

Key Facts and Research on Changes in College-Going

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Setting the Stage

- First look: THEC College-Going Report and Senior Opinion Survey
- US & TN trends in college enrollment
- Why are college-going and enrollment falling?
- What does falling postsecondary enrollment mean for Tennesseans, and for Tennessee?

First Look: THEC College-Going Report and Senior Opinion Survey

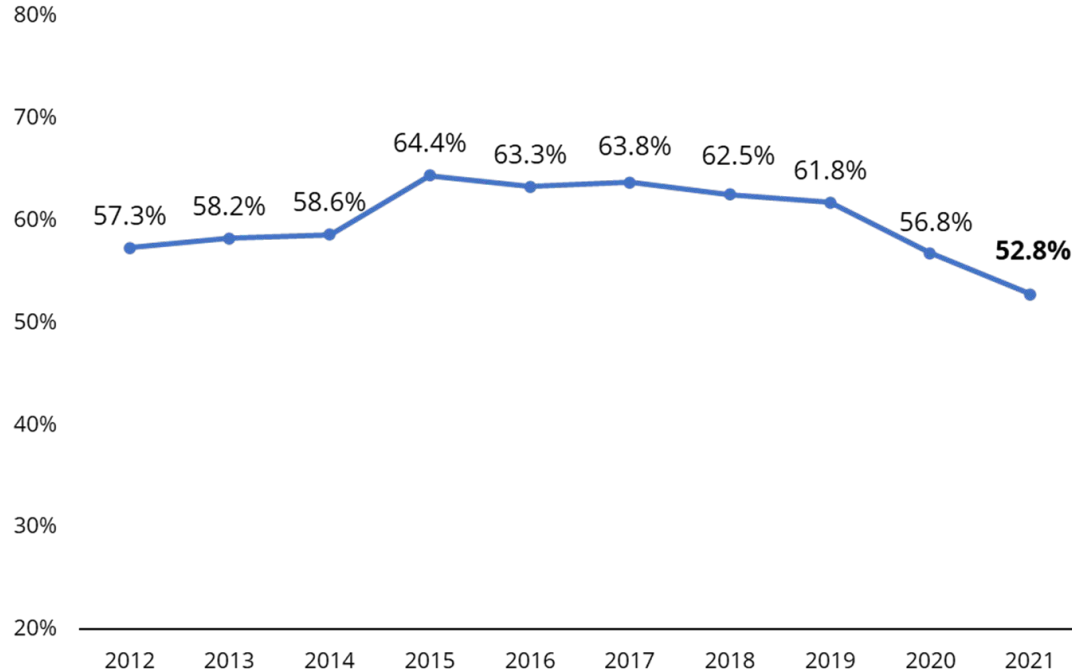
What is the “College-Going Rate”?

Ninth grade cohort, Year 1
(e.g.: 2017-2018)

Postsecondary enrollees, Fall
Year 4 (e.g.: Fall 2021)

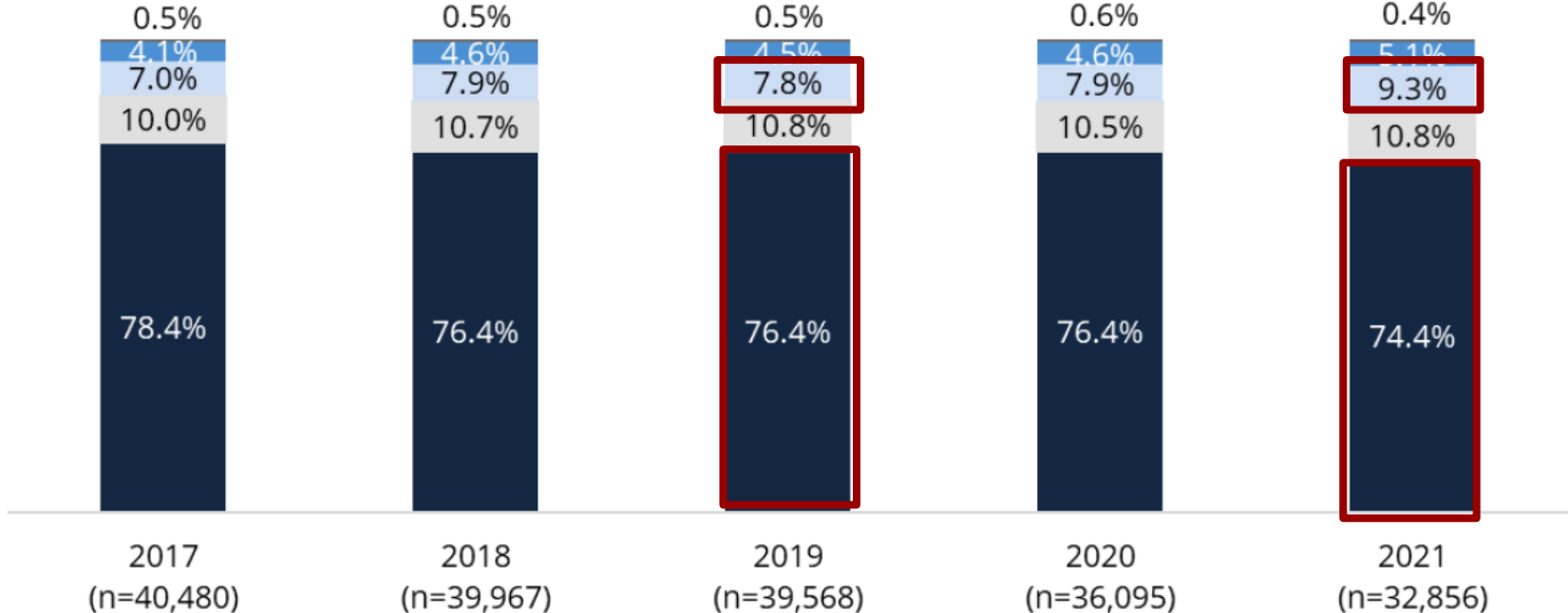
High school graduates,
August 1, Year 3 to July
31, Year 4 (e.g.: Aug. 1,
2020 to July 31, 2021)

Class of 2021 and College-Going Rate (CGR) Over Time



Source: THEC SIS; NSC StudentTracker Data

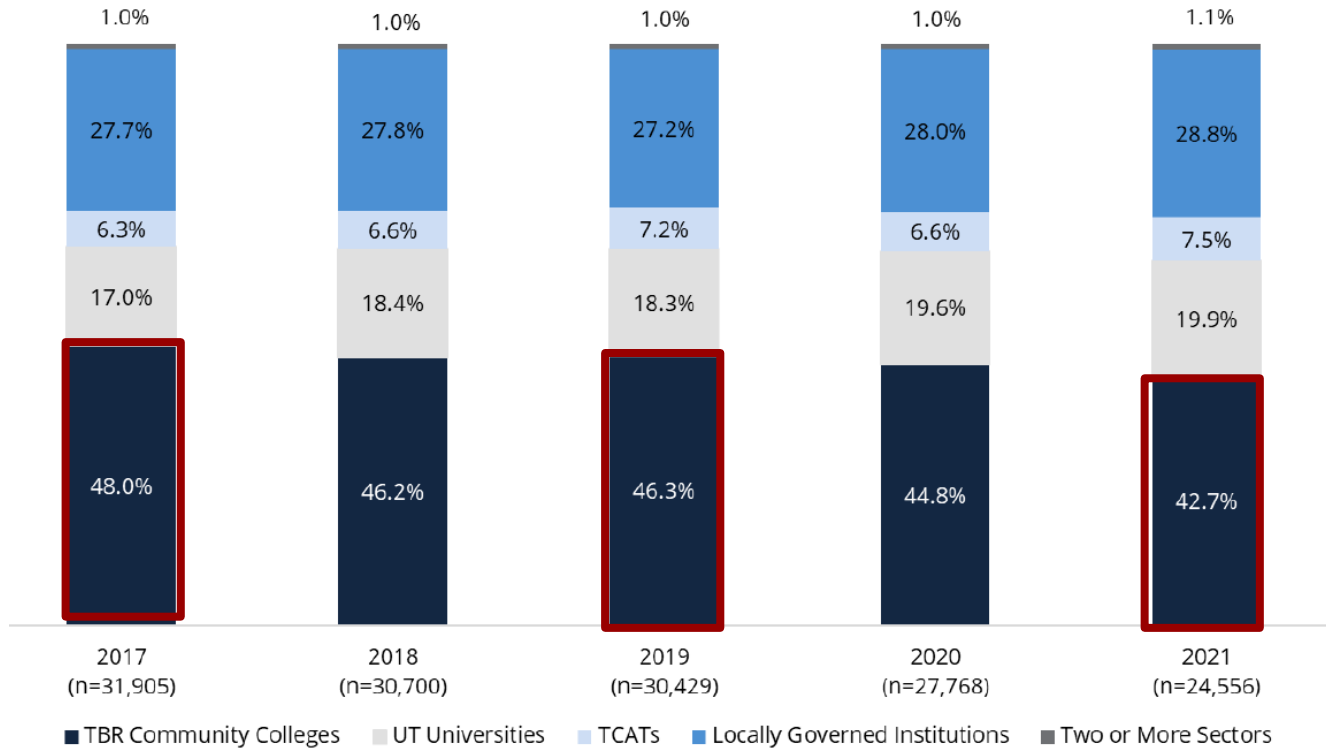
Of those going, fewer are going to in-state publics



In-State Public
 In-State Private
 Out-of-State Public
 Out-of-State Private
 Two or More Sectors

Source: THEC SIS; NSC StudentTracker Data

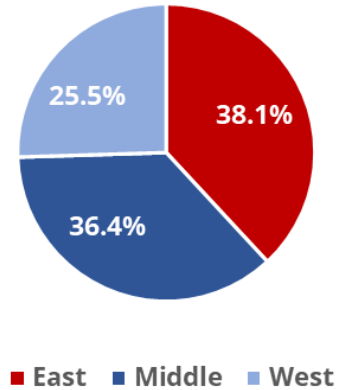
Of those going in-state public, fewer going to CCs



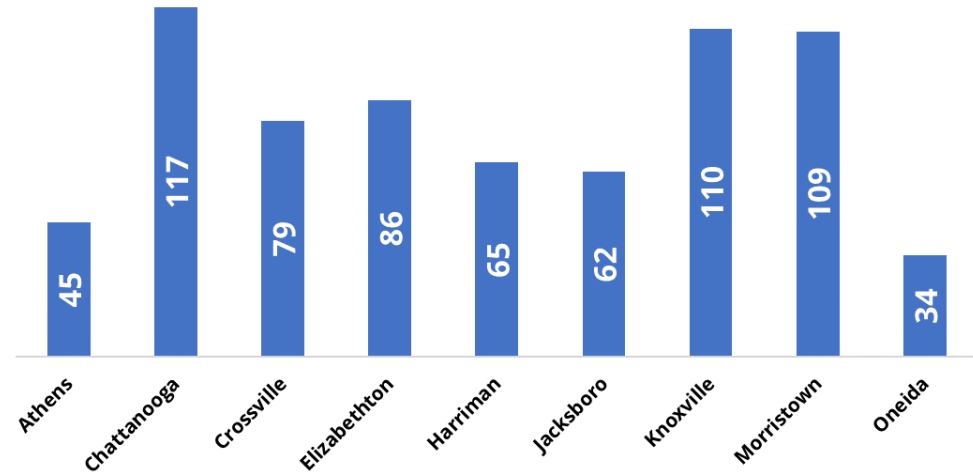
Source: THEC SIS; NSC StudentTracker Data

2021 East TCAT Participation Higher than Other Divisions

TCAT Headcount by Grand Division

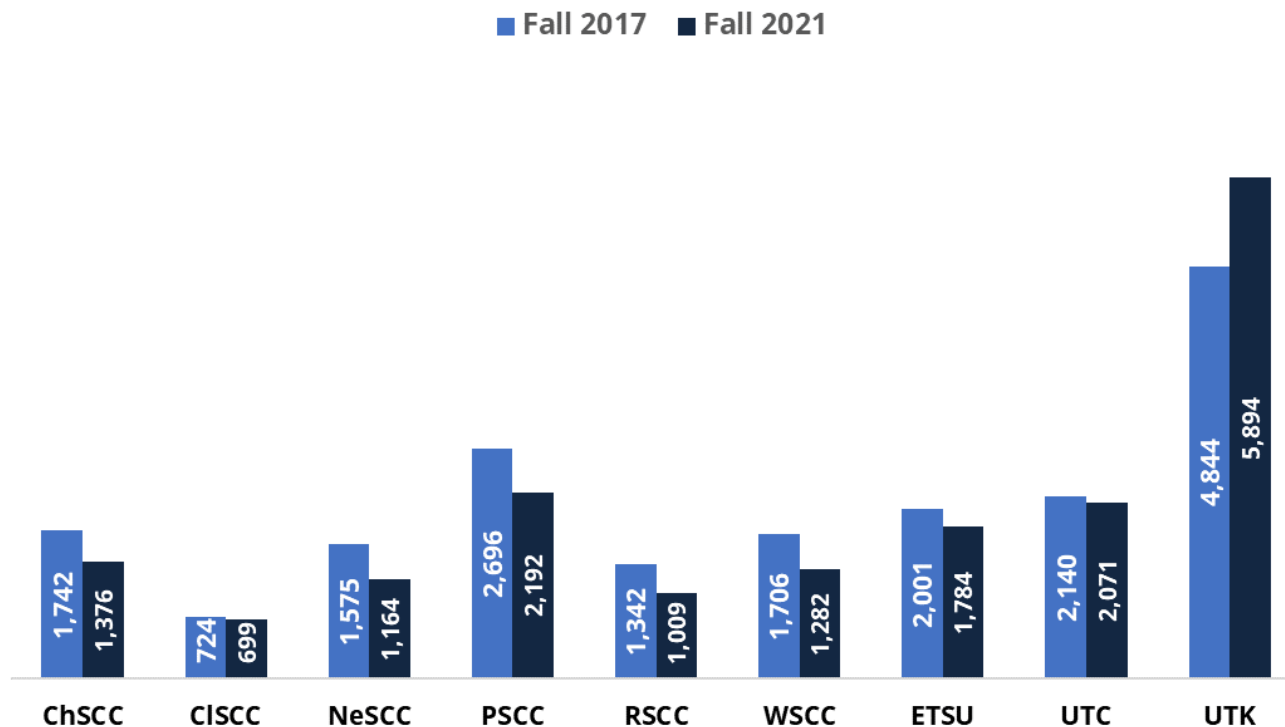


Cohort Enrollment by East TCAT



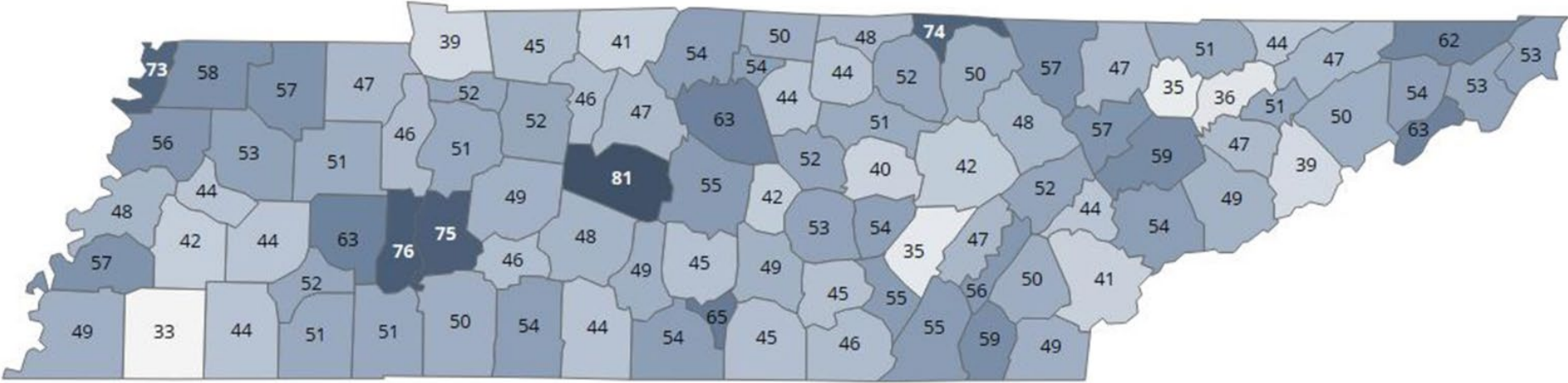
Source: THEC SIS

East TN Public 2-Yr and 4-Yr First-time, full-time Headcount



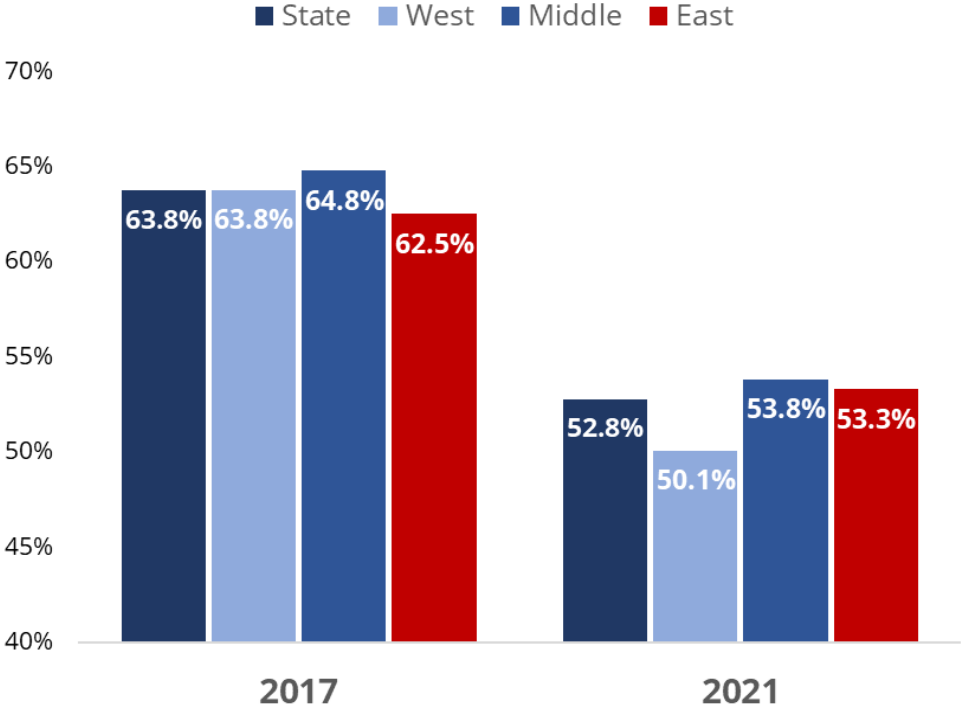
Source: THEC SIS

Geographic CGR Disparities Persisting

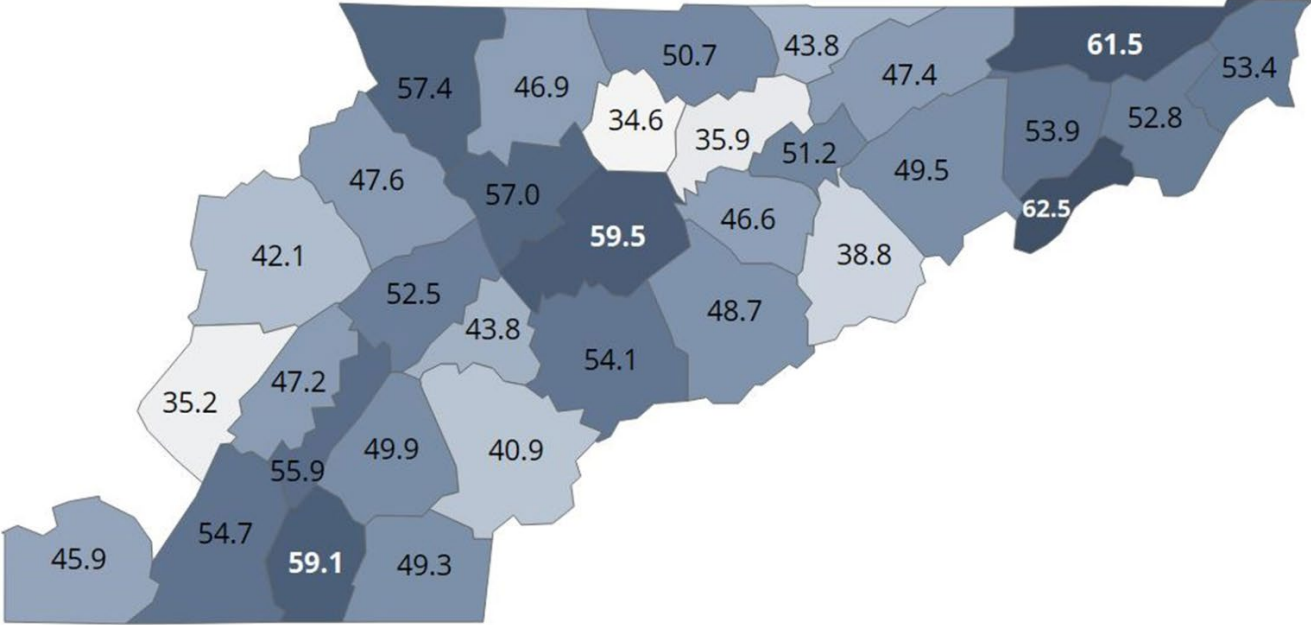


Source: THEC SIS; NSC StudentTracker Data

Looking by Grand Divisions – East No Longer Lowest

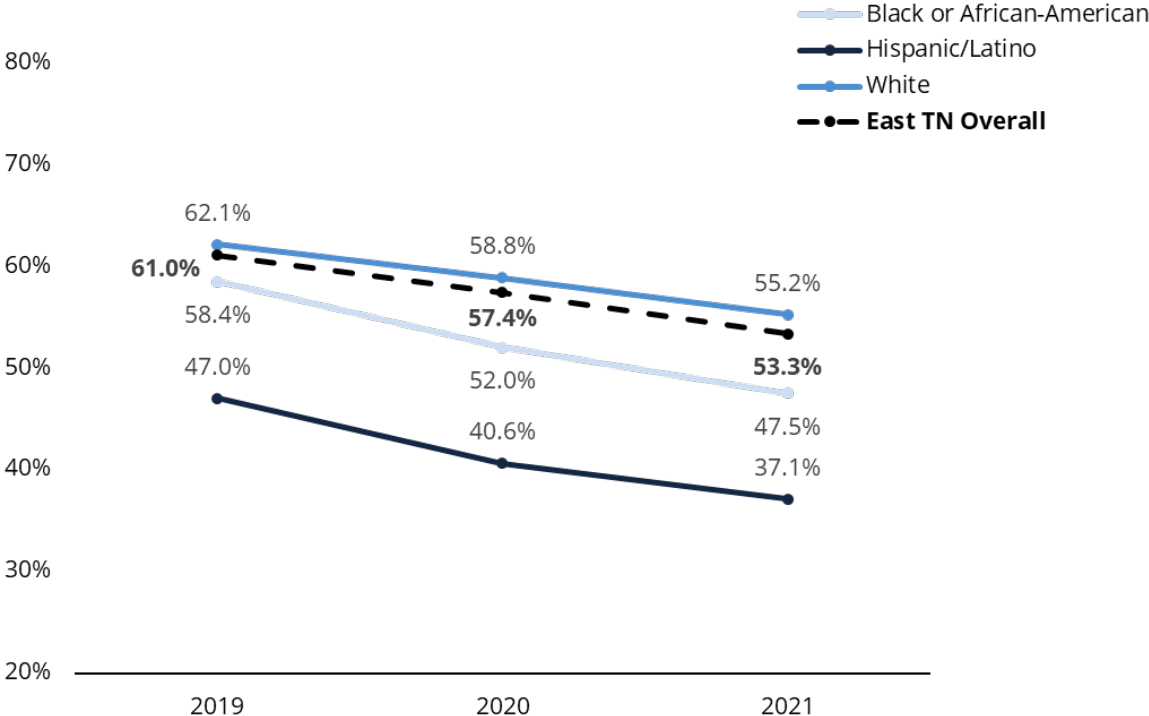


Focusing on East Tennessee



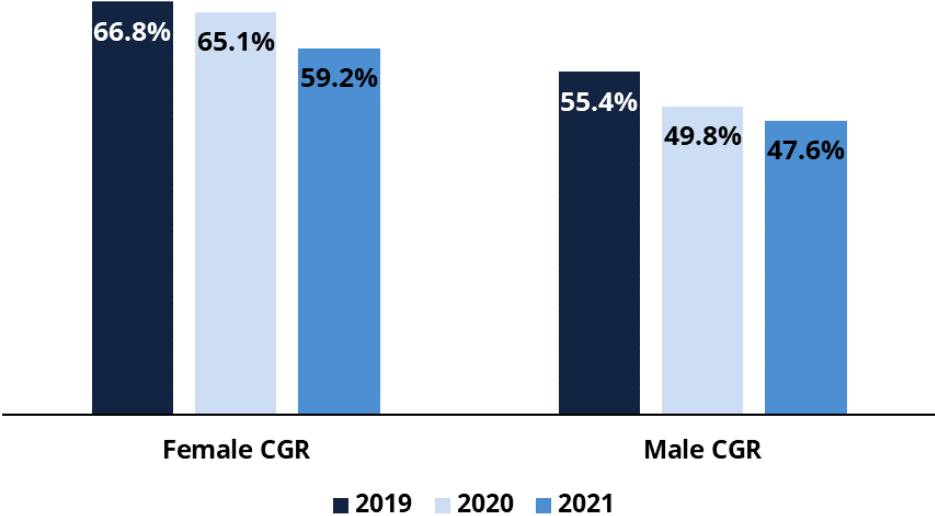
Source: THEC SIS; NSC StudentTracker Data

East CGR Disparities by Race Widening



Source: THEC SIS; NSC StudentTracker Data

East Male CGR Continues to Trail Female CGR



Source: THEC SIS; NSC StudentTracker Data

What have we heard from these students?

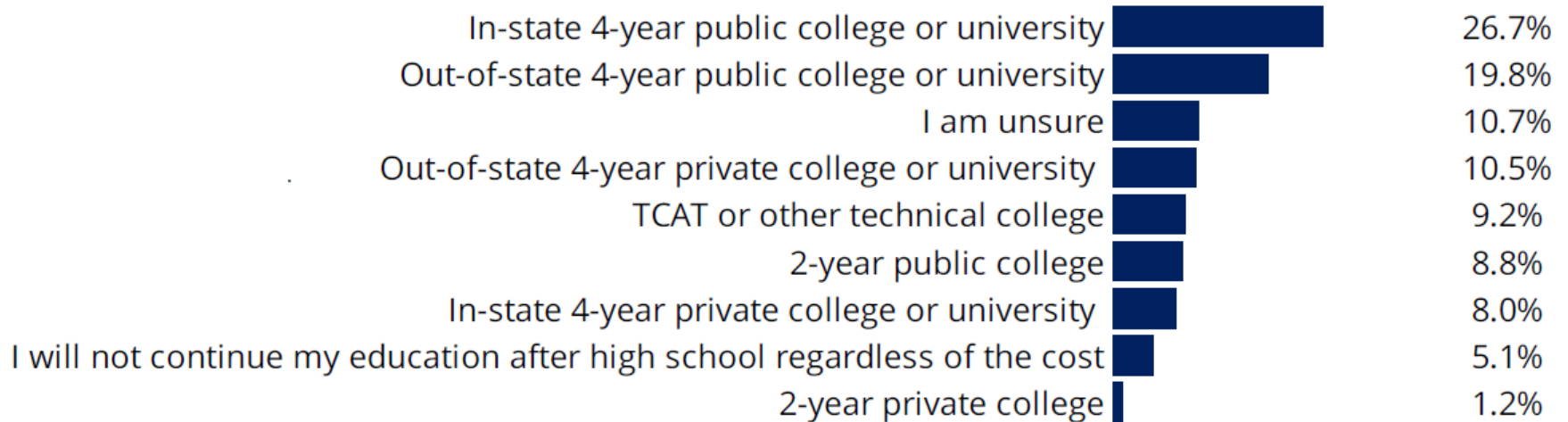
- We surveyed a sample of this cohort in Spring 2021
- 103 public high schools from across the state
- Two survey types: in-person, paper-and pencil survey and online survey
- Questions included:
 - Plans for fall following graduation
 - Details about college search and application and financial aid process
 - Perceived benefits of college
 - High school exposures to postsecondary education
 - Student Demographics
- Over 5,000 responses. Respondent pop. fairly representative of statewide cohort

What did we hear from these students re: post-HS plans?

	<i>"Before the COVID-19 pandemic, what did you plan to do in the fall after graduating from high school?"</i>	<i>"What will you do in the fall after graduating from high school?"</i>
Go to college or a technical college (e.g., TCAT)	69.7%	68.7%
Get a new job or continue working at my current job full-time	7.4%	10.5%
Enlist in the military	3.8%	3.7%
Take time off and enroll in a college or technical college within a year of graduating high school	8.3%	7.2%
Other	4.4%	4.6%
I did not/do not know what I was/am going to do after graduation	6.4%	5.1%
Total Valid Responses	5,046	5,046

Four-Year is Preferred → Suggests Need to Focus on Transfer Pathways

If money were not an issue, what would be your first-choice institution?



Note: Percentages based on n=4,697 valid responses.

But regards to money...

Success:

- 96.1% were “very familiar” (71.5%) or “sort of familiar” (24.6%) with TN Promise
- ~80% familiarity with HOPE Scholarship

Opportunities... maybe?:

- Nearly half had no familiarity with the Pell Grant
- Over half had no familiarity with the TN Student Assistance Award

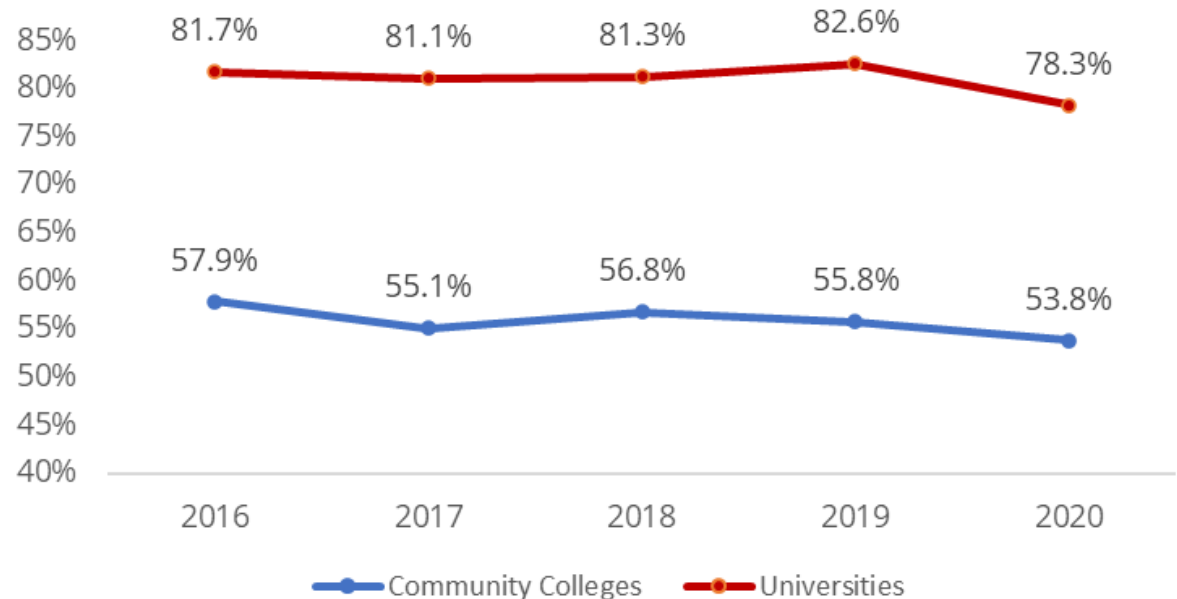
Opportunities, definitely:

- Over 80% had no familiarity with Wilder-Naifeh Technical Skills Grant
- Just under half had no familiarity with Work Study

What are state policy implications?

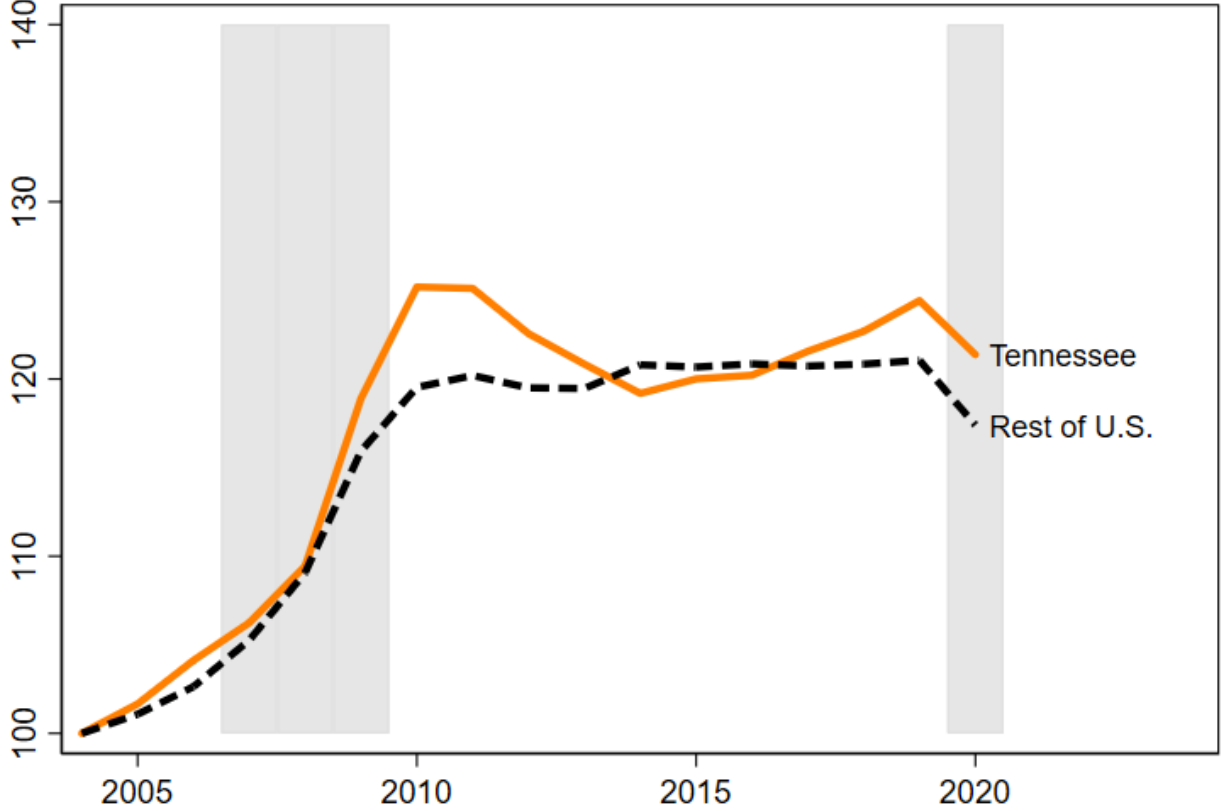
- Declining enrollment *may* yield lower outcomes
- *And* retention is down in both sectors; unclear if short-term or long-term problem
- THEC will:
 - Convene and coordinate agencies and partners to assess problems and propose solutions
 - Continue to advocate for institutional support to address completion initiatives *and* affordability

Fall Freshman to Fall Sophomore Retention Rates



Zooming Out: US and TN Trends in College Enrollment

Indexed total enrollment (2004=100)

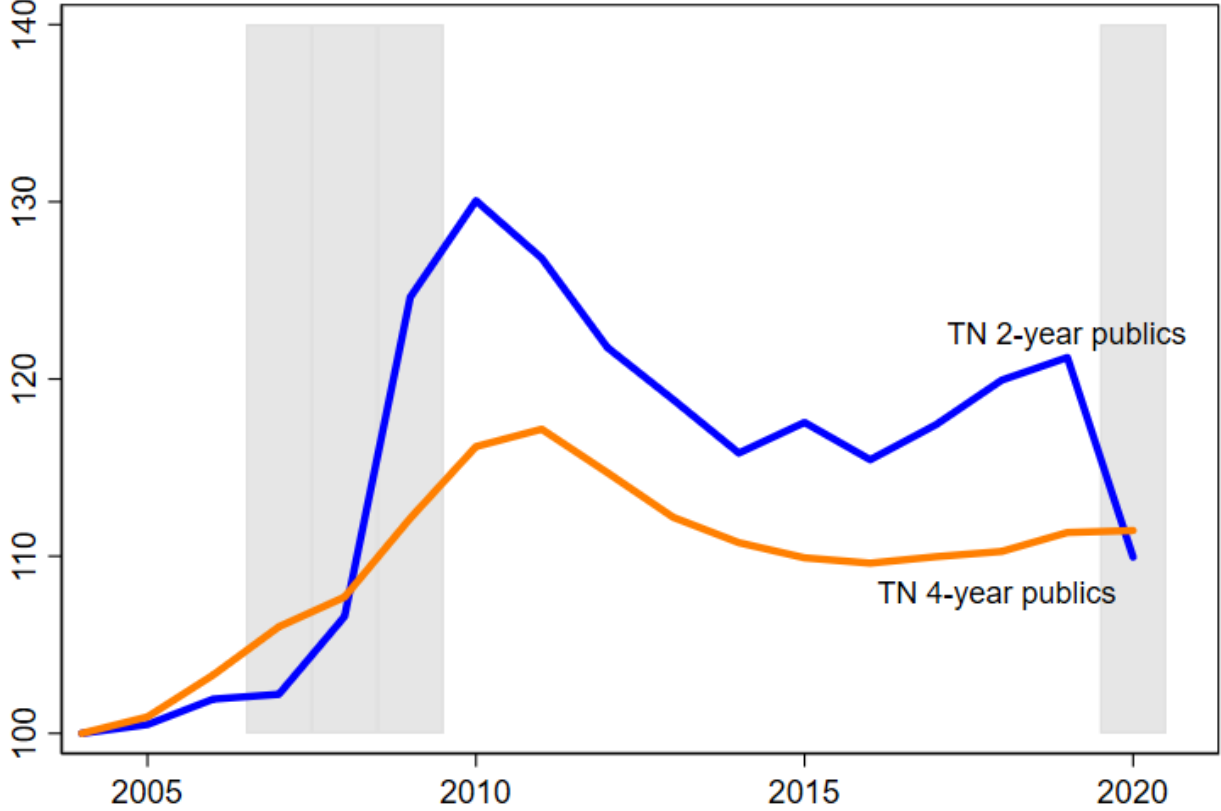


Source: [IPEDS](#)

Fall 2019 - Fall 2020 Change in Enrollment by Student Type		
	Tennessee	Rest of the U.S.
First-time students	-5.5%	-8.8%
Continuing/transfer	-2.5%	-2.4%
Non-degree (incl DE)	-6.6%	-6.6%
Graduate	+4.2%	+2.4%

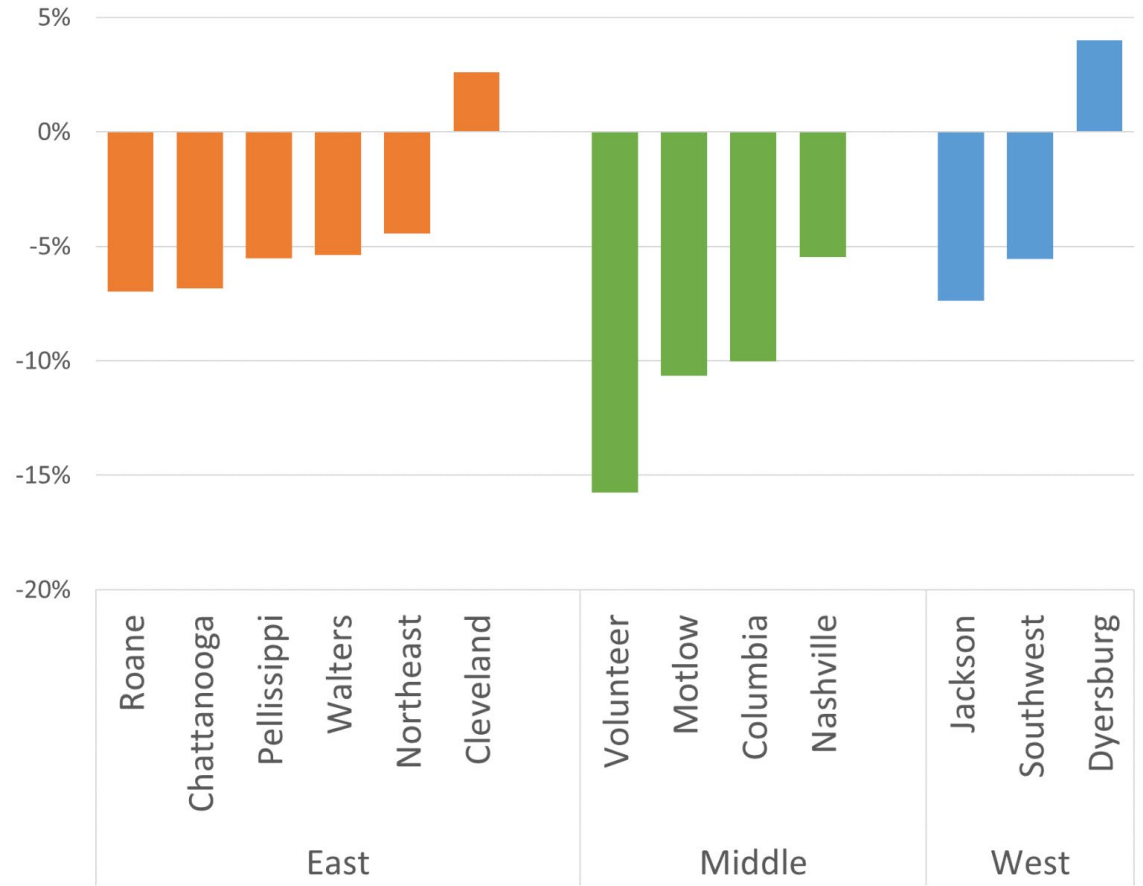
Source: [IPEDS](#)

Indexed total enrollment (2004=100)



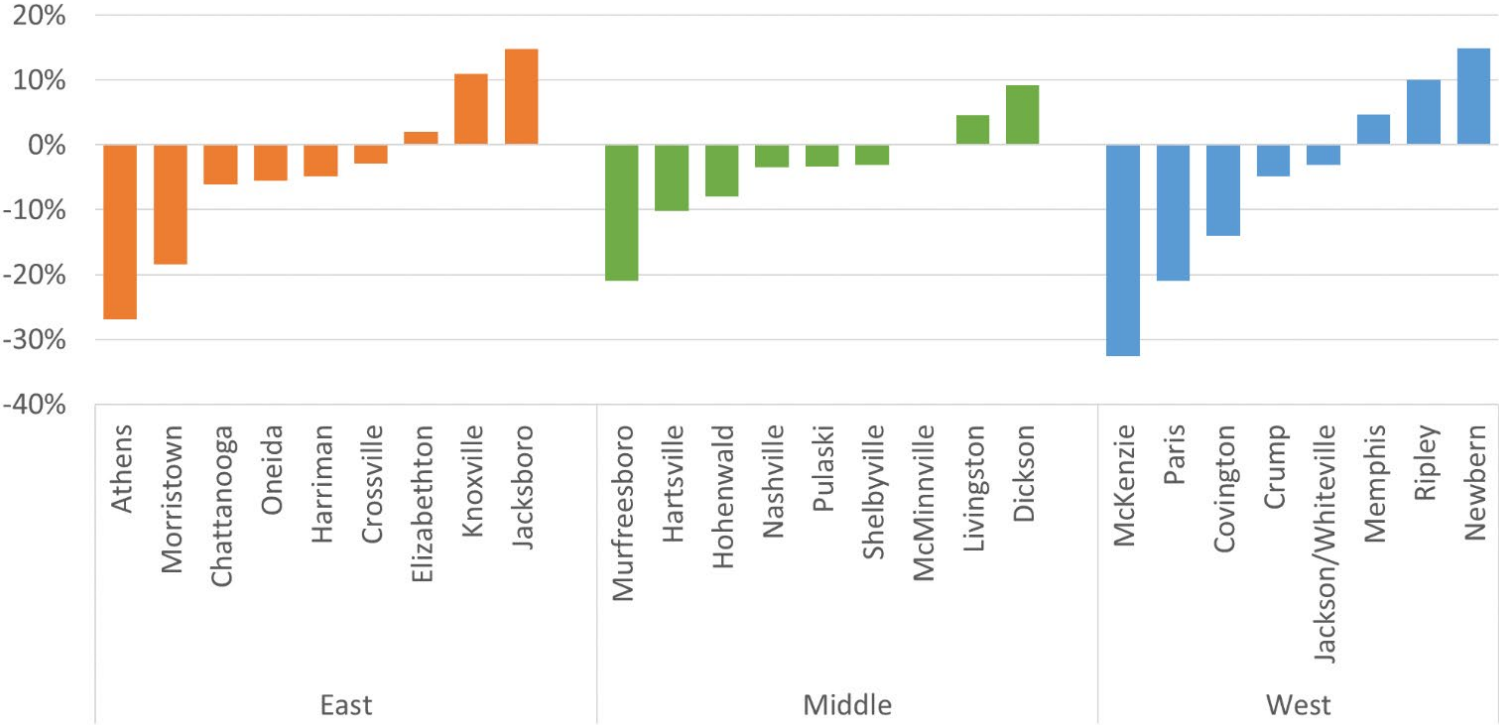
Source: [IPEDS](#)

Fall 2021 enrollment was down 7% from Fall 2020 in TN CCs, after falling 10% from 2019 to 2020



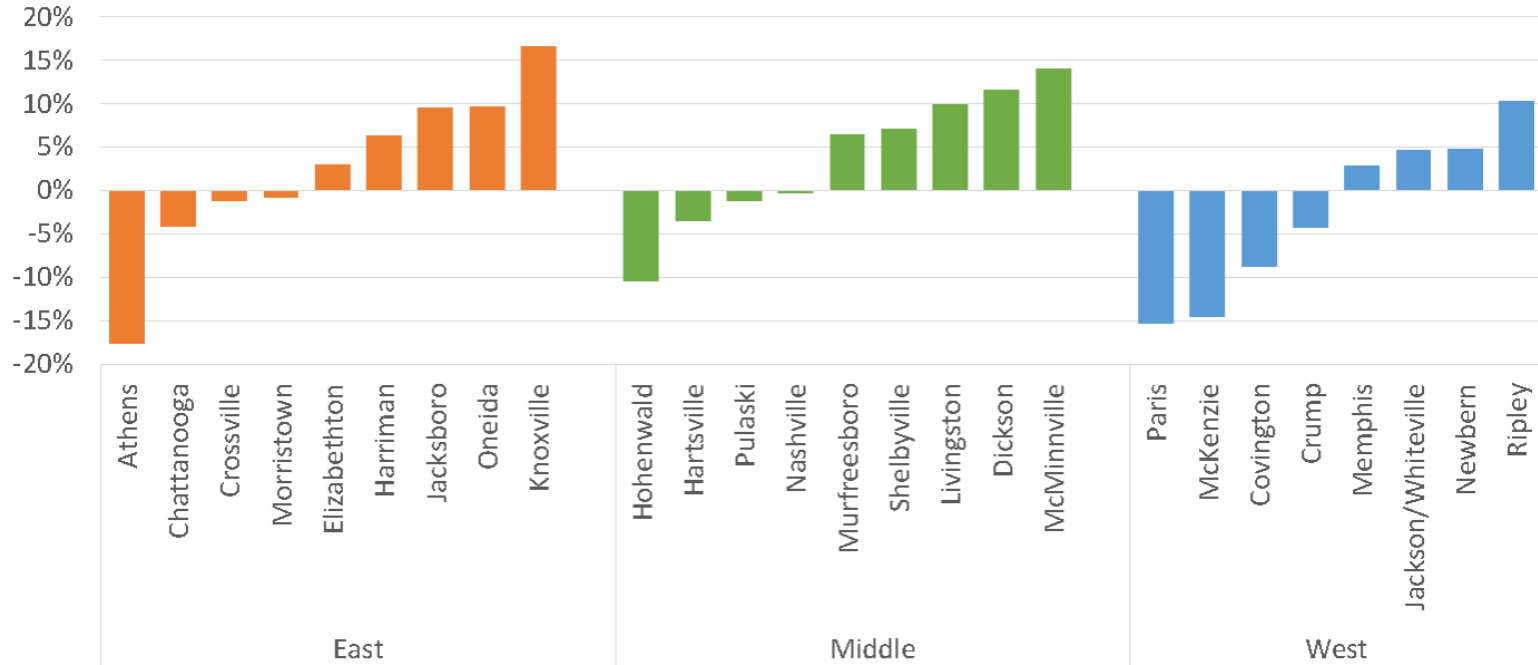
Source: [TBR](#)

Fall 2020 enrollment was also down 7% in TCATs



Source: [TBR](#)

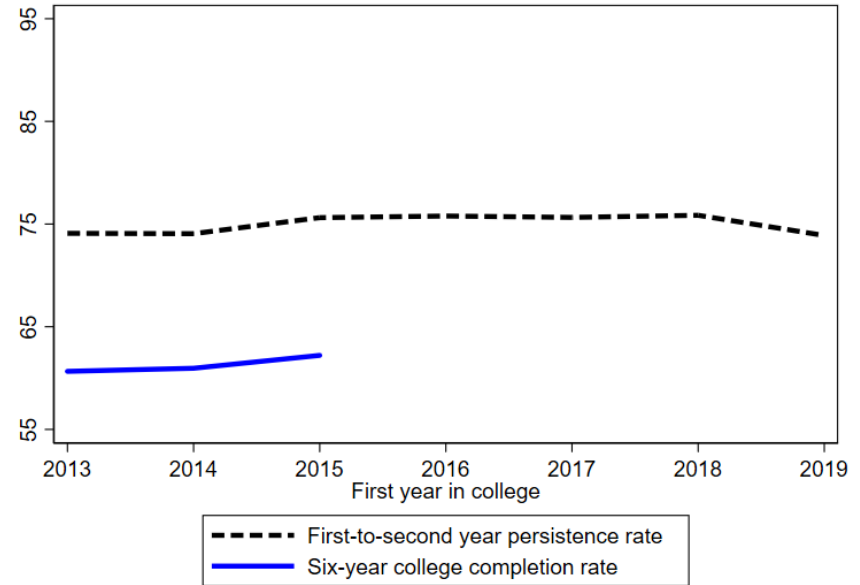
But 2020-2021 enrollment was **up** 3% over 2019-2020 in TCATs



Source: [TBR](#)

Nationwide, college completion rates are up, but persistence is down

- Six-year college completion rates (all sectors, certificates and degrees) rose from 61.0% to 62.2% between the 2014 and 2015 entering cohorts.
- But completion rates may fall for newer cohorts who were more affected by Covid disruptions.
 - First-to-second year persistence rates fell from 75.9% to 73.9% between the 2018 and 2019 entering cohorts.
 - Persistence fell most for community college students and Hispanic students.
 - Persistence increased for biological/biomedical and health care majors.



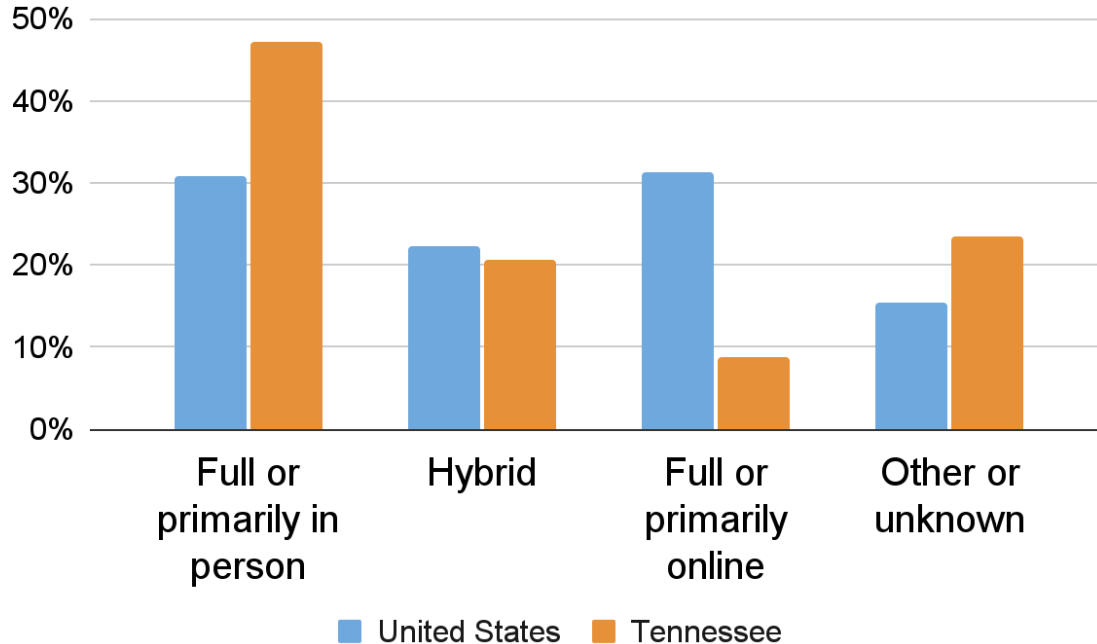
Source: National Student Clearinghouse ([persistence](#), [completion](#))

Why are College-Going and Enrollment Falling?

Possible Reasons

- Aversion to online learning, lack of access to online learning, and impracticality of online learning
 - Research consistently finds that students do worse in online classes.
 - Northwestern / UVA study: Community colleges with more assembly, repair, & maintenance program enrollment before the pandemic had larger enrollment declines in fall 2020 ([Schanzenbach & Turner, 2022](#)).

Fall 2020: TN colleges and universities were more likely to have in-person classes.



Source: [College Crisis Initiative](#)

Possible Reasons

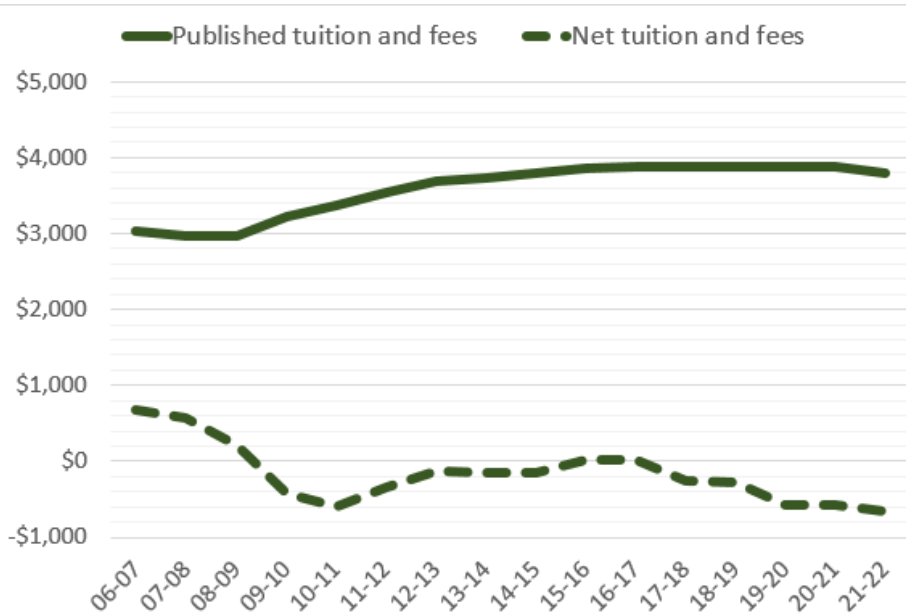
- Aversion to online learning, lack of access to online learning, and impracticality of online learning
- Aversion to in-person learning

Possible Reasons

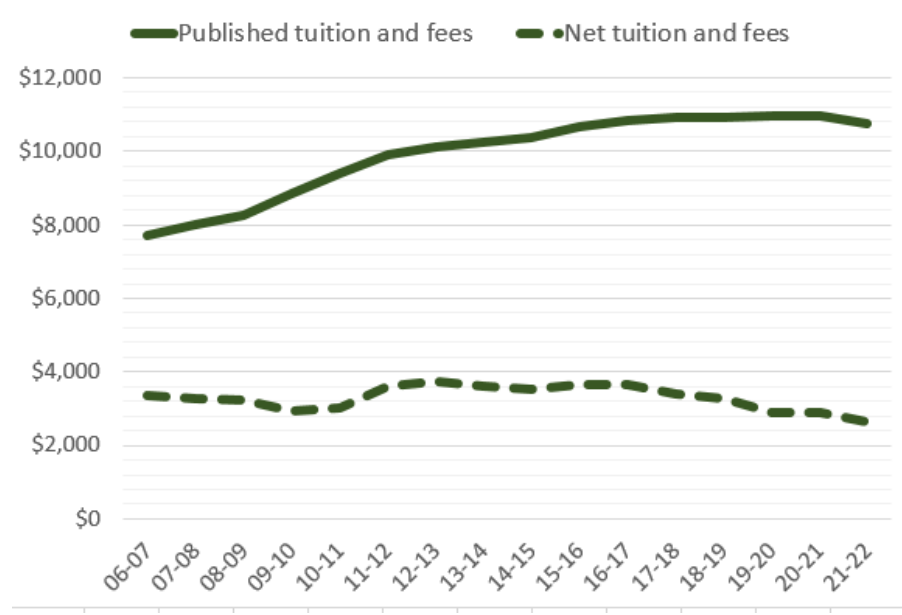
- Aversion to online learning, lack of access to online learning, and impracticality of online learning
- Aversion to in-person learning
- Cost of college
 - [AAC&U survey](#) in spring 2021: 60% of adults (and 87% of employers) responded that they “believe that a college degree is worth the time and money involved.”

Nationwide, the cost of college is flat or falling

Two-year public schools



Four-year public schools



Source: [College Board](https://collegeboard.org)

Possible Reasons

- Aversion to online learning, lack of access to online learning, and impracticality of online learning
- Aversion to in-person learning
- Cost of college
- Labor market volatility, rising wages, job opportunities, relaxed education requirements

Worker shortages just forced employers to give out the biggest raises in 20 years

BY MEGAN LEONHARDT

January 31, 2022 6:22 PM EST



By [Ashley Bohle](#)

Published: May. 5, 2022 at 4:56 PM EDT



LOUDON, Tenn. (WVLT) - Loudon High School and [Malibu Boats](#) have partnered to recruit students to work for the company in an effort to avoid the labor shortage.

It's something neither Loudon High nor Malibu, the boat manufacturing company, have done before. On May 5 a couple students signed their intent to work for the company, similar to a college sports signing day.

Brady Fields is a soon-to-be graduate at Loudon High. He'd thought about going to college, but didn't feel like that was the best fit for him. Fields has a cousin who works for Malibu.

"I feel like it's going to be a good career for me," Fields said.

Target will pay a \$24-an-hour minimum wage in tightest labor markets

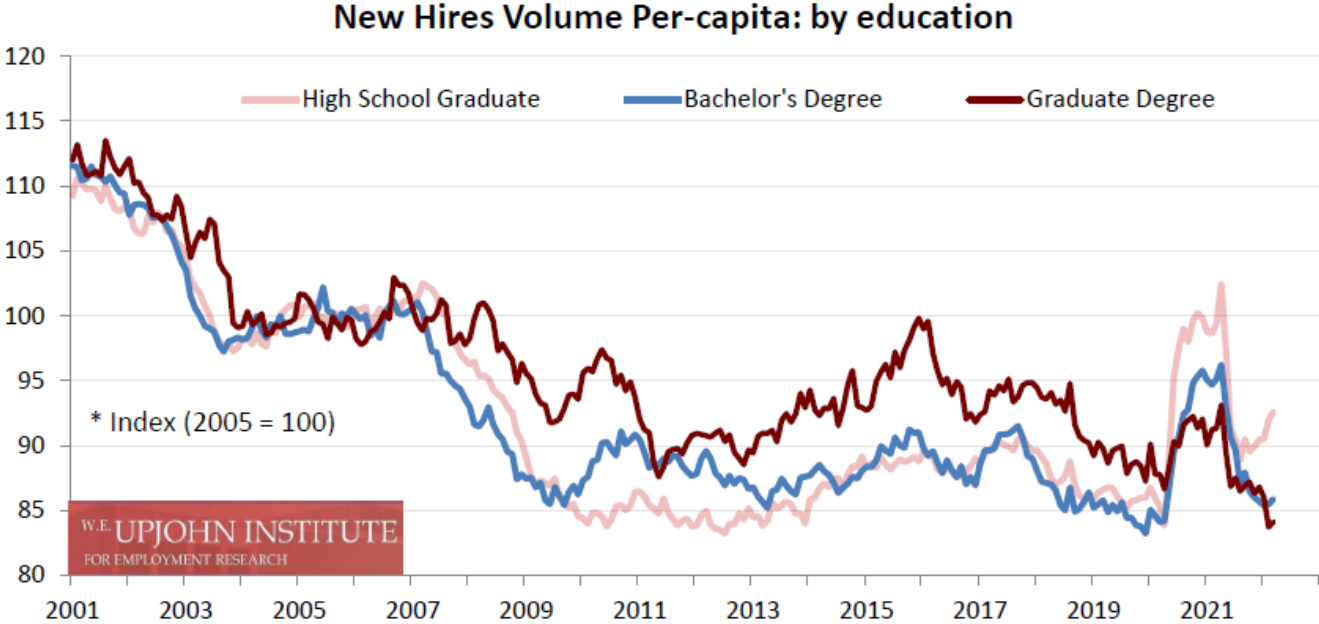
By Associated Press

February 28, 2022 | 12:18pm | Updated

New York (CNN Business) – Walmart is raising pay for long-haul truck drivers, a taxing job that is increasingly [difficult for companies to fill](#).

Walmart ([WMT](#)), one of the few retail chains that runs its own trucking fleet, said it's raising the average starting salary for first-year drivers from around \$88,000 to a range of \$95,000 to \$110,000.

High school grads saw elevated hiring rates in 2020-2022

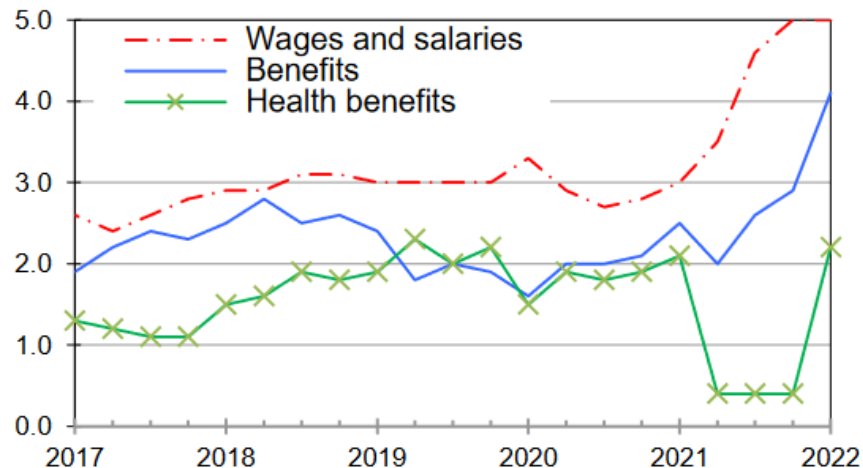


Source: [Upjohn NHQI](https://upjohnnhqi.org/), May 2022

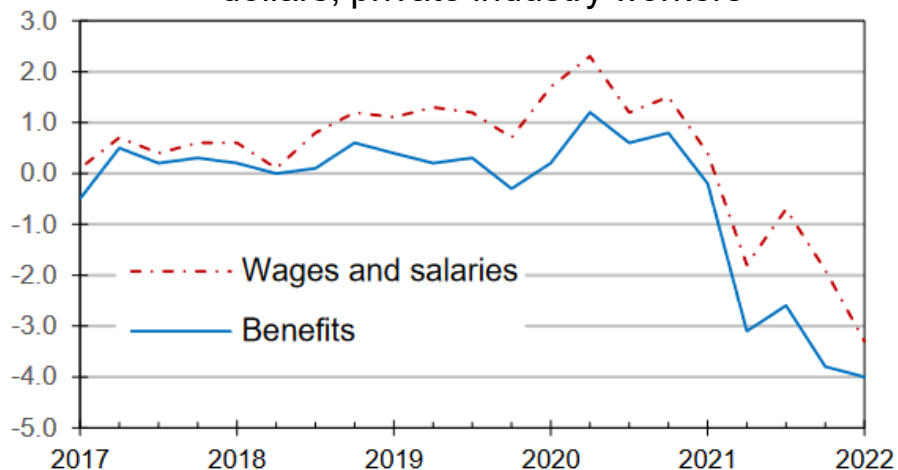
Wages are rising, but so are prices

Bureau of Labor Statistics Employment Cost Index (March 2022 release)

12-month percent change, nominal dollars,
private industry workers



12-month percent change, inflation-adjusted
dollars, private industry workers



Possible Reasons

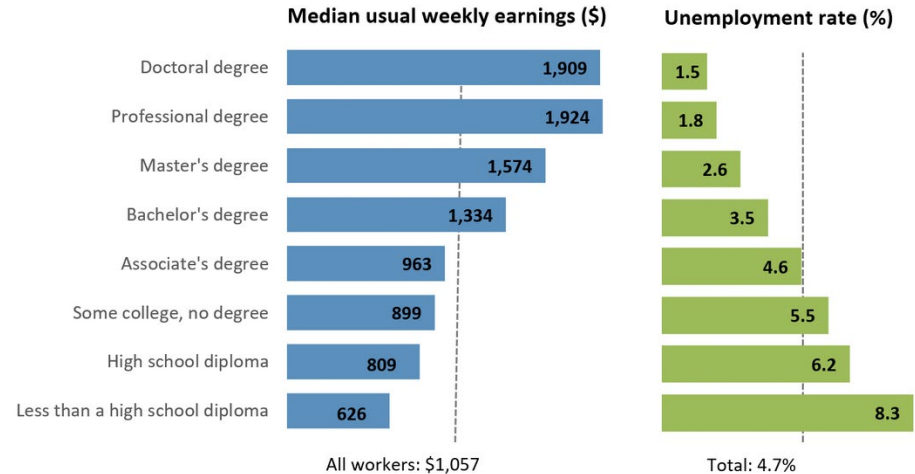
- Aversion to online learning, lack of access to online learning, and impracticality of online learning
- Aversion to in-person learning
- Cost of college
- Labor market volatility, rising wages, job opportunities, relaxed education requirements
- Time constraints, child care, overall uncertainty

What does falling postsecondary enrollment mean for Tennesseans, and for Tennessee?

Is College (Still) Worth the Cost?

- Estimated returns are high, on average.
 - 14% ROI for associate's and bachelor's ([NY Federal Reserve](#)).
 - Students at the margin of going to college earn 18-22% more by age 30 ([Zimmerman](#), 2014; [Mountjoy](#), 2021).
 - Only 1 in 5 jobs earning \$45,000+ by age 45 go to workers without college ([Georgetown](#)).
 - The median bachelor's degree has a \$306,000 net ROI ([Cooper](#), FREOPP).
 - Health, family, and intergenerational benefits

Earnings and unemployment rates by educational attainment, 2021



Source: BLS

Is College (Still) Worth the Cost?

- High average returns are not guarantees.
 - The bachelor's ROI falls from \$306,000 to \$129,000 after accounting for dropout risk.
 - College and especially major play a big role: 25% of programs have a negative ROI ([Cooper](#), FREOPP).
 - Even if a student pays nothing to attend, there is a 22% chance that college does not pay off ([Webber](#), Third Way).
 - Many need loans to afford college. About 1 in 5 student loan borrowers are in default ([Pew](#)).
- Some public and private sector employers are dropping college education requirements.

Interruptions, Disruptions, and Transformation

- Interruptions - pandemic-fueled hurdles to enrolling in college
 - Widespread online and hybrid learning
 - Health risks from in-person learning
 - Inconsistent child care
- Disruptions - also attributed to the pandemic, but may be longer lasting
 - Worker shortages
 - Rising (nominal) wages for high school graduates
- Transformation - ongoing pre-pandemic changes in expected cost and payoff of college
 - Changing sentiment about the cost and value of higher education
 - Structural resets to education requirements
 - An aging US
 - Labor-saving automation
 - Local, state, and federal policy around college affordability