the 20th century.

In the last four decades, however, many business and engineering processes have slowly wormed their way into the management of our nation's institutions of higher learning and they have created changes that are slowly strangling the systems and practices of education itself. In fact, during these years the application of business and engineering practices and processes in many of our nation's universities has taken place so gradually that many of the professors that have been teaching during these decades have been unaware of how pernicious it has become---till now!

How did this change in educational orientation get started? There are several threads that seem appropriate to explore to understand the transformations that have taken place in American universities during the past four decades, especially how the increased meddling from outside by a host of business, corporate and political leaders has impacted the role and life of university teachers---with attention to their wrestling with the grade inflation problem.

REORGANIZATION OF STATE GOVERNMENTS

Jimmy Carter had attended the U.S. Naval Academy and he had served on Admiral Hyman Rickover's staff at the Pentagon where they were responsible for the construction and deployment of the nation's nuclear submarine fleet. Spending hundreds of billions of dollars for the effort, Rickover's team came to believe that their highly sophisticated scientific management principles and processes were responsible for their success. Team members came to believe these techniques could be applied energetically to any program or project and that the planned for result would always be successful. When he left the U.S. Navy, Carter returned to his home state of Georgia and became a political figure.

Carter was finally elected Governor of Georgia, and he brought with him a strong engineering and business management perspective that he and his deputies energetically applied to all agencies and operations of state government. He and his appointees quickly set about devising a program for the total reorganization of Georgia state government. They adopted the "zero based budgeting" mantra for each of the departments, they chose the model of "program management" as a device to downsize and right size specific state programs and services and, in some cases to zero out entire state agencies. They also applied "outcomes based assessment" as a tool to realize their goals. As they applied these management and engineering processes to state government, they expected to either downsize many programs or to merge them with others, to flatten structures, to eliminate much of the bureaucracy, and to evaluate and correct systemic processes inside various structures that they felt were actively mitigating against increased efficiency and effectiveness.

At the same time, there were university based think tanks operating on the campuses of prominent institutions of higher learning in the United States which took note of the changes in Georgia. They formulated new political and economic agendas for the re-organization and management of other state and local governments. The United States was growing apace and many state government strategies and structures had been inherited from the 19th century and they were creaking under the weight of the many demands and needs that were being placed upon them by growing populations. The academics associated with these think tanks spent their off campus time acting as consulting teams to various governors and legislative leaders, and they advocated dramatic changes in the strategy and structure of government.

For example, in the State of North Carolina a prominent group advised Governor Robert C. Scott and the leaders of the state's Legislature that they should undertake a total reorganization of state government. They proposed to shrink 367 separate agencies down into 17 major super agencies with each headed by a Cabinet Secretary. As a result, North Carolina went ahead and totally reorganized the strategy and structure of its state government. The result was the collapse of 367 agencies of state government into 17 principal departments. When the Governor and the leaders of the legislature sat around the table, they thereafter met with only 17 department secretaries, rather than an assembly of hundreds.

The political and economic consultants that came to North Carolina were accompanied by a host of high-level managers that were recruited from private industry and they brought with them the concept of "zero based budgeting," "program management," and "outcomes based assessment." As a part of the re-organization process, each new department was asked to project a biennial budget (every two years, since North Carolina's legislature met only every other year) for the next ten year period on every division, section, office and capital project. Each of the 17 departments eventually was able to furnish to the Governor and state legislature a spread sheet for five biennia (the next ten years) projecting their financial needs for all programs and capital projects.

As the re-organization process unfolded in North Carolina, the corporate, business and political leaders for the first time were able to identify and to get their hands on the actual costs of operating the state's universities. They could visualize the costs of the entire process of higher education and, in particular, they acquired the ability to single out specific programs and personnel for consideration, critique, change and possible elimination. With this information, business leaders began to wonder aloud whether some of the university professors were actually "as productive as they should be." Some businessmen were even quoted in the state's newspapers about whether a particular Regent Professor's teaching of two graduate-level courses during a semester and his graduating six or seven doctorates each year was really the best use of the public's money. Another corporate commentator wanted to know if "performance standards for university professors could be developed and implemented to measure their individual productivity and effectiveness" and a colleague of his wanted to know about the grades that the professors were awarding to their students, "were they about average or were they being inflated."

GAINING A PERSPECTIVE AND A GRASP ON UNIVERSITIES

State legislators around the country were taking notice of government reforms taking place in Georgia and the total reorganization of state governments that were taking place in states like North Carolina. This was a process that many corporate and business leaders found very popular and they readily embraced and supported it. They were convinced in the first place that the cost of their own state government and the operations of its various departments were much too high---even though few of them had any intimate personal knowledge of such matters. These leaders were also convinced, since they knew very little about the inside operations of higher education, that there must be a lot of hidden costs that could be cut out of the universities' budgets and that they could still "leave the costly systems intact for their children and grandchildren." The movement gained ground around the country and caused much re-jiggering of the strategy and structure of state governments and along with them the systems and institutions of higher education.

This was also the decade that Ronald Reagan served as the Governor of California. Shortly after taking office as Governor, he and his staff quickly singled out the major universities and the university system in California for reform according to his ideology. The system of higher education in California had been built on the concept of "populism," so that every student who wanted to pursue a basic bachelor's degree or a graduate degree could do so with only minimal expense to the student and to their families. In fact, some universities in the California system charged students virtually nothing to attend.

Governor Reagan had been very active in the Screen Actors Guild in California during the tumultuous 1960s and he had seen the riots that had occurred on California university campuses. He came to distrust university administrators, professors and students, so when he was elected Governor, Reagan and his ideologically charged business and corporate cadre quickly sprang into action to exercise control over the system of higher education and to "eliminate that terrible loophole" of free education. Under his leadership, there was simply no longer going to be a "free lunch" given to any of "those in that group of academics and their students." He and his legislative supporters agitated and eventually rammed through the state legislature a reform measure that required every bachelor's and graduate student to pay tuition and in many cases hefty fees that did become burdensome to many parents and students in the state.

"If they have to pay for it, they will appreciate it more," were the Governor's firm political philosophy and his personal response to any public outcry. "The universities should be paying for themselves, particularly the consumers (meaning the students) that use the accumulated knowledge and expertise of their professors," blazed one political leader involved in the fray. The process of meddling in the universities in California that began in that period moved forward with questions about "professorial productivity" and whether "customers (students) were being awarded the grades that they deserved or not"---and it set a precedent for other states.

APPLYING THE PRINCIPLES OF BUSINESS AND ENGINEERING

When both the Carter and the Reagan administrations came to Washington, D.C., the principles of business and engineering management and the applications of these practices to the operations of government and higher education came along with them. Their supporters from the world of business quickly leapt into the fray. "All of these agencies and their various sections and offices need to justify their existence and financial needs and to prove to us, as their leaders, that the present level of funding is still needed.. If they cannot, then we will cut their budget until they cry uncle," became the battle cry of many among the new national leadership.

During the tenure of Presidents Carter and Reagan, several government departments and agencies within the federal government were down-graded, and at times they were even targeted for elimination, including the U.S. Department of Education, the U.S. Department of Commerce, the U.S. Department of the Interior, the National Endowment for the Arts, and several others.

Anything that did not have productivity standards in place and that had no idea how it was serving customers was suspect. In an effort to make the leadership of the Smithsonian Institution knuckle under and to furnish a detailed strategic plan to the U.S. Congress for the long-term development of that organization, one U.S. Senator purposely exercised his personal influence to cut the budget by a certain percentage each year until he was able to see a graphic vision of where the institution was heading. He sought to deny ordinary cost of living increases to the professional staff of the institution on several occasions as a "pressure tactic," and he purposely would not entertain public discussions in his committee about the Smithsonian's capital problems and the rehabilitation and repair needs of it's physical plant---which by 1998 had grown to more than $1 billion in total needs (requiring new roofs, tuck pointing, waterproofing, drainage, sidewalks, repairs, maintenance, and many others).

APPLYING "CUSTOMER SATISFACTION" TO UNIVERSITIES

Another development took shape by the late 1980s and that involved treating the clientele of government and nonprofits as "customers." "Get serious about customers" was a battle cry of the management gurus during those years, and that philosophy began to creep into the university environment --- all students, parents, alumni, and donors by the middle 1990s were classified as "customers that needed to be satisfied."

In exploring the role and meaning of the "customer," those who lead corporations and businesses have operationally presumed that "customers are always right." It means that whatever customers want, when they want it, how they want it, who they want if from, and what the outcome should be---will all come in a way that will be non-detrimental and highly satisfying to customers, not to the organization that they are dealing with. To some long-time veterans who were working in the university world, the new "customer focus" came to mean that "the inmates were now running the asylum." In this setting, it was assumed logically by students and their parents that if they invested $12,000 in annual tuition at University X, then the young scholars should logically expect passing grades and a graduation from the university in exchange for the dollars they spent there.

Unfortunately, the movement to apply business processes to higher education continued apace and nothing has seemed to be able to stop the runaway train. A leading automobile dealer in the State of Minnesota was appointed to head the Board of Regents of the University of Minnesota. During the first meeting he attended as Chairman of the Board of Regents, he wondered aloud why the university system could not be run as cheaply and as effectively as his chain of automobile dealerships. He also believed that the university should have a 100% customer satisfaction rate as he had in his dealerships. Thereafter he began to badger leading university administrators about improving processes and using business practices to hone particular operations inside the institution. The pressure he was allowed to exert on university administrators was considerable, and many of them bent like twigs before his onslaught. Focusing on the productivity of university teachers (to justify the state's investment in paying their individual salaries) and satisfying customers (e.g. students) by awarding them with "good grades" in exchange for their tuition payment was a priority that he desired and openly advocated.

TAX CUTTING MANIA

Unfortunately the application of business processes and ill-directed political ideology to solve apparent problems in the realm of higher education continued to march across the American landscape during the 1990s. Taxpayers led by business and corporate leaders began to apply more and more pressure to political leaders. As a result, many more state governors with limited budgets at their disposal found it popular to put the financial squeeze on their state university systems to help make up the differences in their budgets. Using business and engineering-based measures and ideological arguments, both governmental agencies and collaborative nonprofit organizations were being asked to accomplish mission oriented goals without increases in financial resources. "Doing more with less" was touted as an operable by-word of the day, which meant for the typical university that their teachers had to do without salary raises, they had to teach more classes, and they were expected to satisfy more of their customers---by awarding higher grades to their students.

Driven by the business and corporate management culture that demanded performance, more and more university regents and state governors pushed forward to advocate the use of business practices by the leaders of higher education in order to do more with less and to improve performance at the same time. A number of state governors were examining budgets that had allocated billions of dollars to higher education and with their personal backgrounds in corporations, businesses or the law, few of them understood the "seed corn investment" that their state universities meant for the future development of their state and the nation. Instead, they viewed the large budgetary expenditures as something that could and must be cut to force university leaders and managers into developing more efficient and effective operating and academic programs. They also looked for other measures of effectiveness in the university environment that was not monetarily motivated and one of those factors involved the level of the grading that individual professors were awarding to their students. If professor X had awarded 174 "A" and "B" grades last year, he/ must be the right investment; while professor Y who had awarded 225 "C" and "D" grades must not be a very good teacher and should be marked for elimination!

More university managers were being recruited from the leadership of corporations and businesses during the 1990s. This new blood brought with it the ever popular "this quarter" and "next quarter" mentality that demanded a measure of performance that the New York Stock Exchange was regularly asking of these leaders in their companies and businesses. After their accession to universities, they quickly egged their fellow university administrators to apply this thinking to higher education.

Their presence brought to the table new questions: "Should institutions of high education be expected to pay for themselves, or should they be viewed as an investment in the future of the state and nation?" Secondly, "Can we measure the performance of administrators by how much they cut the university's budget and starve its operations?" Thirdly, "How do you measure the performance of the teaching staff and target those that are unproductive?" "Is it appropriate to evaluate the effectiveness of university teachers based upon the highest number of "A" or "B" grades that one professor may have awarded, versus the number of "C" or "D" grades that a colleague may have given to his/her students?"

CONCLUSION

Universities as we know them have existed for more than 800 years, and they grew and developed in academic stature during those years without the benefit of scientific management which was developed and honed later on during the Industrial Revolution. Through the centuries universities have educated hundreds of generations of national leaders, clergymen, managers, humanists, artists, scientists, zoologists, biologists, and many, many academicians, professionals and technical people.

From the 18^{th} century onward, professors in higher education in America have been teaching students a body of knowledge that graduates have used to become better citizens in a free and democratic society. Truly educated and enlightened about major subjects, the graduates of these universities have been given the opportunity to become the best that they could become without the benefit of scientific management dabbling in the day-to-day operations of the university.

With the increased meddling of business, corporate and political leaders with no real knowledge or understanding of what universities are or an appreciation for the work of individual professors, the increased scrutiny of the teaching staff and attention to the satisfaction of customers has become the order of the day. University administrators at the very top have too often knuckled under and they have become the veritable tools of their Regents hell bent on implementing business practices and processes in the educational environment with the hope that they will be commended for the hoped for, substantial cost savings (and resulting tax cuts) that could be realized.

In addition, university administrators have reacted to the customer serving pressures by believing that they must create an atmosphere of agreeableness. If a student as the university's customer protests the awarding of a particular grade, that squeaking wheel must be lubricated and the noise stopped at all costs. If university administration runs over an individual professor in the process of satisfying a customer, who may influence other customers to come or not to the university (meaning that the income stream to the institution may be affected), then so be it.

II. RESEARCH CORRELATES: STUDENT EVALUATIONS AND GRADE INFLATION

Louise B. Burky

Grade inflation is at the forefront of almost all academic discussions today. In reviewing the literature for this presentation I found that the notion of grade inflation in inextricably linked to student evaluations. In fact the two are discussed almost simultaneously. We begin by examining the conditions surrounding grade inflation. It immediately becomes obvious that arrows indeed have two heads and that perhaps the direction of the variables should be reversed. Intervening variables are the entertaining instructor, who gives most/least work, tolerance for plagiarism, grading leniency, and upper vs. lower courses, among other things. The research model would then look like this:

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Grade Inflation	Intervening Variables	Student Evaluations

STUDENT EVALUATIONS

In a controlled experiment (Sinclair and Kunda, 1999), a 2X2 research framework was used, with two evaluators and 2 scripts. One script praised students and the other criticized them. In the case where students were given negative feedback, the female instructor was rated significantly lower than the male instructor. In another experiment, Kaschak (1978) used one female and one male in the script. In the second group, the scripts were reversed. The male students rated the female instructor lower.

Others studies indicate that factors unrelated to teaching quality affect the student evaluations. Rated more favorable were upper level courses, where presumably there is more interest in the subject, leniency in grading, and plagiarism is ignored (Fich, 2003).

The dismal record of student evaluations is attributed to a variety of causes (Trout, 2000):

A. The first is that they are essentially consumer satisfaction surveys, where numerical forms query the level of the students' happiness with the instructors personality, the course requirements and their own grade.

B. The surveys are invalid, statistically unreliable, and inaccurate measures (Scriven).

In a study by David Reynolds, (University of Windsor) Students rated a movie they had not seen as better than a lecture they had not heard. Both had been scheduled and then cancelled. They rated them in fact, as better than the ones they had seen and heard!
Stanfel found students contradicted themselves in a longitudinal study over the course of a term.

C. An experiment was set up wherein a professor gave the same course to two groups of students controlling for the demographic profiles. The only difference was stylistic presentation in which the professor was carefully schooled in oratorical skills. The students received the same fictitious content. The professor's evaluation score increases from 2.93 to 4.05, when using the superior oratorical skills and hand motions. This has been termed the "Dr Fox effect".

D. Alan Dershowitz of Harvard Law school fame encountered students who objected this lectures on the legal ramifications of rape. He was told by them to expect to be 'savaged' on his next evaluations. The students claimed he was "teaching his own views."

Hostile reactions such as these could indeed cost a junior faculty member his/her position. Fortunately Dershowitz had nothing to worry about!!

In a 2002 article, The new York Times says that Duke university reports more than 45% of its grades are A's. Duke conducted an online study of student evaluations with a sample size of 1900 and 38 items. Those expecting an A were 20 to 30% more likely to review favorably. After the course was over those who got lower grade that expected lowered their evaluation and those who got a higher grade than expected raised their rating in the longitudinal portion of the study. The same student rating the same instructors were less favorable to hard graders. Additionally, students were two times more likely to take a course from an instructor who gives mostly A's than one who gives mostly B's.

The conclusion here is that *departments* do not like low enrolled courses, specialized courses or hard graders. These can shift enrollments away from the sciences to the humanities. These lead to disproportionate allocations of resources, away from the sciences. Additionally, low grades are hard to justify to angry parents. Grade inflation distorts student and faculty assessment. It allows the student to manipulate the QPA and honors status through what courses they select. It rewards mediocrity and discourages excellence.

GRADE INFLATION

Grade inflations emanates from the notion of self esteem. Some feel that the purpose of education is to make students feel capable and empowered, anything less is cruel and dehumanizing (Mansfield, 2001). Above all, the student must not be allowed to feel "stupid" or unknowledgeable. Mansfield (Harvard) further suggests that we need the determination to put our standards first.

The practice of grade inflation compresses all grades at the top leaving no room to recognize excellence,. Professors begin their efforts with what students "expect" rather than with a finite point in the content. What results is that they lose their authority and morale. The question arises as to whether the students are smarter now. Apparently not according to their SAT's and subtract from that the 100 point adjustment that all students get, that their professors did not!

There is a current case in South Carolina, where two professors were fired because they refused to support the president's new policy of "Success equals Effort". He prescribed that 60 % of the grade should be for effort and $0% for knowledge. The two refused to go along. The *STATE* newspaper commented that the president…" means well putting effort ahead of academics, but the practice sets students up to fail in life. It might help freshmen and sophomores pass classes. But if they don't learn anything, the time is wasted. If students aren't challenged to gain knowledge, they won't learn and won't be prepared for the real world or a real job". The case is now before the AAUP, and the president claims 'misinterpretation'.

Grades motivate students to work hard (Birk, 2004). They no longer indicate the content mastered but rather that they tried hard. In short they have become a medium of exchange. Grade inflation masks the failure of the impoverished schools. The trouble with grades is that as students focus on getting good grades, their interest in learning *declines* They conclude that the point of school is to get A's. Blount blames extra credit assignments with the idea of improving their grades the goal.

The website www.gradeinflation.com carries the recent trends and statistics on the situation. The literature shows alarming trends, and those specific to grade inflation show composite trends at three different types of schools. The odd of this happening by chance are indeed small. Since about 1970 grades have increased by 15% a decade. using the least squares method. Some will say that the phenomenon of grade inflation in confined to selective and highly selective schools. The charts in this article suggest this is not correct. There links to 29 schools and their self reported data.

There is a correlation between high grades and high student evaluations. This correlation HAS NOW BEEN PROVEN. Moreover teachers teach to these evaluations for obvious reasons. In a Colloquy from the Chronicle of Higher Education claims it is not the Student Evaluations themselves but their USE by inept administrators to influence merit, tenure and promotion.

It all comes back to consumerism. A college who makes it its policy to provide A's on demand will soon see the perceived value of its degrees wither away.

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III. ONE SOLUTION

Patsy Ronald Tarullo

GRADE INFLATION

The dramatic changes that have taken place inside the university during the past two decades has changed the educational strategy of the entire field of education and has resulted in a major change in the structure and organization of the university itself. These changes were brought on by bringing the "corporate and business mentality" into the strategic planning and daily operations of the university. Many of these changes were motivated by a changing political climate that increasingly demanded that state-supported and nonprofit educational institutions "turn a profit in their operations."

This lack of public and private funding and the implementation of business strategies and operations inside our institutions of higher education has resulted in the recruitment of a new cadre of college and university leaders and administrators who are no longer sympathetic to many of the chronic problems that you and I have faced as university professors during the past three decades. This new group of Presidents and Deans are now demanding that we knuckle under to support them in supporting and maintaining the viability of the university, and this is causing dramatic new changes inside the university setting.

As these new business strategies, structures and operations are implemented inside the university, the basis and process of education as we know it is changing. Universities are now viewing students as consumers and the top managers leading and managing universities promote customer satisfaction by demanding that students receive higher grades regardless of merit (Bartlett, 2003). This approach appeases students, who want to be prepared to succeed brilliantly and economically in the real world of work, and it satisfies parents, who want to make sure that their substantial investment in education will be worthwhile. They want their child to be a stellar economic success (Sarel)!

Unfortunately, this new system of customer satisfaction has done little to satisfy either the needs of business or the university teaching staff. Grading standards all across the board in higher education are being lost, and, as a result, corporate leaders and managers are seeking new selection criteria in today's job market. In this environment, whether we like to admit it to ourselves or not, the teaching profession is increasingly losing its independence in establishing appropriate performance standards and this is having a negative effect on the tenure system within the university (Bartlett, 2003). Lastly, students themselves are losing their self-esteem, although they may not be willing to admit it, and they are also losing potentially the ability to obtain a quality education.

Under these new business strategies enshrined inside the university, class size is very important and full time equivalent students per class are counted meticulously by the leaders and managers of higher education. Many students now take 10 semesters to graduate, because many of the courses that they would like to take are not being offered. To the business oriented leaders and managers of the university, only the number of students per class and academic program size are the only thing that matters. Cost benefit analysis and cost cutting have resulted in growth in individual class size. Many academic programs are being cut and program content is suffering as a result of these pressures.

With students and parents now the recognized customers of the university and the leaders and managers of the university applying business strategies and techniques to the day-to-day teaching of courses---they have all become partners involved in setting performance standards within the university. Reacting to these pressures, professors no longer give any grade lower than a "B" because: (1) fewer students would sign up for their courses, (2) they are tired of dealing with angry parents, and (3) they want to avoid the constant wrangle with university leaders and managers who are applying the "bean counting mentality" to their work (Bartlett, 2003). Unfortunately, the university has been transformed into a new climate of furnishing remediation for students to maintain the numbers, and the point is that the numbers now appear to be more important then education.

In this new university environment, grade inflation is not without considerable cost. With grade inflation compressing all grades at the top, it becomes increasing difficult to separate the very good student from the average performer. Grades are increasingly becoming meaningless as an evaluation tool of student performance. Professors are increasingly feeling that they have lost control and authority over the process of evaluating student progress and performance, and many have merely given up and are now reacting to student, parent and university management expectations with the pro forma awarding of higher grades across the board (Bartlett, 2003).

Unfortunately, the new process of grade inflation has brought about another major change inside the university that should not be considered positive. Increasingly the inflationary trends in grading and the growing importance of students evaluations is now influencing the promotion and tenure decisions for professors (Bartlett, 2003). This has resulted in the loss of morale among university faculty, as well as among the better students who come to the university of obtain a quality education as preparation for a productive and successful life. Gifted students are now discouraged from giving their very best effort, because students that do half as much as they do now get the same grades. Students are discouraged from taking Science, Mathematics and Economics courses where the nature of the subject matter has held down grade inflation. In this environment, professors are not setting the standards of excellence that students must strive for. Instead, they are increasingly reacting to student, faculty and university leadership expectations, and they are compromising their integrity in the process.

Within this new era of business-based expectations, I wish to offer a possible solution to these strategies of business applications in education that limit the effectiveness of my teaching and that limit individual student performance (See Exhibit 1 The Contract). I have devised a contract that details both teacher and student expectations for an individual course. I use this contract approach to a Business and Society course, in an Ethics course, in all of my Case courses, and in my Small Business course.

At the very beginning of each course, I introduce this contract to my students and we mutually negotiate for the grade that they desire. The criteria and the standards that will be used in evaluating individual student progress and performance are prepared in writing and they include: (1) effective presentation, (2) critical thinking, (3) accuracy of information, (4) presenting the full picture, (5) demonstrating insight, (6) effectiveness in bringing together different points of view, (7) completeness, and (8) organization. All elements of the course and the evaluation standards are reviewed with the student. This approach even includes student panel presentations, term papers, examinations, case studies and individual student evaluations.

CONCLUSION

For faculty members who are caught in academic inflationary grade turmoil, especially young and non-tenured faculty, the student contract may offer a solution to your problem. This is a contract between you and each of your students, where you draw up the timelines and expectations, the performance standards for your course, and you get agreement and a commitment from each of your students, before the course begins. In this document and during your meetings you must carefully explain and quantify all of the components of your course. In other words, you need to take control of your course again.

I took three semesters to develop the contract that I just explained to you and ten years of refinements. I took notes through each term and incorporated changes in the contracts for my students during the next term. I added things that seemed to work and deleted others that did not. I followed this contract approach not to limit my teaching experience, but to expand it. I also did not want to inflate my student's expectations, but to create an opportunity that encouraged them to excel.

Many of my students have reacted positively to the contract, because they like knowing exactly where they are and what levels they must attain in order to earn the level of recognition that they desire. The contract enables the professor to control the tempo of the course. Students can elect their grade and are aware of the standards that they are required to achieve to earn that that grade. The pressure is on the student to perform. Standards must be clear and the elements of the contract must be enforced. I feel that through the use of this approach, I am able to explore avenues that I would not be able to explore under a conventional grading system. I am also able to change the focus of the course as the relationships between business and society change. I am able to let some of the student panels select new avenues to explore with out fear of negative feedback. I am pleased to say that each semester there is a cadre of students who take the contract and use it to distinguish themselves and reach for a higher grade an they normally would achieve. By letting them select topics that they are truly interested in, the resulting discussion become alive and learning does take place. It also allows students to select performance levels consistent with their outside obligations i.e., family and jobs. Using the student contract is rewarding to me as a university professor, because I know that I am following the basic tenants of liberal arts education, rather than following the siren song and the downward spiral that the enforced application of business principles are bringing to our institutions of higher education i.e., grade inflation. It is an viable alternative to traditional grading that has worked.

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