Persistence and Retention: the role you play

Greg Kerr
School Relations Director
ECMC Solutions
Persistence vs. Retention

**Persistence Rate**: the percentage of students who return to college at *any* institution for their second year.

**Retention Rate**: the percentage of students who return to the *same* institution for their second year.
How does your school handle retention?

• Does it involve financial aid?

• Is there a retention committee?

• Is Persistence also part of the conversation?
Students Entering Cohort Fall 2016

• Students entering school in the Fall of 2016 persisted (went to another school in the U.S.) at a rate of 73.4%

• Students entering school in the Fall of 2016 were retained (went to the same school) at a rate of 61.1%

• In short: 1 in 8 students transferred institutions.
2016 cohort persistence and retention rates

Four year public:
Persistence: 83%
Retention: 71.2%

Two year public:
Persistence: 62.2%
Retention: 48.9%

Four year private:
Persistence: 85%
Retention: 73.6%

Four year for-profit:
Persistence: 52.9%
Retention: 46.2%

Source: National Student Clearinghouse Research Center
Six year completion rate reaches a new high: 58.3%

Six-Year (Fall 2012 cohort) Outcomes for All Students, Students Who Started at Four-Year Institutions, and Students who Started at Two-Year Institutions

Source: National Student Loan Clearinghouse, December 18, 2018 report
Performance-based funding by state

• As California goes: state to move toward performance funding to community colleges

• Hurt or help students?
Why do Students Withdraw?

• Money
• Health
• Unfocused
• Family
• GPA
• ??

Students who are undecided or who have a less job-specific major are more likely to drop out
FAO Concern: Default Rate

• Borrowers who do not graduate default on their loans at a higher rate than those who do graduate.

• The average default rate for those borrowers with no degree is more than 4X the rate for those with a Bachelor’s degree

• Loan default = no Title IV, bad credit reports, collection agency contact, IRS income tax offset, negative impacts on ability to get jobs
Impact and Influence

The FAO serves as a sensor for “At Risk” students:

- Exposure
- SAP
- Financial concerns
- Financial literacy
- Data

Your expertise is invaluable.
Top 6 Retention Issues

- Money
- Academic
- Identity
- “First Gen”
- Communication
- Ignorance
The Money Issue

• College is expensive
• Families may plan for year one, but not later years
• Parent unable/unwilling to help
  • Can student commute?
  • Can student consider part-time status?
  • “Trophy Society” – can FAO offer scholarship for doing well academically?
• Can FAO implement an appeal process?
The Money Issue

• Financial issues may be more of a “tipping point” when students are already concerned with:
  • Academic performance
  • Campus relationships
  • Family issues
  • Work situations

• Assuming money is always the main driver to improved retention rates is not enough

*Source: Scannell, J. (2011)*
The Academic Issue

• Students not ready academically for college
  >50% of students entering 2 yr. colleges and
  almost 20% of those entering 4 yr. colleges are placed in remedial classes

• Students must meet SAP requirements to continue to receive aid
  • If SAP is not met, then no financial assistance
• Student wants to drop a course, communicate with other offices
  • Academic Success Center – to help keep on track academically
• If student is failing a course
  • Academic Success Center
  • Career Interest Test – Is student in the right major?

• Use an alert system: Faculty communicates with Academic Success Center to indicate student is having trouble
  • FAO can be involved so they learn of students indicating financial issues
The Identity Issue

• Retention requires a degree of connection between student and institution

• Enhancing connections between financial aid office with academic faculty, advisors, and advocacy offices
  • Communication/Presentations to other campus offices including faculty groups.
  • FAO liaison for other offices

• FAO help to get students involved
  • Through student employment opportunities?
  • At-risk committee or Retention team: is FAO involved?
The “First Gen” Issue

• Nationally, less likely to attend and persist in college*
• 34% of students at 4 year institutions are “first gen”
• Only 12% will earn a degree
• Median family income for “first gen” is 1/3 less than those whose parents graduated college.*

• “First gen” is an educational and funding issue for the FAO
  • Connect those students to other offices
  • Help students search for outside scholarships
  • Send scholarship requirements to students each semester
  • Have meetings – involve Advising, Career Services, etc.

* Source: Mussewhite & Reeve, (2012)
* Higher Education Research Institute, UCLA (2016)
The Uninformed/Unfamiliar Issue

• College students are generally mentored by their parents and ignore experts (especially online experts).

• Lack of student and family knowledge of financial aid programs and the financial aid office
• Start early! Educate!
• Increasing outreach to middle schools for family financial planning
• Financial literacy campaign for new and continuing students
The Communication Issue

• Social media/networking for financial aid outreach

• Have school’s main Social Media site (official) send out status reports and tweets of important financial aid events and deadlines
Data is the key

- Data = no assumptions
- Will help prioritize our efforts
- No sense of urgency without data
- Impossible to sustain momentum without data to document success.
- Data Examples: FAFSA, ISIR, NSLDS, tax returns, professional judgment docs, etc.
Cycle of Retention Planning

- Curiosity
- Data
- Partnerships
- Outcomes
- Analysis
- Resources
- Expectations
The FAO / Retention “Top 5”

1. Remember how hard it is for people to talk about money.
2. Help lead/promote campus wide financial literacy initiatives
3. Discuss and provide training to other offices about the basics of financial aid.
4. Educate students on the process of financial aid, not just about their financial aid.
5. Use data to identify at-risk students
Thank you!

Greg Kerr
School Relations Director

ECMC
Solutions