

THE CHRONICLE REVIEW

Where Did All the Students Go?

Five views on the great
enrollment crash

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“Higher education has fully entered a new structural reality,” argues Bill Conley, vice president for enrollment management at Bucknell University, in a recent essay

(<https://www.chronicle.com/interactives/20190906-Conley>) in *The Chronicle Review*.

When Bucknell failed to hit its enrollment goals this spring, it wasn't alone — National Association for College Admission Counseling data show a large increase in the number of colleges still soliciting applications after the May 1 deadline. “Up and down the selectivity ladder, especially among private colleges,” Conley writes, “yield models had been invalidated by a sea change in student college-choice behavior.”

We reached out to five leaders in enrollment from across the country and asked them: What does the enrollment crash look like to you? Here's what they told us.

— The Editors

A Collision Course With Reality

By JON BOECKENSTEDT

During my 35 years in admissions and enrollment management, there has been one constant: the incessant background hum warning about the pending economic decline of higher education. I remember hearing in the early '80s that birth rates were beginning to decline, that the pipeline of prospective college students was drying up, and that many colleges would soon face closure. A few did, of course; but in fact, colleges had always closed with the ebbs and flows of the economy and changes in demographics and demand, as witnessed by the 5,000 entries in the [College History Garden](https://collegehistorygarden.blogspot.com/2014/11/index-of-colleges-and-universities-that.html) (<https://collegehistorygarden.blogspot.com/2014/11/index-of-colleges-and-universities-that.html>), the online graveyard for defunct institutions.

If you look through that list you'll notice the dearth of big names: St. Joseph's College in Santa Clara, California (closed in 1991); Westmar University in Iowa (1997); Barat College in Illinois (2005); Lon Morris College in Texas (2012). Their collective impact on the national discourse is regrettably small, perhaps because they were never really a part of it. Against a backdrop of over 2,300 (<https://nces.ed.gov/ipeds/use-the-data>) four-year public and private nonprofit colleges and universities, a few closures were unfortunate, but inevitable.

The ecosystem of American higher education today is like an aging baby boomer who has never exercised: Years of neglect, ignored warnings, and doing things we know we shouldn't do may finally be catching up to us. The lack of large-scale, high-profile closures made us stop paying attention to the trends creeping up on us: "Yes, this class is a bit smaller and the discount a bit higher, but we can handle that," we told ourselves. "We'll invest more to turn things around."

Now the background hum has become a din, and the amorphous specter that only a few could see has morphed into the elephant in the room that no one can miss. Arthur Levine's 1997 *Chronicle* essay (<https://www.chronicle.com/article/Higher-Educations-New-Status/76222>), "Higher Education's New Status as a Mature Industry," should have been on the wall of every college president, and required reading for every new trustee. Levine argued that because higher ed had left its growth stage, it should expect government to reduce its autonomy, increase regulation, and demand greater accountability.

Colleges have been reluctant to change, or to be boldly distinctive, for one simple reason: In our industry, innovation is dangerous. If you take a big risk and it's successful, everyone soon shares the payoff on your bet. If you fail, the cost and the consequences fall squarely on you.

Fundamentally, colleges are the same: We measure quality by easily quantifiable inputs, not by more nebulous outputs; we take stock of the opinions of consumer magazines and newspapers more than of knowledgeable educators; we refuse to let competitors surpass us. If students once saw real differences between Carleton, Grinnell, and Oberlin, those distinctions faded as the sector became commoditized. It is no wonder that applications are skyrocketing (<https://highereddatastories.blogspot.com/2019/03/varsity-blues-and-real-admissions-data.html>), yield rates are falling, predictive models are failing

https://www.chronicle.com/interactives/20190906-Conley?cid=wsinglestory_hp_1) us, discounts (<https://highereddatastories.blogspot.com/2019/03/looking-at-discount-2016.html>) are rising, and — yes — colleges of some renown are [starting to close](https://www.chronicle.com/article/Everything-Must-Go-A/246514) (<https://www.chronicle.com/article/Everything-Must-Go-A/246514>).

In retrospect, 2007 seems to have been the tipping point, the final warning that we were on a collision course with reality. Tuition increases have [slowed a bit](https://research.collegeboard.org/pdf/01469-061-trendscpf3t2f4a4b.pdf) (<https://research.collegeboard.org/pdf/01469-061-trendscpf3t2f4a4b.pdf>) since then but are still increasing faster than inflation and are exacerbated by [flat or decreasing](https://fred.stlouisfed.org/series/MAFAINUSA672N) (<https://fred.stlouisfed.org/series/MAFAINUSA672N>) family incomes.

We are facing a crisis in enrollment, but it's not just an enrollment challenge. Instead, it requires the attention of every member of every university community coming together to think less about our own self-interest and more about the common good of our institutions and society. Big public universities and well-endowed private colleges with powerful brands are safe for the near future — or so it seemed until a few [recent announcements](https://www.chronicle.com/article/Enrollment-Shortfalls-Spread/246341) (<https://www.chronicle.com/article/Enrollment-Shortfalls-Spread/246341>) that make even the most optimistic of us wonder.

The big question: Can we begin to get back in shape, or will our collective complacency finally do us in?

Jon Boeckenedt is vice provost for enrollment management at Oregon State University.

The Definition of Insanity

By ANGEL B. PÉREZ

It is often said that the definition of insanity is doing the same thing over and over again and expecting a different result. For decades, this is how colleges handled enrollment. Instead of transformation, they tweaked at the margins. This is no longer sufficient. The answer to the “revenue problem” has always been “get more students who can pay” or “go recruit in a new market.” Those wells are drying up.

Unlike businesses, colleges don't have many levers to pull when their product is no longer in demand. When computer sales drop, Apple creates a new device. When Americans buy fewer of its vehicles, Ford increases sales abroad. Higher education does not have this luxury. Colleges have to ask: What else can we do to increase revenue that is consistent with our mission? Colleges have historically added programs, increased the size of their student body, or added fees. We are hitting a wall on all of those options.

The enrollment game is fiercely competitive, and every college plays it — which means that every college will have to decrease its dependence on traditional enrollment.

In short, colleges must be willing to radically reimagine their business models. This does not mean redefining who they are and what they do; it's about doing new things. Partnerships with corporate America, alternative uses for campus buildings, different methods of curricular delivery, and programming and housing for adult and retired populations are just a few options. Colleges should emulate successful businesses — figure out what their “customers” need and design products and experiences to meet those needs.

The challenge is that this requires institutions to fundamentally change how they operate. Small liberal-arts colleges, for example, are used to serving a traditional-aged student population. If they are to attract adult and nontraditional learners, they must redesign everything.

Change in higher education moves at a snail's pace, but this crisis requires expediency.

The colleges that will thrive in the decades ahead are those willing to take risks while keeping their mission and history at the core of every decision they make.

Angel B. Pérez is vice president for enrollment and student success at Trinity College, in Connecticut.

The Biggest Threat Is to the Neediest Students

By RICHARD A. CLARK

I'm often reminded that I sit in an enviable position. Georgia Tech is not fighting to meet our enrollment goals. We are not calling students from our waitlist instead of enjoying Fourth of July barbecues or re-packaging financial-aid offers in early August to fill beds and save faculty jobs.

At many colleges in New England and throughout the Midwest, however, each meeting of deans or trustees includes at least two citations from Nathan Grawe's book *Demographics and the Demand for Higher Education* (Johns Hopkins University Press, 2018). Meanwhile the South and the Southwest are growing.

As a result, the conversations around enrollment at healthy publics, particularly in the South, is not *will we be* a decade from now, but rather *who will we be?* My biggest concern is that our nation's most prominent public universities will continue to become more socioeconomically homogeneous.

With drastic declines (<https://www.chronicle.com/article/Enrollment-Shortfalls-Spread/246341>) in state support, particularly since the Great Recession, public universities with strong brands have increasingly sought non-resident tuition to satisfy the bottom line. Combined with the steadily increasing cost of attendance, the representation of high-income students on these campuses has ballooned.

While programs like UNC's Carolina Covenant (<https://carolinacovenant.unc.edu/>) and Georgia Tech's Promise (<https://finaid.gatech.edu/tech-promise>) have done an excellent job of providing debt-free education to the neediest students, representation of middle-income students has continued to dissipate, effectively creating a financial barbell. Initiatives such as The University of Georgia's Commit to Georgia (<https://give.uga.edu/>) and the Texas Advance Commitment (<https://texasadvance.utexas.edu/>) at the University of Texas are seeking to address the problem, but they are also indicators of the extreme challenge many flagships face enrolling diverse socioeconomic classes.

Without more concerted efforts, the middle-class student will continue to be squeezed out — or saddled with an unconscionable debt burden upon graduation. If our most prominent public universities are unable to re-establish public trust and effectively articulate their need for state appropriations to bolster need-based financial aid, they risk losing the very students they were created to educate.

Richard A. Clark is director of undergraduate admissions at the Georgia Institute of Technology.

No, Your College Is Not an Exception

By MADELEINE RHYNEER

The admissions landscape is distressing. College enrollment is down 1.7 percent nationwide, and universities up and down the quality chain missed headcount goals this fall. Throw in Moody's [negative credit outlook](https://www.chronicle.com/article/Moody-s-Gives-Higher-Ed-a/245258) (<https://www.chronicle.com/article/Moody-s-Gives-Higher-Ed-a/245258>) for higher education; hyper-competition; a booming economy drawing prospective students into the labor force; fewer high-school graduates in most regions; students with different needs and expectations; free-college initiatives; state funding challenges; and parents who can't or won't pay for college, and I see serious headwinds with a very long tail.

How can we inoculate our institutions from this storm?

Start by acknowledging that most families view college as a transaction, not as a time of transformation. I think fondly of my undergrad experience where I was drawn by my love of learning, acquiring knowledge for its own sake. Those days are gone. According to the CIRP Freshman Survey, students are going to college (and having their parents pay for college) to get a good job. Understand their pragmatism and embrace it. It is time to prioritize what students want and need over what we want to teach. Heresy, I know.

If colleges don't make bold decisions, the market will make them for us. We must collaborate internally to identify new academic programs, better retention methods, new modes of delivery, and other approaches that speak to what families seek and are willing to pay for.

Finally, we must rewrite the business model of higher education. Our cost increases each year outstrip the ability of students and their families to pay — so we increase our discount rate, a zero-sum game. How can we reduce fixed costs and still provide a high-

quality education? There's a Nobel Prize in economics for the person who figures it out.

Madeleine Rhyneer is vice president of consulting and dean of enrollment at EAB, a consulting firm based in Washington, D.C.

More Colleges Will Likely Close

By STEFANIE D. NILES

We have entered into a time of unprecedented uncertainty. Even when predictive models, based on years of tried and true results, indicate things are on track, more and more institutions get blindsided on May 1.

The typical answer to declining revenue is “enroll more students.” That comes at a cost. Some institutions will still miss their net revenue targets since they have to provide deep discounts to get students in the door; others compromise by enrolling students who aren't academically prepared and may struggle to graduate.

In the current climate, even compelling student outreach tactics won't necessarily help. There are simply fewer students going to college, and that will continue to be the case for at least the next 10-12 years.

As a result, colleges will likely continue to close. There are simply too many colleges competing for a dwindling pool of individuals. Family incomes have remained largely stagnant over the past 20 years, yet the cost of education has risen sharply. The institutions that will thrive are those that are creatively addressing their pipeline and working to identify who, beyond the traditional pool of students, might be available to them.

Some colleges have been willing to try new things, like reducing prices and providing aid for more students. Other colleges have restructured their curricula and added new majors and co-curricular programs. Still others have added online, hybrid, or other options to give students more flexibility.

Few institutions, however, have experienced real, sustainable success with these changes. Until higher education confronts head-on the challenges of increasing costs and a shrinking pipeline, less financially secure institutions on the lower end of the prestige spectrum will continue to falter, and even disappear.

Stefanie D. Niles is the vice president for enrollment and communications at Ohio Wesleyan University and the immediate past-president of the National Association for College Admission Counseling.

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