

## Student Success: Understanding Graduation and Persistence Rates

---

Conflicting reports on the progress of students through higher education often confuse the issues of institutional retention, student persistence, and degree attainment. Although institutional retention measures and graduation rates are important campus planning and management tools, they do not reflect the overall student experience. Institutional reports such as the annual ACT study of graduation rates underestimate student completion by reporting graduation and retention rates at single institutions. National estimates have found that 40 percent of all students attend more than one institution.<sup>1</sup> Recent data from the U.S. Department of Education's National Center for Education Statistics (NCES) followed students across institutions and included the progress of students who transferred and graduated from institutions other than the first one in which they enrolled. These longitudinal data allow for a more thorough analysis of not only student enrollment and completion patterns, but also factors that influence student success.

By 2001, only 43 percent of students who entered postsecondary education in 1995–96 and were seeking a degree or certificate had earned a credential at their first institution. However, 25 percent of all students who entered college in 1995–96 had transferred to another institution within six years. When accounting for transfers and other multi-institutional attendance, 54 percent of all beginning students with the goal of earning a degree had earned a degree or certificate within six years. Many students were still pursuing their degree goals, with more than 14 percent of students still enrolled six years after beginning postsecondary education. This pattern results in an overall six-year persistence and degree attainment rate of 69 percent for all undergraduate students. Table 1 summarizes degree attainment and persistence at students' first institution. Students are categorized by first type of institution attended.<sup>2</sup> Table 2 details student attainment by the type of degree earned at any institution.

### **PUBLIC FOUR-YEAR BEGINNERS**

Half—51 percent—of all students with the goal of earning a degree who began at public four-year institutions had completed their degree or certificate within six years at the same institution. However, an additional 11 percent of students who began at these institutions eventually transferred and earned a

---

<sup>1</sup> Choy, S. P. (2002). *Access and Persistence: Findings from 10 Years of Longitudinal Research on Students*. Washington, DC: American Council on Education, Center for Policy Analysis.

<sup>2</sup> For example, a student who began at a public two-year institution who later transferred and completed a baccalaureate degree at a private four-year institution would be included in the public two-year attainment rates.

---

degree at another institution, which brings the overall graduation rate for public four-year institutions to nearly 61 percent. In addition, more than 17 percent of students seeking a degree who began at public four-year institutions in 1995–96 were still enrolled and persisting toward a degree in 2001. A six-year institutional graduation rate that assesses only student attainment at the first institution would result in a 51 percent graduation rate for public four-year institutions. However, when accounting for students who transferred and students who are still enrolled, the overall six-year persistence and degree attainment rate for public four-year institutions was 79 percent. This differential of nearly 30 percentage points demonstrates the dramatic impact of examining student persistence rates versus institutional retention.

### **PRIVATE, NOT-FOR-PROFIT FOUR-YEAR BEGINNERS**

Students who began at private, not-for-profit four-year institutions were most likely to attain a degree or certificate within six years. Nearly 66 percent of students who began at a private, not-for-profit four-year institution in 1995–96 had earned a degree at that institution by 2001. An additional 10 percent of those who began at private, not-for-profit institutions earned degrees at a subsequent institution, resulting in more than three-quarters (76 percent) of these students having earned a degree within six years. Approximately 9 percent of students who began at private, not-for-profit four-year institutions in 1995–96 were still enrolled in 2001. The overall six-year persistence and degree attainment rate for private, not-for-profit four-year institutions is 85 percent.

### **PUBLIC TWO-YEAR BEGINNERS**

One-quarter of students who entered a public two-year institution in 1995–96 with the goal of earning a degree or certificate had attained a credential at that institution by 2001. However, it is important to note that many students enter community colleges with educational goals other than degree attainment, and nearly 60 percent of entering students attend half-time or less. In addition, nearly one-third (31 percent) of students who began at these institutions transferred to other institutions. After considering transfer students, 39 percent of beginning students who entered at a public two-year institution had earned a degree or certificate within six years. More than 17 percent of students who entered community colleges in 1995–96 were still enrolled six years later, resulting in an overall persistence and attainment rate of 56 percent.

## **PRIVATE FOR-PROFIT BEGINNERS**

More than half (61 percent) of students who first enrolled at a private for-profit institution had earned a degree or certificate at that institution within six years. Typically, fewer students from these institutions, which typically offer short-term specialized career programs, seek to transfer to another institution. As a result, after considering transfers, 65 percent of students who began at private for-profit institutions had earned a degree or certificate within six years. In addition, because many of these programs are short term, only 3 percent of students who began at these institutions were still enrolled in 2001. The overall attainment and persistence rate for students beginning at private for-profit institutions is 69 percent.

## **ATTAINMENT AND DEGREES EARNED**

Looking at overall graduation and persistence rates alone does not tell the full story of student attainment. The level of credential earned varies significantly by institutional type and offers a deeper picture of degree attainment rates. Of the 76 percent of students beginning at private, not-for-profit four-year institutions and the 62 percent beginning at public four-year institutions who had earned a degree within six years (see Table 1), 72 percent and 55 percent, respectively, had earned a baccalaureate degree (see Table 2). The remaining students had earned either a certificate or associate degree. In contrast, of the students who began at public two-year institutions and had the goal of earning a degree (see Table 1), 28 percent had earned an associate degree or certificate within six years and 11 percent had earned a baccalaureate within six years (see Table 2). Students at private for-profit institutions were most likely to have earned a certificate (54 percent) or associate degree (10 percent), with less than 2 percent of these students earning a baccalaureate degree.

## **WORK AND FAMILY**

Research has identified many factors that positively and negatively influence students' academic progress and success, including prior experiences, student characteristics, and students' experiences and level of involvement during their postsecondary education.<sup>3</sup> Characteristics that may adversely affect persistence and attainment often are interrelated, the challenges faced by students are compounded. Two key persistence risk factors are work intensity and family responsibilities.<sup>4</sup> Although many students are working to pay for their education, they often also work to support families and must balance the

---

<sup>3</sup> Pascarella, E. T., and Terenzini, P. T. (1991). *How College Affects Students: Findings and Insights from Twenty Years of Research*. San Francisco, CA: Jossey-Bass Inc.

<sup>4</sup> Horn, L. J., and Premo, M. D. (1995). U.S. Department of Education, National Center for Education Statistics. *Profile of Undergraduates in U.S. Postsecondary Education Institutions: 1992-93, with an Essay on Undergraduates at Risk* (NCES 96-237). Washington, DC: U.S. Government Printing Office.

demands of work, family, and study. As a result, these students typically attend college part time, slowing their progress and increasing the likelihood that they will fail to persist.

According to the U.S. Department of Education, more than 80 percent of beginning postsecondary students report working at some time during their enrollment. Although limited employment is often correlated with increased persistence and attainment, many students are working so many hours that their academic success may be at risk. As freshmen, 70 percent of students reported working while enrolled. The proportion of students and number of hours worked varied by institutional type. Sixty-five percent of students beginning at private, not-for-profit four-year institutions worked, and they did so for a median number of 15 hours per week. In contrast, 81 percent of students at public two-year institutions worked, and they did so for a median number of 30 hours per week.

Table 3 demonstrates the impact of work intensity on persistence and degree attainment across institutional type. More than two-thirds (68 percent) of students who began at a public four-year institution and did not work—or who worked fewer than 15 hours per week during their first year—had attained a degree or certificate within six years. In contrast, of those students who entered a public four-year institution and worked more than 35 hours during their first year, 39 percent had earned a degree or certificate. Nearly one-quarter (24 percent) of these beginners were still enrolled six years later, suggesting that these students are balancing full-time work with part-time attendance, resulting in longer time-to-degree. A similar pattern emerges among beginners at public two-year institutions. Students who began at a public two-year institution and did not work—or who worked fewer than 15 hours per week during their first year—were more likely to have attained a degree or certificate (43 percent and 45 percent, respectively) than students who worked more than 35 hours per week (24 percent). However, it is important to note that less than 20 percent of students who began at these institutions did not work during their first year of enrollment.

Table 4 describes the impact of family responsibilities on persistence and attainment by institution type.<sup>5</sup> Overall, 56 percent of dependent students had attained a degree or certificate six years after beginning their postsecondary education. Independent students were less likely to have earned a credential, with 36 percent of independents without children, and 41 percent of independents with children, having attained a degree or certificate within six years. The disparity in attainment rates by family status was most notable for students who began at four-year institutions. Sixty-three percent of dependent students who began at a public four-year institution had earned a degree or certificate within six years, compared with 28 percent of independent students without dependents and 32 percent of

---

<sup>5</sup> Family status is divided into three groups: Dependent students, independent students without dependents, and independent students with dependents. A student is considered dependent when he or she is under the age of 25, is unmarried, is not a veteran, and does not have children. A student is considered independent when he or she is 25 or older, married, or a veteran—these students are further divided into those who do and do not have dependents other than a spouse for whom they are responsible.

independent students with dependents. Of those students who began at a private, not-for-profit four-year institution, more than three-quarters (76 percent) of dependents had earned a degree within six years, compared with 59 percent of independent students without dependents and 33 percent of independent students with dependents.

Although dependent students were more likely to earn a degree regardless of institution type, independent students who began at private, for-profit institutions were most likely to have earned a credential within six years. The short-term, highly structured nature of many vocational certificate programs may contribute to this level of attainment. However, institutions cannot be compared appropriately without noting the proportion of their students who are balancing family and study. As was the case for students who work, students who are independent of their parents, or who are parents themselves, are more concentrated in short-term programs at public two-year institutions and private, for-profit institutions. Less than 10 percent of students who began at four-year institutions in 1995–96 were independent students, either on their own or supporting families. In contrast, 13 percent of students entering public two-year institutions were independent students without dependents, and an additional 22 percent were independent students supporting families. Of those students beginning at private, for-profit institutions, 18 percent were independent students without dependents and 45 percent were independent students supporting families.

## **SUMMARY**

Graduation and persistence rates are critical performance measures for institutions and policy makers alike. However, reports that focus on institutional retention or graduation measures do not capture the full diversity of students' experiences and may unfairly characterize certain institutions. Persistence measures should consider the full student experience across institutions, and where possible, be presented in the context of other relevant student characteristic data. In a broader policy context, these measures are most valuable when they reflect the personal, academic, and economic realities faced by students and by the colleges and universities that they attend.

**TABLE 1: SIX-YEAR PERSISTENCE AND DEGREE ATTAINMENT RATES OF 1995-96 BEGINNING STUDENTS WITH A DEGREE GOAL, BY TRANSFER STATUS AND TYPE OF INSTITUTION (BY PERCENTAGE)**

	Earned Degree/Certificate			Still Enrolled			No Degree, Not Enrolled
	Earned Degree/Certificate at First Institution %	Earned Degree/Certificate After Transfer %	Earned Degree/Certificate Total %	Still Enrolled at First Institution %	Still Enrolled After Transfer %	Still Enrolled Total %	%
All Institutions	43.2	11.1	54.3	6.2	8.1	14.3	31.4
First Institution Type							
Public							
Four-Year	51.0	10.7	61.7	8.7	8.4	17.1	21.3
Two-Year	25.1	13.7	38.8	7.1	10.2	17.3	43.9
Private Not-for-Profit							
Four-Year	65.6	10.0	75.6	3.3	5.8	9.1	15.3
Private For-Profit	60.9	4.5	65.4	0.5	2.9	3.4	31.2

Source: U.S. Department of Education, National Center for Education Statistics (NCES), BPS: 96/2001. Analysis by ACE Center for Policy Analysis.

**TABLE 2: SIX-YEAR ATTAINMENT RATES (INCLUDING TRANSFER) OF 1995-96 BEGINNING STUDENTS WITH A DEGREE GOAL, BY DEGREE AND TYPE OF FIRST INSTITUTION (BY PERCENTAGE)**

	Earned Degree/Certificate Total %	Earned BA %	Earned AA %	Earned Certificate %	Still Enrolled %	No Degree, Not Enrolled %
	All Institutions	54.3	32.0	10.1		
First Institution Type						
Public						
Four-Year	61.7	55.1	4.0	2.6	17.1	21.3
Two-Year	38.8	11.3	16.8	10.7	17.3	43.9
Private Not-for-Profit						
Four-Year	75.6	71.6	2.4	1.7	9.1	15.3
Private For-Profit	65.4	1.7	9.9	53.7	3.4	31.2

Source: U.S. Department of Education, National Center for Education Statistics (NCES), BPS: 96/2001. Analysis by ACE Center for Policy Analysis.

**TABLE 3: SIX-YEAR PERSISTENCE AND DEGREE ATTAINMENT RATES OF 1995-96 BEGINNING STUDENTS AT FIRST INSTITUTION, BY WORK INTENSITY AND TYPE OF INSTITUTION (BY PERCENTAGE)**

Institution Type	Total Attainment %	Attained BA %	Attained AA %	Attained Certificate %	Still Enrolled %	No Degree, Not Enrolled %
<b>Did Not Work</b>						
<b>All Institutions</b>	60.9	36.9	9.2	14.7	10.0	29.1
Public Four-Year	67.7	60.8	4.3	2.6	14.1	18.2
Public Two-Year	42.8	10.6	21.1	11.2	11.0	46.2
Private, Not-for-Profit Four-Year	77.0	73.9	2.2	1.0	7.5	15.5
Private For-Profit	61.9	1.0	5.3	55.5	1.8	36.4
<b>15 Hours or Fewer/Week</b>						
<b>All Institutions</b>	67.0	52.3	8.7	6.0	12.6	20.4
Public Four-Year	68.2	63.1	3.3	1.8	15.4	16.5
Public Two-Year	44.6	13.6	23.6	7.4	17.1	38.3
Private, Not-for-Profit Four-Year	81.9	78.7	2.5	0.7	7.0	11.2
Private For-Profit	76.9	2.1	9.6	65.2	6.5	16.7
<b>35 Hours or More/Week</b>						
<b>All Institutions</b>	31.7	7.9	7.5	16.3	16.2	52.2
Public Four-Year	39.2	28.6	3.9	6.8	24.3	36.5
Public Two-Year	24.4	3.3	8.2	13.0	16.9	58.7
Private, Not-for-Profit Four-Year	48.3	38.2	4.4	5.7	18.2	33.6
Private For-Profit	54.8	1.5	10.5	42.7	4.8	40.5

Source: U.S. Department of Education, National Center for Education Statistics (NCES), BPS: 96/2001. Analysis by ACE Center for Policy Analysis.

**TABLE 4: TOTAL SIX-YEAR PERSISTENCE AND DEGREE ATTAINMENT RATES OF 1995-96 BEGINNING STUDENTS, BY FIRST INSTITUTION TYPE AND FAMILY STATUS (BY PERCENTAGE)**

	<b>Total Attainment</b>	<b>Attained BA</b>	<b>Attained AA</b>	<b>Attained Certificate</b>	<b>Still Enrolled</b>	<b>No Degree, Not Enrolled</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>All Institutions</b>						
Dependent	55.7	38.7	10.4	6.7	15.5	28.7
Independent, No Dependents	36.4	5.2	7.7	23.4	15.1	48.5
Independent, with Dependents	41.2	3.9	9.3	28.1	10.4	48.4
<b>Public Four-Year</b>						
Dependent	63.1	56.6	4.0	2.5	17.0	19.8
Independent, No Dependents	27.5	18.7	7.0	1.8	25.4	47.1
Independent, with Dependents	31.9	14.7	7.0	10.1	19.3	48.8
<b>Private, Not-for-Profit Four-Year</b>						
Dependent	75.7	71.8	2.7	1.3	8.9	15.4
Independent, No Dependents	58.6	45.1	4.6	8.9	6.7	34.8
Independent, with Dependents	33.4	21.1	3.5	8.8	24.1	42.6
<b>Public Two-Year</b>						
Dependent	39.7	14.3	18.3	7.1	19.1	41.2
Independent, No Dependents	22.0	1.7	7.8	12.6	19.6	58.3
Independent, with Dependents	33.1	4.1	12.8	16.2	13.0	53.9
<b>Private For-Profit</b>						
Dependent	61.5	4.4	15.5	41.6	4.3	34.2
Independent, No Dependents	69.8	0.3	9.6	59.9	1.9	28.3
Independent, with Dependents	56.5	0.0	3.7	52.8	3.1	40.4

Source: U.S. Department of Education, National Center for Education Statistics (NCES), BPS: 96/2001. Analysis by ACE Center for Policy Analysis.