



College Is Worth It



**Key findings from qualitative and quantitative research
conducted August – December 2012**

*by Hart Research in collaboration with HCM Strategists
(contributing partner The Winston Group)*

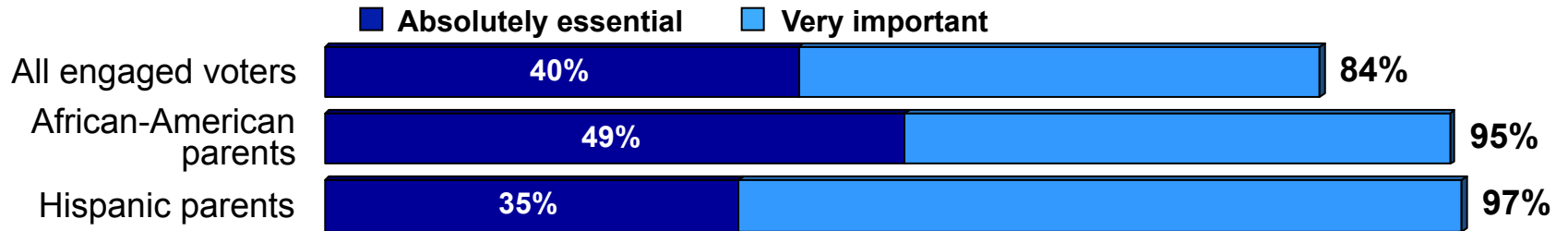
Research Among Public Audiences

- ◆ **Qualitative Research:** In August 2012, Hart Research Associates and the Winston Group conducted focus groups among various audiences, including Pell-eligible students, Parents of Pell-eligible students, voters, Capitol Hill staffers, and education policy leaders.

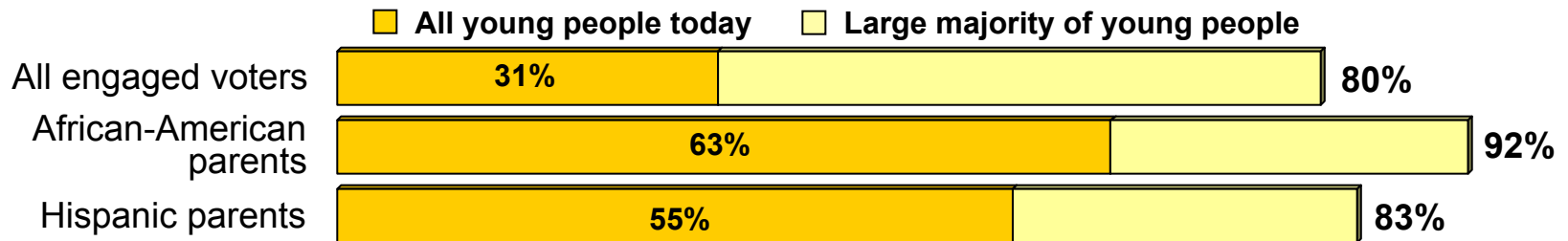
- ◆ **Quantitative Research:** Hart research conducted two surveys to quantify key findings among voters and among African-American and Hispanic parents.
 - A nationwide online survey among 1,401 engaged voters who follow news about national issues and are involved in issues of the day (including an oversample among 18- to 29-year-old engaged voters); conducted November 12 – 19, 2012
 - A telephone survey among 305 African-American parents and 300 Hispanic parents of 11- to 24-year-olds; all respondents have annual household incomes of \$50,000 or less; interviews among Hispanic parents were conducted in Spanish when preferred by the respondent; conducted December 10 – 16, 2012

A college degree or credential is seen as important and worth it.

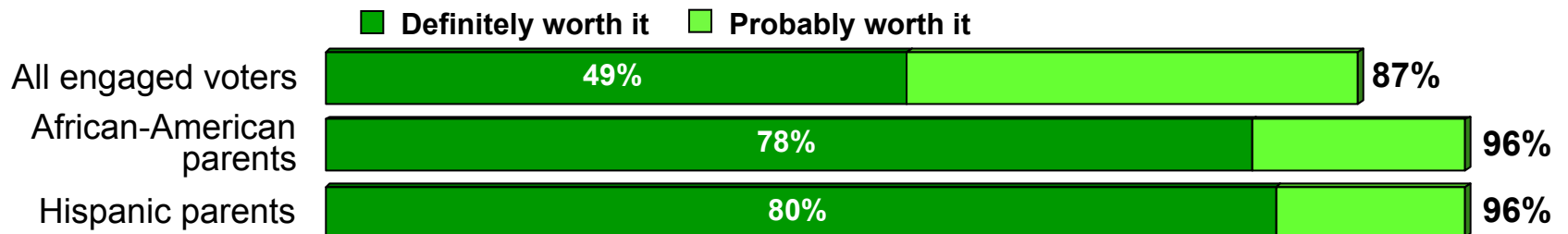
How important is completing a college degree or credential today?



Completing a college degree or credential is important for:



Considering the money/time involved, a college degree or credential is:



There is a broad consensus that changes are needed in the higher education system.

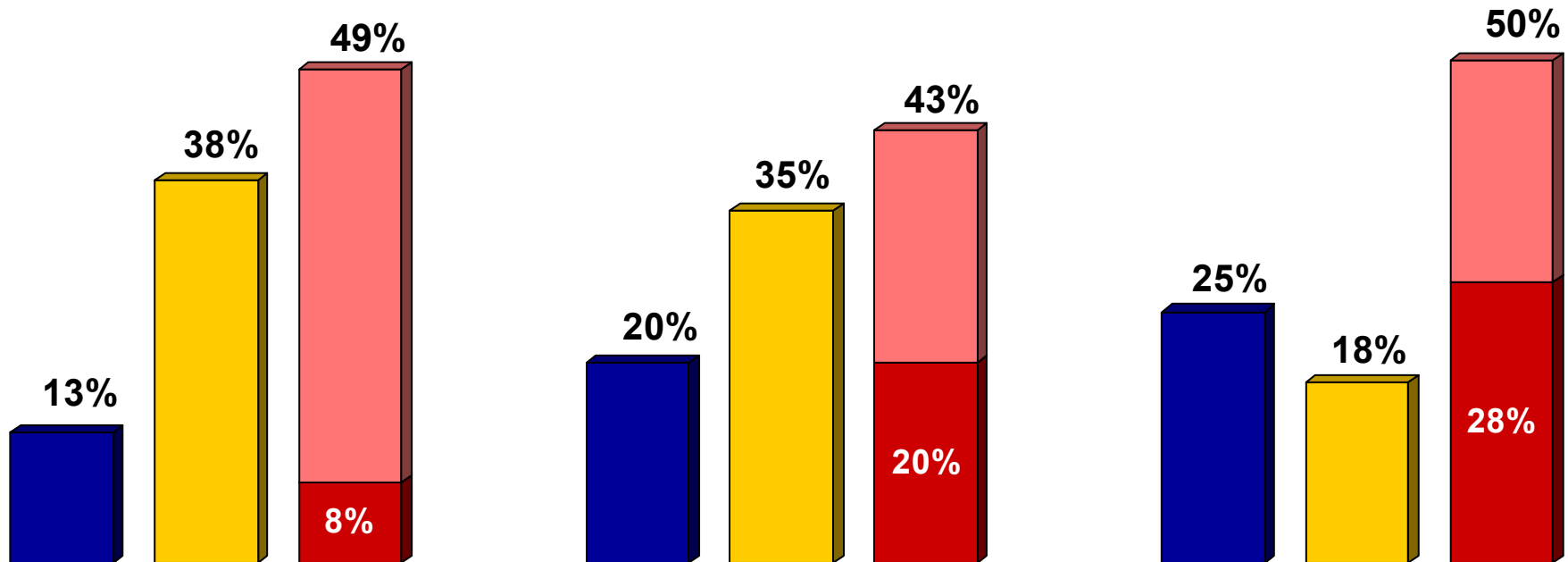
Assessment of Colleges and Higher Education System in the U.S. Today



All engaged voters

African-American parents

Hispanic parents



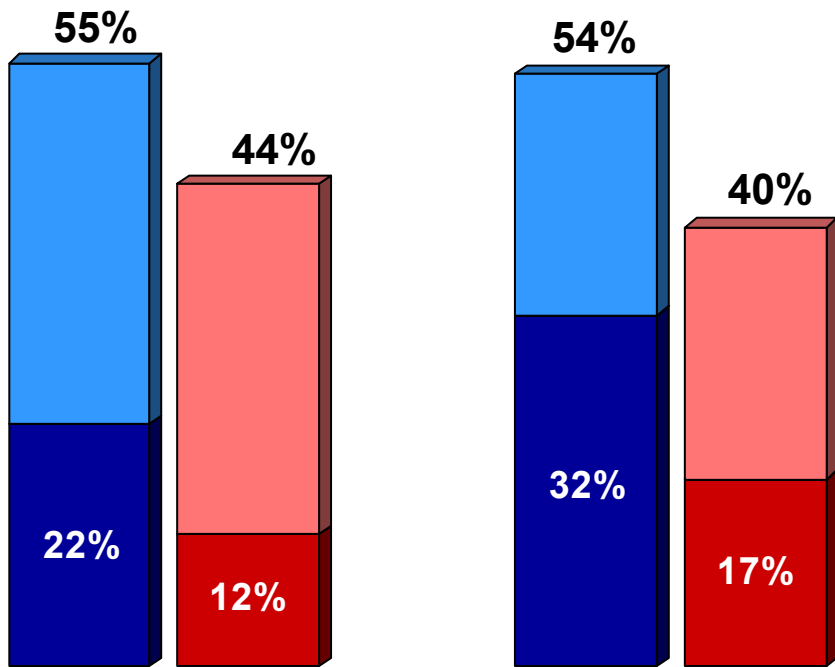
Those who think changes are needed in higher education focus most on cost and debt.

	Engaged voters*		African-American parents*	Hispanic parents*
Lower costs, fees, tuition, debt load; too expensive	47%	Lower costs, fees, tuition, debt load; too expensive	40%	18%
Better prepare students for workforce, focus on job skills	16%	Improve financial aid, more scholarships	17%	15%
Eliminate political, philosophical bias of professors/courses	8%	Streamline curriculum, eliminate electives, less time to degree	5%	3%
Improve financial aid, more scholarships	7%	Improve quality of teachers/professors	4%	5%
Should be accessible/available to all	7%	Better/more career counseling, job placement, help students find jobs	4%	3%
Streamline curriculum, eliminate electives, less time to degree	6%	Improve accessibility to higher ed, more opportunities	3%	8%

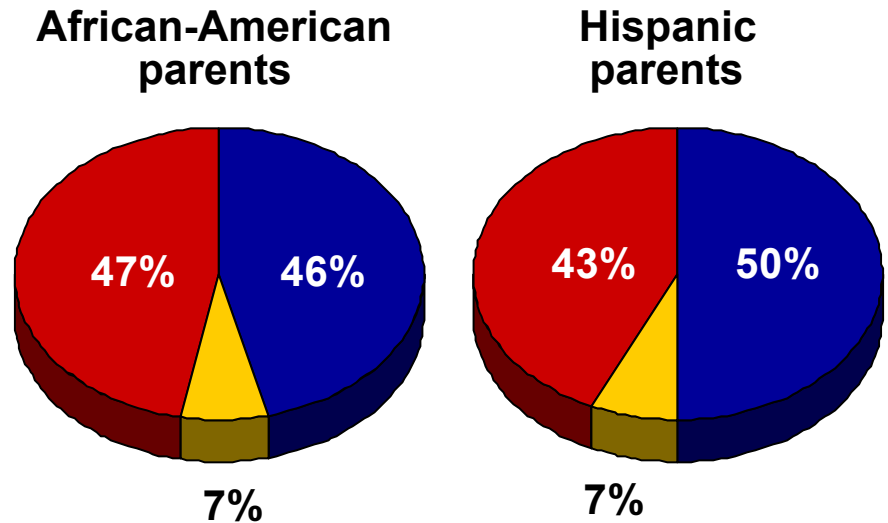
* among respondents who do not say that the higher education system is working pretty well

Significant proportions of African-American and Hispanic parents feel the higher education system is not meeting the needs of their students well.

How well are colleges and the higher education system meeting [African-American/Hispanic] students' needs?

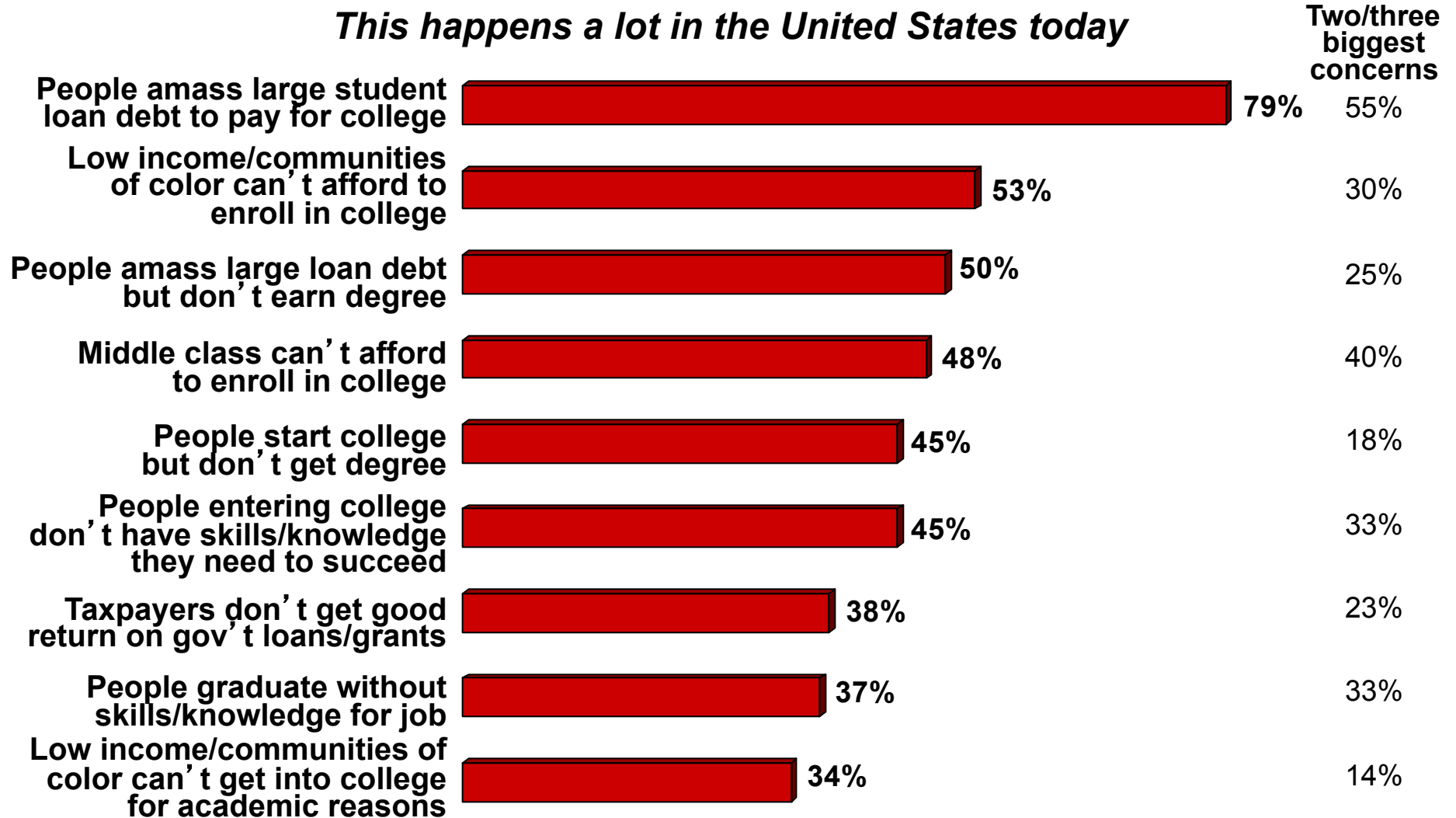


Do [African Americans/Hispanics] get the same opportunities as whites to enroll in college/get a degree?



African-American parents Hispanic parents

Engaged voters view large student loan debt as the most common problem with postsecondary education today.



Parents in communities of color view debt, affordability, and failure to complete as similarly common problems.

This happens a lot in the United States today

	Engaged voters	African-American parents	Hispanic parents
People amass large student loan debt to pay for college	79%	78%	60%
People from communities of color can't afford to enroll in college	N/A	74%	53%
People amass large loan debt but don't earn degree	50%	70%	54%
People start college but don't get degree	45%	65%	67%
People graduate without skills/knowledge for job	37%	44%	43%
People from communities of color can't get into college for academic reasons	N/A	51%	38%

African-American and Hispanic parents place significantly higher priority on most goals for reforming financial aid programs.

This should be a high priority for reforming student financial aid programs*

	Engaged voters	African-American parents	Hispanic parents
Increase the number of students in America getting a college degree/credential, having knowledge/skills to succeed in job market	64%	77%	87%
Make sure students of low and moderate means can better afford a college education	59%	83%	72%
Make sure individuals from communities of color can better afford a college education	N/A	85%	63%
Hold colleges and universities more accountable when they have high dropout rates	57%	60%	57%
Hold students who receive loans or grants more accountable for completing a degree	57%	66%	77%
Provide more incentives for colleges to make sure students complete their degrees	50%	78%	77%
Provide incentives or rewards to students to complete their degrees on time	47%	69%	76%
Hold down the amount the government spends on student grants and loans for college	23%	32%	46%

* 8-10 ratings on zero-to-ten scale, 10 = essential goal, should be top priority

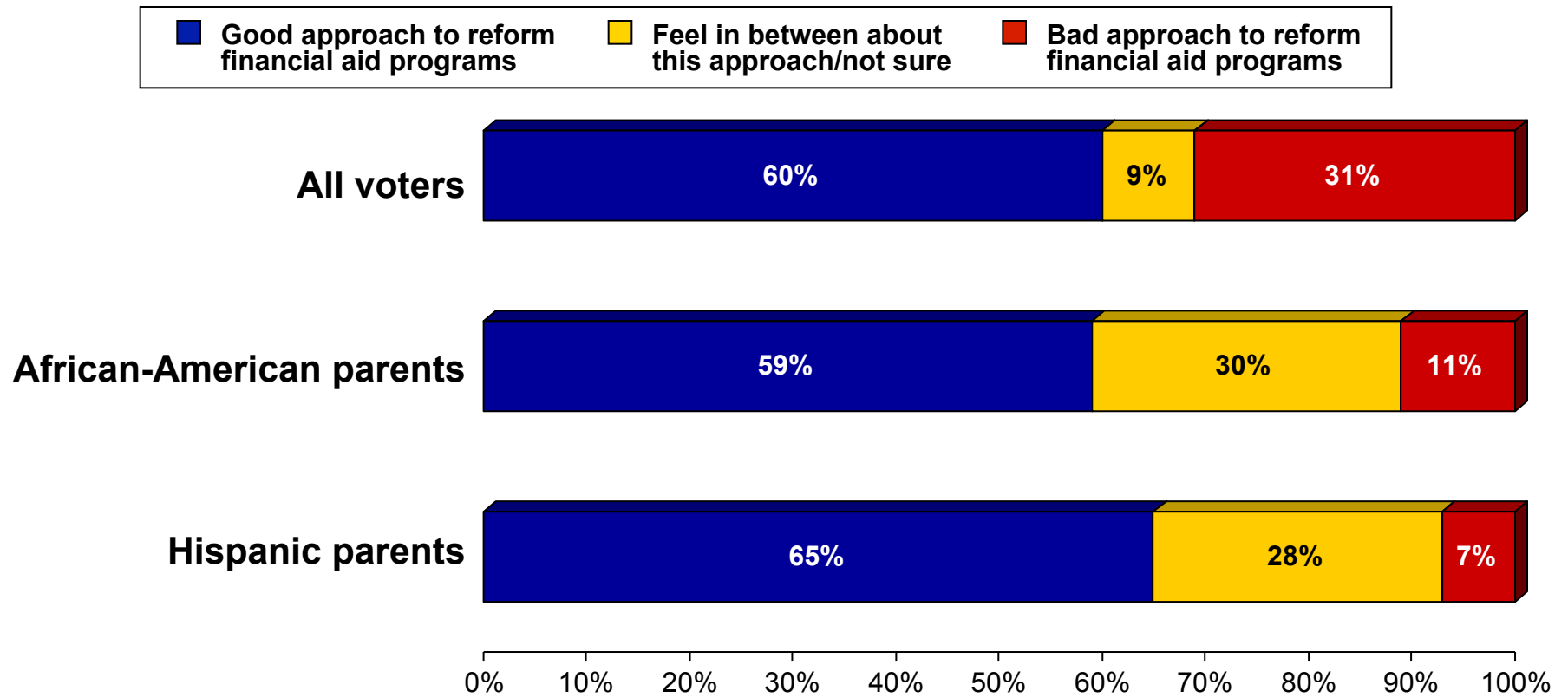
Parents in communities of color place most responsibility for low completion rates on students, parents, and lack of affordability.

Recent statistics show that only [30% of African-American/20% of Hispanic] students entering college complete a degree: whom do you blame for this?

	<u>African-American Parents</u>	<u>Hispanic Parents</u>
Students themselves, lack of motivation/determination	36%	27%
Parents/families, home life	22%	24%
Lack of financial aid/ability to pay	19%	25%
Schools not preparing students	9%	3%
Government/politicians, lack of school funding	7%	11%
Depends on situation, circumstances, each case different	5%	3%
Their environment, atmosphere, community	4%	--
The economy, unemployment	4%	14%
Colleges/universities, lack of support for students	4%	4%
Lack of immigration documents	--	2%

There is broad support for providing student aid dollars to colleges based on completion rather than enrollment.

Rather than providing student financial aid dollars to colleges in the first few weeks of the semester based on enrollment, as it is done today, **payment to colleges would instead be spread out over the course of the semester, with the full amount not being paid to the college until the coursework is completed.**



Testing of other financial aid reform proposals reveals potential opportunities.

Reaction to Approaches for Reforming Student Financial Aid Programs

	Voters		Afr Amer Parents		Hisp Parents	
	Good	Bad	Good	Bad	Good	Bad
Require colleges to make information on graduation rates, loan repayment, and job placement rates easily accessible to students and parents.	84%	4%	80%	3%	81%	2%
Streamline/simplify tax credits and deductions for college education expenses and use savings to expand funding for government grants and loans for college.	65%	12%	64%	9%	72%	2%
In order to be eligible to receive financial aid dollars, a college would need to graduate at least 20% of its students.	56%	22%	54%	17%	65%	13%
Financial aid would only go to students prepared for college courses. Those not prepared would first have to complete remedial courses paid for with government-funded coupon.	53%	20%	60%	12%	55%	15%
The amount a borrower would be required to repay on loan would vary on sliding scale based on income and family size.	51%	25%	71%	11%	65%	8%

And testing also reveals potential obstacles.

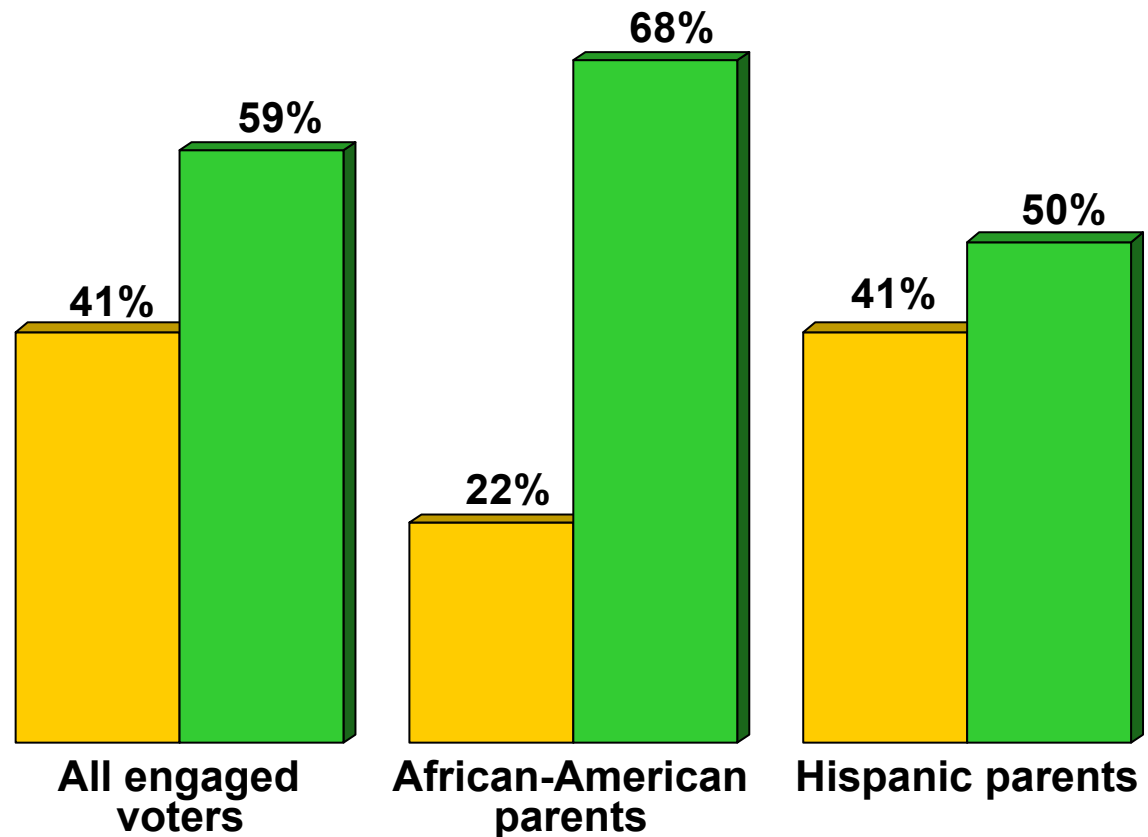
Reaction to Approaches for Reforming Student Financial Aid Programs

	Voters		Afr Amer Parents		Hisp Parents	
	Good	Bad	Good	Bad	Good	Bad
Require students to complete an associate's degree in two years and a bachelor's degree in four years in order to be fully eligible for publicly funded grants and loans.	39%	30%	N/A	N/A	N/A	N/A
Shorten the amount of time needed to get a degree , so an associate's degree can be completed in one year and a bachelor's degree can be completed in three years.	28%	43%	N/A	N/A	N/A	N/A
Require students to take 15 credits rather than 12 credits per semester, so students will complete degrees faster.	26%	42%	36%	34%	62%	14%
End tax credits and deductions for college education expenses and use savings to expand funding for government grants and loans for college	16%	57%	46%	21%	49%	10%

Majorities think it is unfair to require students to complete a degree within a defined time period.

*Which is the more convincing statement about requiring students to complete a college degree in a defined period of time?**

- It is important to ensure that students complete degrees on time because studies show that those students who take longer are less likely to graduate, and they often waste time and money on credits they do not need.
- It is not fair to require students to complete degrees within a defined period of time because it simply takes some students longer because of life circumstances, such as juggling school, family, and work, or because they have a change in their goals and plans for college.



* African-American/Hispanic survey specifies defined time as two years for associate's degree, four years for bachelor's degree

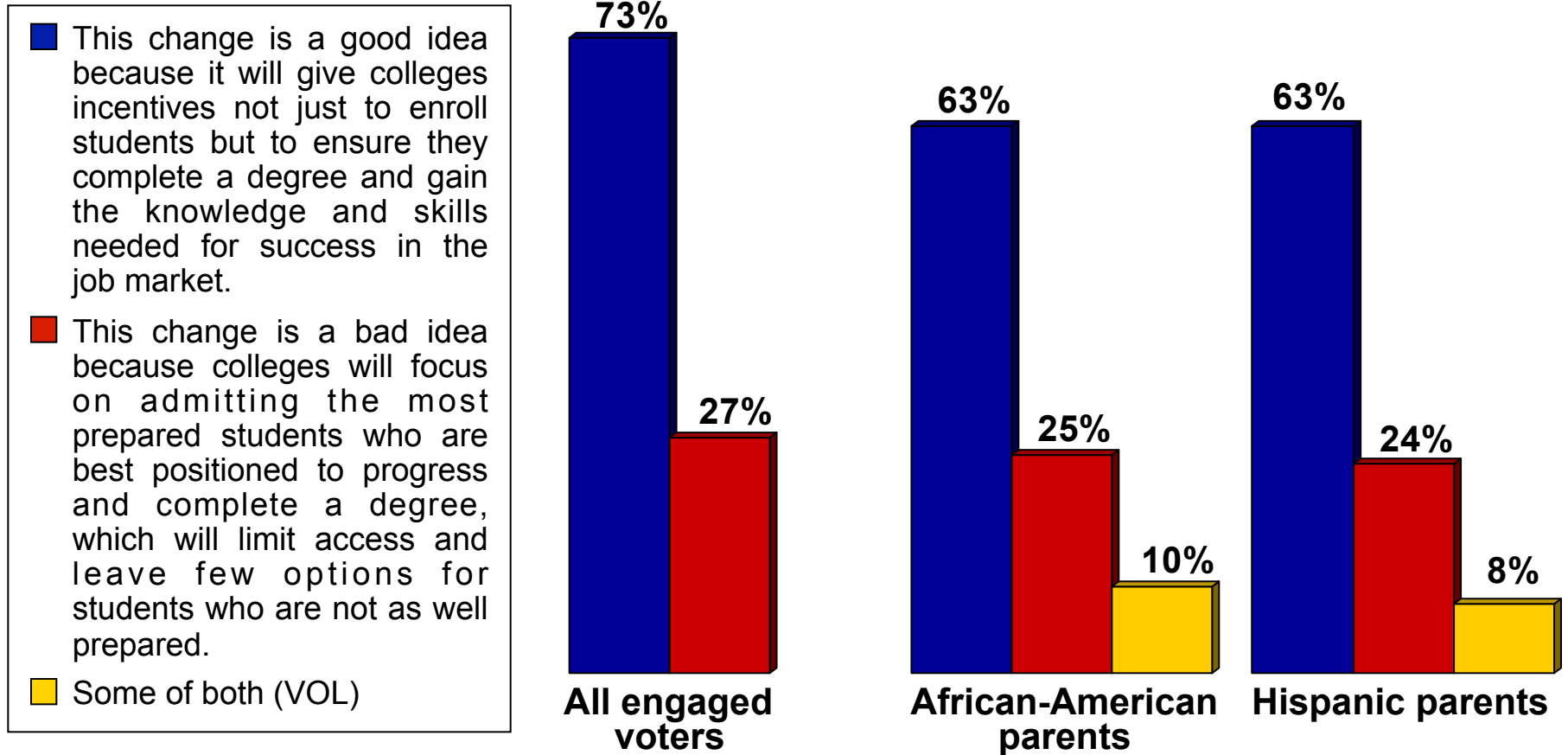
While supportive of reforming financial aid in principle, audiences also convey concern about unintended consequences that could hurt students.

(Focus Group Findings)

- It could **limit access** for students, particularly those who are traditionally underrepresented in post-secondary education.
- **Quality could be diminished** as institutions find a way to meet requirements and achieve incentives.
- **Students could be unfairly punished**, such as those who are motivated to get a degree but are not adequately prepared by their K-12 education, or those who must juggle work and family while working towards a degree.

Nonetheless, when presented with arguments on both sides, audiences think that providing financial aid dollars based on completion is a good idea.

Which is the more convincing statement about providing student financial aid dollars to colleges based on completion rather than enrollment?





Research among Postsecondary Leaders

Qualitative Research: In September and October 2012, Hart Research Associates conducted three phone focus groups and nine in-depth interviews among leaders of postsecondary institutions and systems.

While many postsecondary leaders recognize completion as a logical metric for evaluating the effectiveness of financial aid, they view access as the primary goal.

- ◆ Completion is a stated goal for their institutions, and they indicate that they are focusing more on the importance of meeting non-traditional learners' needs.
- ◆ They are uneasy about taking an approach that they fear could have key unintended consequences:
 - Concern that it could **limit access**, particularly for those who are least prepared and are traditionally underrepresented in postsecondary education;
 - Concern that attaching student financial aid to performance will lead to **creaming or tracking**;
 - Some concern that **quality could be diminished**, as institutions will find a way to meet the incentive requirements.
- ◆ Nonetheless, a small but vocal number of leaders push back forcefully against the argument that designing financial aid around completion will decrease access, noting that access without completion is not success.

Postsecondary leaders are open to some financial aid reform proposals.

- ◆ **Transparency:** This reform is difficult to argue against, but they stress the importance that the metrics take into account the student population served by an institution and that the metrics be used to make data-driven decisions to improve completion rates.
- ◆ **Incentives:** There is more support for using carrots rather than sticks with both students and institutions, but there is concern that incentives could morph into punishments for institutions.
 - Incentivize institutions to innovate and bring new practices and policies to scale.
 - Incentivize institutions to attract older and returning students.
- ◆ **A Flexible, Nuanced Approach:** It is important to balance attention to student success with some reward for institutions willing to take a bet on students at a higher risk for non-completion.
 - Create a layered, nuanced system that measures progress and achievement.
 - Any completion metric should be reformed to fit with the reality of today's learners. First time, full time is no longer a relevant metric.
 - Use broad definition for credentials of value—inclusive of a degree, certificate, or other credential.

Postsecondary leaders are more resistant to other reform proposals.

- ◆ A focus on **time to degree** raises significant concerns.
 - Yesterday's "non-traditional" students (who have work and family responsibilities and often do not attend college full-time) have become today's traditional students – and requiring them to complete a degree in a defined time could make it more difficult for them.
- ◆ Postsecondary leaders are concerned that reforms will be implemented through a **blunt instrument that is overly prescriptive and rigid**.
 - One size will not fit all.
 - They do not want to punish institutions that take a risk on students who are motivated to get a degree but are not adequately prepared by their K-12 education
 - They do not want to punish institutions for things that are out of their control such as when "life happens" and gets in the way of a student completing.
- ◆ Many are concerned that **a vocational focus for outcomes and performance will eclipse a focus on citizenship** – an outcome that they believe is a key element of their mission.