The Business Case for Student Success

Why Your Retention Efforts Can (and Should) Pay for Themselves
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Ensure More Americans Get a ‘Return on Education’

American Educational Attainment by Age, 2016

Source: Overflow Solutions analysis of US Census data
Our Mission

Ensure More Americans Get a ‘Return on Education’

American Educational Attainment by Age, 2016

Source: Overflow Solutions analysis of US Census data
Gen Z High School Graduates Won’t Be Enough to Fulfill Growth Goals

Most senior leaders learned their roles during a period of enrollment growth and will have to adapt to the coming decade.

Source: EAB analysis of WICHE data.
Some Regions More at Risk Than Others

Annual Change in Americans Predicted to Attend 4-Year Colleges
2018-2023

Source: Grawe, Demographics and the Demand for Higher Education, 2018; EAB analysis.
Some Regions More at Risk Than Others

Growth Through 2023 Will Be Largely Found in Less Populated Areas

Annual Change in Americans Predicted to Attend 4-Year Colleges
2018-2023

Source: Grawe, *Demographics and the Demand for Higher Education*, 2018; EAB analysis.
Some Regions More at Risk Than Others

Decline Felt Most Strongly in Urban Centers, Midwest, and Eastern US

Annual Change in Americans Predicted to Attend 4-Year Colleges
2018-2023

Source: Grawe, *Demographics and the Demand for Higher Education*, 2018; EAB analysis.
Majority of Nation Goes Into Enrollment Decline at the End of the 2020s

Source: Grawe, *Demographics and the Demand for Higher Education*, 2018; EAB analysis.

Looking Further Out

Annual Change in Americans Predicted to Attend 4-Year Colleges
2018-2029

Annual Growth

Higher

+4.5%

+3.0%

+1.5%

0.0%

-1.5%

-3.0%

Lower

Source: Grawe, *Demographics and the Demand for Higher Education*, 2018; EAB analysis.
The ROI Mindset

Ensure Financial Health While Reinvesting in Students

**Why Adopt an ROI Mindset**

- Advance the financial health of your institution
- Break free of budget constraints
- Ensure you deliver a Return on Education

**Increase in retention**

**Increase in enrollment**

**Investment in students**

**Increased revenue**

Source: EAB interviews and analysis.
Where Do We Get the Best ROI? Hard to Say

Difficult for Most Schools to Disentangle the Impact of All Their Initiatives

**WSU Doing a Ton on Student Success**
- General education reform
- Warrior VIP Program
- Gateway course transformation
- EAB mobile app (Guide)
- Predictive analytics / alerts
- Case management
- Financial aid enhancements
- Success steering committee
- Advisor training academy
- Chief diversity officer
- Office of Teaching and Learning
- Exploratory students program
- Undergraduate research
- Summer bridge
- ....and more

**But Which Initiative Gets the Credit?**

- **$2.4M**
  Additional tuition revenue from increased retention

- **$2.7M**
  Additional revenue from increased credit hour enrollment

“I can tell you the ROI of all our student success initiatives. But I cannot tell you the ROI of any individual one.”

Monica Brockmeyer, Senior Associate Provost for Student Success
WAYNE STATE UNIVERSITY

Source: EAB interviews and analysis.
Do Advisors Pay for Themselves?

Case Study: Multi-Year Advisor ROI Assessment from East Tennessee State

East Tennessee State University

• 12,000 undergraduates
• $8,000 net tuition per student
• 12 new FY advisors hired in 2014
• 3% sustained FY retention improvement

<table>
<thead>
<tr>
<th>Year</th>
<th>F14 cohort additional students</th>
<th>F15 cohort additional students</th>
<th>F16 cohort additional students</th>
<th>Total additional students</th>
<th>Total Revenue Increase</th>
<th>Cost of 12 new advisors ($60,000/yr)</th>
<th>Net Tuition Revenue</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>60</td>
<td></td>
<td></td>
<td>60</td>
<td>$480,000</td>
<td>$720,000</td>
<td>($240,000)</td>
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<td>2016</td>
<td>51</td>
<td>60</td>
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<td>111</td>
<td>$888,000</td>
<td>$720,000</td>
<td>$168,000</td>
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<tr>
<td>2017</td>
<td>43</td>
<td>51</td>
<td>60</td>
<td>154</td>
<td>$1,232,000</td>
<td>$720,000</td>
<td>$512,000</td>
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</table>

Source: EAB interviews and analysis.
Early Findings Suggest that Tech-Enabled Advising Has Positive ROI

Integrated Planning and Advising for Student Success (iPASS)

- Early alerts
- Predictive models
- Interventions
- Degree planning
- Communications
- Notes and profiles

Average Retention Rates¹ for iPASS Participants

<table>
<thead>
<tr>
<th>Year</th>
<th>Retention Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>66.4%</td>
</tr>
<tr>
<td>FY16</td>
<td>67.6%</td>
</tr>
<tr>
<td>FY17</td>
<td>67.5%</td>
</tr>
<tr>
<td>FY18 (proj)</td>
<td>69.9%</td>
</tr>
</tbody>
</table>

13 iPASS institutions used EAB Navigate

Net Revenue Gains

- Average: $400K
- Top Performer: $5.9M

*After accounting for the cost to serve added students

13 iPASS institutions used EAB Navigate

Source: rpkGroup; EAB interviews and analysis

1) Retention rate is defined here as all first-time students (full-time, part-time, and transfer) who return for a second year.
iPASS* Is a Cyborg

ROI Depends on an Simultaneous Investment in People and Technology

iPASS Expense Breakdown FY14-FY17

- New Personnel 13%
- Existing Personnel 57%
- Other 10%
- iPASS Technology 20%

"[Per unit technology] costs can be reduced over time if there are opportunities to expand access and usage"

"Technology is not a substitute for advising staff, and instead is intended to leverage change in advising approaches and roles."

* Integrated Planning and Advising for Student Success

Source: rpkGroup; EAB interviews and analysis

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The Evolving Role of Advising

Moving Beyond Registration to Put Student Success at the Core

Traditional Advising

Student Success
- Early alert response
- Case management

Academic Planning
- Course selection
- Major guidance

Specializations
- First-year seminars
- Personal counseling
- Financial advising
- Career advising

“Success Advising”

Student Success

Academic Planning

Financial Well-Being

Career Preparation

Academic Performance
Could Reorganizing Staff Improve ROI?

Deploying Staff to Operate at ‘Top of License’ Maximizes Value, Efficiency

Professional Advisors

Expert Counselor

300:1 caseloads
Four student touchpoints per year

$60K $60K $60K $60K $120K

$60 Per student touchpoint

High-Risk Specialist

100:1 caseload
12 student touchpoints per year

$120K

350:1 caseloads
Four student touchpoints per year

$60K $60K $60K $60K

$53 Per student touchpoint
Population Health Management

A More Efficient Way to Organize Staff and Provide Better Support

$120,000 per year

Counselors

HIGH RISK
High-Touch Coordinated Care supported by collaboration between different support units

$60,000 per year

Professional Advisors

MODERATE RISK
Proactive Monitoring to find and focus support efforts on hidden early problems

$0-$10 per hour

Faculty and Staff, Peer Advisors, Automated Messaging

LOW RISK
Scalable Advising to extend support by automating and personalizing guidance

Source: EAB interviews and analysis.
The Path to Sustainability

GSU Reinvests Their Enrollment Gains into Additional Success Initiatives

What happens to the additional tuition revenue from an increase in retained students?

60%
Funds new student success initiatives for the coming year

30%
Used to fund other university priorities (e.g., faculty research)

10%
Paid to departments to offset the increase in credit demand

NOTE: Funding becomes permanent in subsequent years if retention gains hold

Source: EAB interviews and analysis.
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