



# Cornerstones of Student Success: Institutions Yielding High Return on Investment for Underserved Students

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# Rankings

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- Institutional rankings are important for prospective students when deciding where to apply and attend college.
- Ranking systems provide key information that can lead to improved economic mobility for disadvantaged students.
- It is important for students and their families to understand the underlying factors that comprise the current college ranking systems.
- One ranking system may focus solely on institutional culture, whereas another considers likelihood of acceptance, expense, and academic expertise.

# Purpose

- Analyze **college** and **workforce outcomes** to identify which postsecondary institutions **best serve traditionally underrepresented** students from Illinois.
  - Better graduation rates
  - Higher earnings
  - Less student debt



# Methods

- Sample
  - Illinois 4-year institutions
    - Excluded “special focus” institutions and those missing key data
  - Total 55 institutions
    - 11 public, 38 private nonprofit, 6 private for-profit
- Data
  - College Scorecard and IPEDS- mainly from 2013-14 and 2014-15
    - A few variables from 2012-13 data file
    - Averaged two most recent years when available

# Analysis: Phase 1

- Regression analysis
  - Controlling for % Black, % Hispanic, %1<sup>st</sup> Generation, and % Pell Grant recipient students
- Five outcome variables
  1. Student retention rate
  2. Six-year graduation rate
    - All students
    - Black students
    - Hispanic students
  3. Median debt for completers
  4. Three-year cohort default rate
  5. Median earnings 10 years after entry

# Analysis: Phase 2

- Residuals were factor analyzed with principal components analysis, producing two factors:
  1. **Success**
    - student retention rate;
    - 6-year graduation rate for all students, Black students, and Hispanic students;
    - median earnings 10 years after entry
  2. **Debt**
    - 3-year cohort default rate
    - median debt for graduates
- **Return on Investment (ROI) = Success – Debt**

# Analysis: Phase 3

All 55

- 20% Public
- 69% Private Nonprofit
- 11% Private For-Profit

**Thresholds: > 50% 6-yr Grad rate and >25% Pell Grant**

Top 31

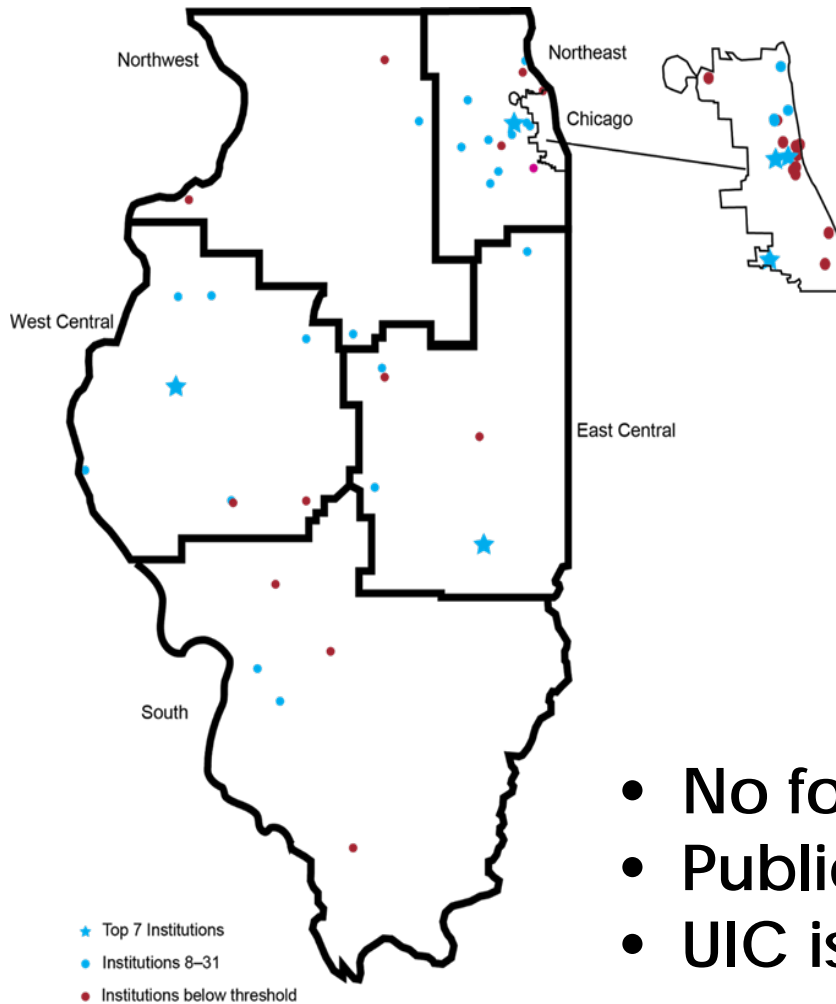
- 19% Public
- 81% Private Nonprofit

**Ranked by ROI**

Top 7

- 43% Public
- 57% Private Nonprofit

# Top 7 Institutions by ROI



Institution	ROI
University of Illinois Chicago	4.1
Illinois Institute of Technology	1.5
Elmhurst College	1.3
St. Xavier University	1.3
Eastern Illinois University	1.1
DePaul University	1.1
Western Illinois University	1.0

- No for-profit privates met thresholds
- Publics over-represented in Top 7
- UIC is a positive outlier



# Are Success, Debt, or ROI associated with any institutional characteristics?

- **Success** is **positively** correlated with % of STEM Majors and **negatively** correlated with *Net Price for Families Earning \$0-\$30K*
- **Debt** is **positively** correlated with *Net Price Overall* and *Net Price for Families Earning \$0-\$30K*
- **ROI** is **negatively** correlated with *Net Price Overall* and *Net Price for Families Earning \$0-\$30K*

# Implications

- Personalize rankings for a good institutional match
  - Different rankings have different objectives
- Identify and recognize institutions supporting underserved students in their community
  - Replicate successful strategies
- Increase affordability
  - Through Illinois MAP grants
  - Keep tuition and fees low

# For More Information:



SOUTHERN ILLINOIS UNIVERSITY  
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Full report available soon at <http://ierc.education>

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