Top 3 reasons students don’t graduate... and 3 ways to keep them in school
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Introduction

While college access dominates the national conversation around improving higher education, completion is emerging as an equally critical measure of success.

This is due in part to the troublesome decline in retention and graduation rates and also to the increased importance of a college degree in today’s global economy.

According to the National Student Clearinghouse Research Center, barely half of U.S. students enrolled in 2010 completed their degrees—a 2.1% decline over the previous year’s cohort. This finding applies to students across the board, regardless of age, full- or part-time attendance, and type of institution.1

Failure to graduate is costly for students, both in lost tuition and in the lost income a postsecondary degree usually affords them. It’s also costly for institutions whose reputations, enrollment, and funding are tied to student success.

There are many reasons students don’t graduate, which vary from financial to academic, social to emotional. And the higher education community, along with policymakers and funders, are working hard to understand and address them. At the same time, there are strategies individual institutions can adopt to improve retention and graduation.

This eBook provides a snapshot of the top three reasons students fail to graduate, along with three strategies to help institutions keep them in school.

1 National Student Clearinghouse Research Center, “Completing College: A National View of Student Attainment Rates,” 2010 cohort
Top 3 reasons students don’t graduate

**Reason #1: It costs too much**

While a postsecondary degree has never been more important to upward mobility, it has also never been more expensive.

For example, over the past three decades, tuition at public four-year colleges has more than doubled, even after adjusting for inflation. And as tuitions rise, so does student debt. From 1992 to 2012, the average amount owed by a typical student loan borrower who graduated with a bachelor’s degree more than doubled to a total of nearly $27,000.²

However, there is something harder than graduating with heavy debt. And that is taking out loans and then not graduating at all. In fact, students’ ability to repay their loans depends more strongly on whether they graduate than on how much total debt they take on.³

Then there is the large percentage of students who do indeed graduate, but not on time, which compounds costs even further. Which leads us to Reason #2.

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² Ibid.
³ Ibid.
**Reason #2: It takes too long**

One of the best strategies for reducing the cost of college is ensuring on-time graduation. Students who spend less time in school not only save on tuition but speed their time to employment and subsequent rise in earnings.

Too many students, however, take excessive or unnecessary credits that delay graduation. Instead of the 60 credits considered standard for a two-year associate degree, the average student takes 80.9. Instead of 120 credits for a four-year Bachelor’s, the average student takes 134.4

The definition of “standard” itself is part of the problem. In its 2014 report “The Four-Year Myth,” Complete College America notes: “It has become the accepted standard to measure graduation rates at four year colleges on a six-year time frame. And evaluations of two-year community colleges are now based on three-year graduation rates ... Using these metrics may improve the numbers, but it is costing students and their parents billions of extra dollars.”

In addition to shifting this mindset, institutions need to address many practical issues that impact on-time graduation, including credits lost in transfer, unavailable critical courses, poor or uninformed degree planning, lack of support or early intervention, and financial aid-related issues. These challenges cut across nearly every functional area on campus and thus demand a holistic, integrated solution.

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4 Complete College America, “Four-Year Myth,” 2014
Reason #3: Students don’t make it past the first year

Almost one in three college and university students do not return for the second year. That risk drops significantly starting in year two, so it's important to drive first-year success.

In addition to academic challenges, many students face obstacles before they ever set foot on campus—taking on too many loans or underestimating the difficulty of balancing school with work or family. Others lack time management or problem solving skills. Some choose the wrong school or course of study and become disengaged.

Many schools have remedial and life skills courses, but it’s not enough. Each year, 1.7 million students begin college in remediation, but only 1 in 10 of those ever graduate.

The first year can be particularly hard on first-generation and low-income students, many of whom struggle at first to navigate campus life or financial aid. Of first-generation students who do make it past year one, only 11 percent graduate within six years of starting.5

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5 UniversityBusiness.com, “Supporting first-gen college students,” by Ioanna Opidee, 2015
3 things you can do to keep students in school

Strategy #1: Start by enrolling best fit students

Completing a first term or year is too high a price to pay—for both students and institutions—to learn that they’re not a good fit. That’s why it’s critical to invest in recruiting strategies that enable each party to learn as much as possible about the other before enrollment.

Recommendations:

• **Use analytics** to better understand the students who do well at your institution and why, in order to better target recruiting. And think outside the box. There is a wealth of new data that now exists on both current and prospective students, along with more sophisticated tools to help you access and integrate that data.

• **Engage currently enrolled students** in recruiting. Their personal stories—in addition to being more authentic—help prospects get a better sense of whether your school is right for them or how to prepare for their first year once enrolled.

• **Broaden the ways in which you interact with prospects.** Students live on their mobile devices and in highly social online environments. Meet them where they are. Create a two-way dialogue. Give them every opportunity to get to know you before deciding to enroll (and vice versa).
Strategy #2:
Help students chart a clear path to success

While it’s important to provide some degree of choice and flexibility when it comes to course selection, students also need structure. Students are often not the best judges of whether they’re on the right track. Eighty-six percent of freshmen say they think they’ll graduate on time, but only a third will ultimately do so.\(^6\)

As Complete College America notes: “Behavioral economics tells us that too much choice—especially uninformed choice—leads to indecision or poor decisions. We also know that a substantial number of people accept—even welcome—a default choice designed by informed professionals ... and so it should be with higher education.”\(^7\)

**Recommendations:**

• Provide degree maps that indicate exactly what students need to accomplish to graduate on time and on budget.

• Ensure students know how to access advisors or peer counselors who can help them make informed choices based on their goals.

• Make the student’s progress toward degree and financial aid status transparent and easily accessible (ideally through a self-service platform)

First generation students in particular may need help visualizing what it takes to earn a degree, how to begin planning early, and who to ask for help.

Institutions also benefit from improved degree planning. If they can more accurately predict when students will need particular courses, they can plan accordingly.

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\(^6\) ACT Institutional Data File, 2015

\(^7\) Complete College America, “Four-Year Myth,” 2014
Strategy #3: Make early alerts an institution-wide priority

The importance of identifying at-risk students early enough to make a difference is well recognized. In fact, 93 percent of higher education institutions report having some form of early alert and intervention program.

But there is less recognition of the importance of making early alerts an institution-wide priority. Successful programs take a multidisciplinary approach in order to ensure the most effective people are referring and responding to students. Early alert teams should include faculty, staff, and peers from such diverse areas as student life, residence life, athletic services, multicultural affairs, disability services, financial aid, enrollment, and the counseling center.

An early alert program should also take full advantage of institutional data. Instead of relying on faculty to report individual at-risk students, schools should utilize historical, academic, and demographic data to proactively identify and support specific cohorts before problems even start. Knowing which students are at the highest risk, and which interventions are most effective, allows an institution to allocate limited resources more effectively.
Introducing Ellucian CRM Advise

Ellucian CRM Advise is state-of-the-art software for managing and increasing student retention and success. It enables:

**Coordinated support**
Unite departments with a single, comprehensive view of students so they can coordinate a plan for success.

**Early alerts**
Detect problems promptly and intervene appropriately before students fall behind.

**Meaningful engagement**
Give students easy access to resources and peers, a clear path to success, and a guidance plan to get there.

**Informed decisions**
Use analytics built for higher education to gain the insight you need to support students and strengthen programs.

Ellucian CRM Advise provides unparalleled integration with your core administrative systems including student information systems, learning management systems, degree planning systems, advancement systems, and analytic tools. When your staff has the information they need, in context, they can better serve students at every stage of the academic journey.
Ellucian helps education institutions thrive in an open and dynamic world.

We deliver a broad portfolio of technology solutions, developed in collaboration with a global education community, and provide strategic guidance to help education institutions of all kinds navigate change, achieve greater transparency, and drive efficiencies. More than 2,400 institutions in 40 countries around the world look to Ellucian for the ideas and insights that will move education forward, helping people everywhere discover their potential through learning.

To learn more, visit www.ellucian.com.