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CREDO

The Admission Benchmarking Study

A Study of
the Cost to Recruit a Traditional Student
and the Admission Funnel
at NACCAP Member Institutions
Fall 2014 Edition

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Introduction

This is the 22st annual Admission Benchmarking Study (ABS) and the sixth year of the study conducted on the NACCAP Enrollment Research Website – www.naccapresearch.org. Coordination of data collection and analysis continues under the leadership of Tim Fuller, Credo Senior Vice President/Owner and former Senior Research Fellow for the Council for Christian Colleges and Universities (CCCU).

The purpose of the study remains the same – to help institutions compare their budget resources, staffing, return on investment and admission funnel ratios to like institutions for the recruitment of traditional undergraduate students. In the current economy this kind of comparative data is even more valuable as colleges and universities look carefully at all sources and drivers of revenue streams. For most NACCAP members, tuition and related revenues provide at least 85% of their total revenue, underscoring the importance of a regular and careful review of student recruitment resources, staffing and ratios.

The overall comparisons have value, but for many past participants the most helpful comparisons are those within a geographical region, with similar-sized institutions or with a customized set of institutions selected using the site’s “watch list” feature. The study follows NACCAP’s regional boundaries for these purposes and breaks participants into five levels of enrollment. Participants are also divided into Christian liberal arts (defined as membership in the CCCU), Bible college (defined as accredited by ABHE) and an “other” category (includes Christian liberal arts institutions who are not full members of the CCCU). Perhaps the most helpful grouping of all is the ability each participating institution has to create its own comparison set using the “watch-list” feature, allowing for a mix of regions and other key variables.

The study does not include analysis of enrollment by adult learners in degree completion programs at either the undergraduate or graduate level, nor does it include data on traditional graduate programs and/or seminaries. NACCAP’s leadership has begun to explore the issues of the cost to recruit and other recruitment benchmarks for the adult and graduate programs on member campuses and to date, those discussions have produced an initial survey intended to guide future studies.

Methodology

There are more than 200 NACCAP members with undergraduate programs for traditional students. The chief enrollment officer at each of these institutions was invited to participate in the study via email. Multiple reminders from the project team, as well as NACCAP’s headquarters, helped increase the participation rate. Ninety-five members chose to share their complete data, the highest participation



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rates in the history of the study, and those members will have access to the member-by-member results; summary results such as those outlined in this report are available to all NACCAP members and, through the postings on www.naccapresearch.org, to other interested parties. Participants sharing their data and receiving access to full study findings agree not to share the member-by-member results with non-participating members and other higher education entities.

Participants completed four separate worksheets that outlined data elements as follows:

- Budget resources
- Enrollment data (new students and total)
- Staffing and salary information
- Admission funnel numbers

The data from each participant was reviewed by the project team, compared against key ratios and other data checks to ensure accuracy, reviewed against other participants' data and then finalized for inclusion in overall, regional and enrollment size breakdowns. In some cases, potential errors were caught by website functionality; in others through project team review.

Several other NACCAP members completed portions of the study – their partial data is not included in the analysis that follows.

Participants

As mentioned above, 95 NACCAP members participated in this version of the study. Participation by region and enrollment size is outlined in the chart that follows:

NACCAP Admission Benchmarking Study					
2014 Participant Breakdown					
<u>NACCAP Region</u>		<u>Enrollment *</u>		<u>Institution Type</u>	
Canada	8	Smallest (<450)	12	CCCU	70
Midwest	14	Small (451 - 799)	21	ABHE	18
Great Lakes	25	Medium (800 - 1,199)	17	Other	7
Northeast	9	Large (1,200 - 1,799)	23		
Northwest	7	Largest (> 1,799)	22		
Southeast	20				
Southwest	12	* defined as full-time enrollment in traditional undergraduate programs			



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Study Limitations

Much of the data in this study is self-reported. It has been analyzed carefully – in some cases countless emails and phone calls to clarify data questions have resulted. The most common areas under discussion were:

- Professional and support staff FTEs
- Funds split between multiple budgets, especially marketing dollars on campuses where marketing is a centralized function

The website worksheets on which data was entered and analyzed include validity tests that flagged some of the above issues; others came up as the project team reviewed the data in comparison to other participants and/or experience with particular institutions. Other data points such as budget amounts for advertising, publications and travel do not lend themselves to ratio analysis or other means of verification so the project team has, for the most part, taken them at face value. In a few cases the project team has investigated further, always working towards the kind of uniform comparison that makes this study most helpful.

An issue that causes some challenges in reporting and gathering data is the increasing number of institutions with centralized marketing functions. In this model, much of the decision making about marketing activity and all or nearly all of the funding for publications, advertising, direct mail and the website is gathered, making it difficult to isolate funds devoted solely to the recruitment of traditional undergraduate students.

The results of the study are reviewed in the pages that follow. Even though some questions may still exist about the veracity of certain data points, the overall value of the study is sound, providing good comparisons in key budget, staffing and funnel categories that are critical to enrollment managers and the institutions they serve. Please contact the project team with any question regarding data.

Cost to Recruit a Student

A major focus of this study is determining both institution-specific costs to recruit one new student as well as averages across the whole participant group, regions and levels of enrollment. The cost of recruiting a student includes typical budget items like travel, publications, direct mail, electronic media and other forms of advertising, campus visits, phone, postage and office supplies. Professional and support staff salaries, student wages and fringe benefits are also included, the latter through an estimated “tax” applied uniformly across all participants to account for institutional differences. A survey with a sampling of chief financial officers with whom Credo works suggested that 30% was a reasonable estimate for a benefits “tax” (including the value of tuition benefits for employees and their



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dependents). This represents a drop from the standard percentage used in previous years, reflective of the change in benefits (increased contributions for health care, reduced or deferred contributions to retirement, etc.) as part of higher education compensation packages. Other factors such as the square footage the admission office occupies or “taxes” for shared services such as custodial, maintenance or IT were not included in this study.

The chart that follows outlines how the average cost to recruit a student has changed since the first study of the fall 1993 cycle.

NACCAP Cost to Recruit a New Student Study Results 1993-2014						
<u>Fall of</u>	<u>Cost to Recruit a Student</u>	<u>Increase Over Previous Year</u>		<u>Fall of</u>	<u>Cost to Recruit a Student</u>	<u>Increase Over Previous Year</u>
2014	\$ 3,015	5.3%		2001	\$ 1,897	2.5%
2013	\$ 2,862	-0.2%		2000	\$ 1,850	5.4%
2012	\$ 2,867	9.3%		1999	\$ 1,756	4.6%
2011	\$ 2,623	3.0%		1998	\$ 1,678	6.1%
2010	\$ 2,547	2.4%		1997	\$ 1,582	1.8%
2009	\$ 2,487	0.9%		1996	\$ 1,554	3.9%
2008	\$ 2,464	5.9%		1995	\$ 1,496	-0.4%
2007 **	\$ 2,326	12.4%		1994	\$ 1,502	6.2%
2006*	\$ 2,070	-2.0%		1993	\$ 1,414	
2005	\$ 2,112	-1.4%				
2004	\$ 2,143	5.4%		Total Increase		113.2%
2003	\$ 2,034	-0.5%				
2002	\$ 2,045	7.8%				
* spring new students included for first time						
** survey oversight switches to NACCAP from CCCU						

As with previous studies, the data reflects the economies of scale at work with student recruitment. Over the course of past studies there has been an inverse relationship between enrollment and cost to recruit – the larger the enrollment, the lower the cost to recruit. In general the cost to recruit is higher at rural institutions than urban/suburban institutions, due in part to increased travel costs and the lack of a large, local group of potential students.

As the chart suggests, the cost to recruit a student has more than doubled in the 22 years of the study. This is the first of several study data points reflective of the combined impact of competition, the economy, public perceptions and demographics on the business of recruiting students. According to the



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Department of Labor’s CPI Inflation Calculator, only about half of this increase could be attributed to inflation during this time period.

The comparative cost to recruit a student overall, by region and by enrollment size is outlined in the following chart (and in ABS summary documents on www.naccapresearch.org).

Cost to Recruit a Student - 2014			
<i>All Participants</i>	\$ 3,015		<i>Smallest #</i> \$ 3,540
<i>Canada</i>	\$ 3,026		<i>Small #</i> \$ 3,178
<i>Great Lakes</i>	\$ 3,376		<i>Medium #</i> \$ 3,580
<i>Midwest</i>	\$ 2,747		<i>Large #</i> \$ 2,785
<i>Northeast</i>	\$ 3,459		<i>Largest #</i> \$ 2,375
<i>Northwest</i>	\$ 3,113		<i>Bible College</i> \$ 3,362
<i>Southeast</i>	\$ 2,839		<i>CCCU</i> \$ 2,898
<i>Southwest</i>	\$ 2,468		<i>Other CLA</i> \$ 3,285

As this chart shows, the cost to recruit a student varies by category. In general, there are some economies of scale in larger operations which, along with brand recognition, lead to a lower cost to recruit a student. Regular participants will note the deviation from the normal pattern where the cost to recruit is lower as enrollment increases; this year’s participants in the “medium” category (800 – 1,199 total traditional undergraduates) saw a large increase in the cost to recruit (see year by year comparison below for additional perspective).

The following chart shows how the cost to recruit a student by category has changed over the last four years of this study. Changes in participation within some of the smaller categories can lead to the appearance of fairly substantial increases in the cost to recruit a student. The trend is clear, though; it costs more to recruit a student now than it did five years ago.



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Cost to Recruit a Student - 2010-2014					
Category	2010	2011	2012	2013	2014
All Participants	\$ 2,547	\$ 2,623	\$ 2,867	\$ 2,862	\$ 3,015
Canada	\$ 2,619	\$ 2,672	\$ 3,560	\$ 2,959	\$ 3,026
Great Lakes	\$ 2,373	\$ 2,628	\$ 2,830	\$ 2,976	\$ 3,376
Midwest	\$ 2,948	\$ 2,607	\$ 2,623	\$ 2,962	\$ 2,747
Northeast	\$ 3,041	\$ 2,891	\$ 3,178	\$ 3,397	\$ 3,459
Northwest	\$ 2,689	\$ 2,489	\$ 3,505	\$ 3,349	\$ 3,113
Southeast	\$ 2,453	\$ 2,869	\$ 2,852	\$ 2,484	\$ 2,839
Southwest	\$ 2,220	\$ 2,180	\$ 2,531	\$ 2,299	\$ 2,468
Smallest #	\$ 3,793	\$ 2,822	\$ 3,324	\$ 3,273	\$ 3,540
Small #	\$ 2,824	\$ 3,131	\$ 3,712	\$ 3,219	\$ 3,178
Medium #	\$ 2,674	\$ 2,639	\$ 2,816	\$ 2,996	\$ 3,580
Large #	\$ 2,430	\$ 2,482	\$ 2,636	\$ 2,724	\$ 2,785
Largest #	\$ 1,946	\$ 2,183	\$ 2,212	\$ 2,196	\$ 2,375
Bible College	\$ 2,947	\$ 2,552	\$ 3,280	\$ 3,100	\$ 3,362
CCCU	\$ 2,429	\$ 2,535	\$ 2,861	\$ 2,800	\$ 2,898
Other CLA	\$ 3,293	\$ 3,617	\$ 2,276	\$ 2,983	\$ 3,285

Staffing/Recruiting: Size of Staff and Relevant Ratios

NACCAP institutions participating in this study spend, on average, 54.74% of their budget resources on personnel including salaries, fringe benefits and student wages. One of the most frequently discussed topics within this study is how the staff resources an institution has committed to the recruitment/admission function compare to relevant benchmarks. The study gathers staffing information in three categories:

- Professional staff
- Recruiting staff (a subset of professional staff defined as those who have a recruitment territory)
- Support staff

Each category is reported in an FTE format to capture the portion of an employee's time devoted to the undergraduate admission/recruitment function or to recruitment in the case of the recruitment FTE.

In general this was a static year for staff growth with very few staffing gains. At a time where the pressure to meet or exceed new student enrollment targets continues to rise and, for fall 2015, nearly 80% of NACCAP members reporting their fall funnel data missed their new student enrollment goal, it is clear campuses are not responding to the pressure by adding staff in admission.



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Here is an overview of staffing FTEs by category for the last five years of the study:

Staff Size - Professional Staff FTE						Staff Size - Recruiting FTE					
	2010	2011	2012	2013	2014		2010	2011	2012	2013	2014
Overall	9.32	8.66	9.03	8.96	9.02	Overall	6.35	6.03	6.47	6.26	6.25
Canada	6.39	5.59	6.92	7.00	6.71	Canada	4.75	3.46	5.15	4.82	4.89
Great Lakes	11.01	9.59	9.27	10.15	10.14	Great Lakes	7.21	6.58	6.45	6.95	6.78
Midwest	9.59	10.16	10.46	10.02	9.54	Midwest	6.84	7.63	7.94	7.43	7.01
Northeast	7.86	8.31	8.76	7.90	7.81	Northeast	6.15	6.48	6.90	5.81	6.07
Northwest	8.45	7.26	6.96	8.06	8.83	Northwest	5.62	5.38	5.03	5.93	6.26
Southeast	8.68	7.69	8.92	8.30	8.21	Southeast	5.68	5.13	6.02	5.60	5.41
Southwest	8.90	8.83	8.58	9.14	10.00	Southwest	6.10	5.69	5.78	6.11	6.70
Smallest	4.97	4.12	4.93	4.55	4.29	Smallest	3.63	3.12	3.35	3.11	2.87
Small	6.25	5.75	6.67	6.51	6.54	Small	4.40	3.91	4.78	4.46	4.49
Medium	7.92	8.09	8.45	8.57	8.46	Medium	5.41	5.68	5.96	6.04	5.62
Large	9.36	9.13	9.07	9.46	9.37	Large	6.83	6.79	7.04	6.85	6.70
Largest	13.80	13.77	13.17	13.76	14.40	Largest	8.93	9.06	9.14	9.51	9.79
ABHE	5.42	4.45	5.39	5.28	4.94	ABHE	3.71	3.21	3.80	3.70	3.54
CCCU	10.07	9.74	9.75	9.80	10.14	CCCU	6.78	6.69	7.04	6.86	7.09
Other	5.99	7.29	9.30	8.15	8.37	Other	1.81	5.74	6.42	5.51	4.85

Analysis of this data suggests that the gap between Professional Staff FTE and Recruiting FTE is the largest at the largest institutions, reflective of the additional layers of management and administrative support necessary to keep this sized operation running smoothly.

Another way to look at the difference between Professional Staff FTE and Recruiting FTE is demonstrated in the chart that follows. This difference can be defined as administrative overhead. Campus guest coordinators often do not carry recruiting responsibilities; as enrollment leadership responsibilities increase, recruiting responsibilities (and portion of FTE load) typically decrease. This overhead benchmark is worth watching to ensure an office is functioning as efficiently as possible with overhead kept to a productive minimum.



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Professional Staff Overhead*					
	2010	2011	2012	2013	2014
Overall	2.97	2.63	2.56	2.70	2.77
Canada	1.64	2.13	1.77	2.18	1.82
Great Lakes	3.80	3.01	2.82	3.20	3.36
Midwest	2.75	2.53	2.52	2.59	2.53
Northeast	1.71	1.83	1.86	2.09	1.74
Northwest	2.83	1.88	1.93	2.13	2.57
Southeast	3.00	2.56	2.90	2.70	2.80
Southwest	2.80	3.14	2.80	3.03	3.30
Smallest	1.34	1.00	1.58	1.44	1.42
Small	1.85	1.84	1.89	2.05	2.05
Medium	2.51	2.41	2.49	2.53	2.84
Large	2.53	2.34	2.03	2.61	2.67
Largest	4.87	4.71	4.03	4.25	4.61
ABHE	1.71	1.24	1.59	1.58	1.40
CCCU	3.29	3.05	2.71	2.94	3.05
Other	4.18	1.55	2.88	2.64	3.52
* defined as the difference between professional staff and recruiting staff FTE					

In the author's experience many, if not most, admission offices believe they are understaffed and often at the admission counselor level. When analyzed at a campus level in comparison to relevant benchmarks, this data often suggests additional support staff might be the most strategic investment, especially if this addition enabled those with recruitment responsibilities to divest themselves of support-type duties and focus exclusively on building relationships with prospective students and those who influence them.



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Staff Size - Support Staff FTE					
	2010	2011	2012	2013	2014
Overall	3.41	3.10	3.26	3.07	3.15
Canada	1.86	1.35	1.75	1.41	1.55
Great Lakes	4.63	3.76	3.60	4.13	3.99
Midwest	2.59	3.62	3.31	2.96	3.23
Northeast	2.90	3.07	3.93	2.78	3.02
Northwest	3.50	2.73	2.43	2.77	2.59
Southeast	2.62	2.54	3.03	2.50	2.62
Southwest	3.49	2.98	3.22	3.63	3.62
Smallest	1.01	1.17	1.89	0.65	0.80
Small	2.00	1.62	1.79	1.62	1.78
Medium	2.39	2.52	2.56	2.48	2.68
Large	4.20	3.65	3.73	3.28	2.99
Largest	5.39	5.53	5.15	6.03	6.05
ABHE	1.35	1.45	1.86	1.05	1.30
CCCU	3.85	3.57	3.65	3.56	3.72
Other	3.75	2.15	2.33	1.58	1.66

One of the most frequently asked questions about this study relates to the number of new students that a professional staff member does/should generate. Presidents and board members often ask this question, looking to either evaluate the performance of their current team or calculate the potential return on investment in an additional admission counselor. As a reminder, the recruiting FTE in this study represents the proportion of the professional staff FTE who actually recruit students directly (as in manage a recruitment territory or population) as opposed to supporting these efforts through administrative oversight (most vice presidents/deans) and other tasks (campus visit, tele-counseling or communication flow coordination, etc.).

The summary numbers that follow create a comparison point to answer these questions, or at least begin to answer them. Enrollment managers and others should exercise caution in the application of these numbers, recognizing that there are many other factors at work in determining the effectiveness of an enrollment team or admission counselor. Consider the difference, for example, in the work of an admission counselor with responsibility for recruiting students solely within a 25-mile radius of a suburban or urban campus with that of a counselor on a rural campus with responsibility for a four-state area in the Great Plains. Consider recruiting for a campus that has a long history and strong reputation and the far different challenge recruiting for a struggling campus. Both of these examples underscore the note of caution expressed above.

The ratios that follow reflect an efficiency measure and return on investment in staff. The trend over the life of this study has been towards reduced efficiency even as Christian college and university enrollment has, in general, been growing. Along with the cost-to-recruit data, this suggests that



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maintaining and growing enrollment has been an increasing challenge, requiring ever-increasing investments in budget and staffing. For fall 2014 there was another drop in this ratio, reflective of a challenging year in student recruitment and struggles with return on investment.

NACCAP - Ratio of New Students to Professional Staff FTE: 1993-2014						
Fall of	New Students Per Professional Staff FTE	Change From Previous Year		Fall of	New Students Per Professional Staff FTE	Change From Previous Year
2014	48.57	-1.0%		2001	59.78	-1.9%
2013	49.07	-1.2%		2000	60.96	4.7%
2012	49.66	-2.9%		1999	58.21	-3.4%
2011	51.14	-5.9%		1998	60.25	-2.4%
2010	54.34	3.6%		1997	61.71	2.1%
2009	52.45	-0.8%		1996	60.46	-4.3%
2008	52.88	-4.6%		1995	63.17	0.9%
2007 **	55.44	-6.1%		1994	62.60	-5.8%
2006*	59.06	2.7%		1993	66.43	
2005	57.51	-1.5%				
2004	58.37	0.6%		Total Efficiency Change		-26.9%
2003	58.03	-3.5%				
2002	60.13	0.6%				
* spring new students included for first time						
** survey oversight switches to NACCAP from CCCU						

As mentioned above, the study breaks out professional staff with specific recruiting responsibilities. Since year-to-year comparisons offer limited value initially, the following chart reflects the differences by region and enrollment for the last six years of the study. This data is another of several indicators in this study about how much more challenging it is to recruit traditional new students each year.



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NACCAP - Ratio of New Students to Professional Staff Recruiting FTE						
	2009	2010	2011	2012	2013	2014
Overall	81.17	78.83	74.98	70.32	71.14	72.01
Canada	82.01	64.04	75.22	43.78	54.58	48.55
Great Lakes	86.50	87.41	74.36	71.79	72.14	68.68
Midwest	62.58	60.83	66.46	65.66	58.06	69.03
Northeast	62.11	61.53	58.30	53.93	56.04	54.61
Northwest	64.90	75.81	71.05	54.58	69.09	80.38
Southeast	77.54	71.66	73.29	80.63	79.79	78.15
Southwest	117.06	101.47	99.45	91.45	102.30	96.01
Smallest	59.61	42.03	50.10	46.53	42.89	45.80
Small	62.22	59.78	68.97	54.95	56.14	59.95
Medium	77.02	69.44	66.37	64.20	62.37	60.54
Large	74.99	72.01	76.30	73.12	78.05	77.47
Largest	117.48	114.70	101.02	95.72	106.10	100.99
ABHE		74.75	67.04	57.60	57.64	55.41
CCCU		81.00	78.34	72.95	75.16	75.78
Other		58.78	59.81	70.53	59.02	77.04

As with the cost to recruit data, there is a correlation between enrollment and this recruiting FTE. In this case, the larger the school, the larger the number of new students generated per counselor. This correlation probably reveals more about institutional momentum and marketing strength than it does about individual admission counselor effectiveness or productivity.

In addition to the notes of caution mentioned above, it is important to understand what this last ratio does not - or at least may not - mean for staffing decisions. It does not mean, for example, that a Southeast region member looking to grow by 78 new students should expect that merely adding a full-time admission counselor focused exclusively on recruiting will accomplish this goal. On some campuses the best way to focus more energy and effort on recruiting new students may be to hire another support staff person who can relieve counselors of routine paperwork and other tasks that is keeping them from building relationships with prospective students. On other campuses, admission counselors may be highly efficient and focused already with reasonably-sized territories where further sub-division may not add to efficiencies and generate a positive return on investment; rather, the institution may need to make additional investments in marketing to build overall awareness.



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New Student Patterns by Term and Enrollment Type

Most new students enroll at participating institutions in the fall semester; on average, 90.4 % of the 39,890 new students who enrolled in the 2014 recruitment cycle enrolled in the fall. While spring semester enrollment is generally not either typical or preferred, campuses that organize themselves to leverage spring enrollment, including support services and new student orientation, may see solid returns on investment. On most NACCAP campuses, fall-to-spring attrition and December graduates outnumber new spring semester students, creating a net loss in enrollment. Housing is often available as is space in classes, creating further rationale for some spring semester recruitment initiatives.

Of the new students who enrolled at participating institutions in fall 2014, 23.1% are transfers, virtually the same percentage as fall 2013's 23.2%. In recent years many private colleges and universities have become much more intentional with transfer recruitment strategies.

Participating NACCAP schools reflect the gender ratio present in North American higher education today with women representing 56.01% of total student enrollment in traditional programs. Participants whose enrollment reflect a more balanced gender split usually achieve this based on program offerings, the presence of football or a more selective admission picture that allows for shaping of the new student class.

What do these ratios mean for individual campuses? Comparing individual campus ratios to overall, regional and/or enrollment-based ratios may reveal a potential source of untapped students. On the other hand and for example, a low transfer ratio may reflect institutional strategy out of a position of enrollment strength, indicating a strong preference for enrolling new students for four years, not two or three.



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Spending by Category

In the 2013-14 budget year, the participating institutions spent over \$116 million on salaries, fringe benefits, student wages and other student recruitment expenses, an average of approximately \$1.23 million per institution. If you consider that only 95 of the 200 plus eligible NACCAP institutions participated in the study and extrapolate these results, the projected economic impact of student recruitment efforts of NACCAP member institutions exceeds \$245 million (and this figure only covers the recruitment of students in traditional programs)!

The largest proportion of budget resources was allocated to labor costs – salaries, fringe benefits and student wages. On average, participating institutions spent 54.74% of their budget dollars on labor costs.

The category Percentage vs. Total Non-Salary Budget Dollars gives a clear picture of institutional strategy and priority. For example, one college or university with limited resources may choose to commit funds to personnel to make recruitment as personal as possible; another may spend more on a dynamic website and extensive direct mail, generating good impressions and a wider audience.

Please see the summary documents for specific category spending and percentage averages.

Compensation

The study captures salary information for new admission counselors and other professional positions in the admission office. New counselor salary information is shared on a school-by-school basis for participating institutions; other salary information is reported in summary form only since it represents the individual salary information for a specific person. Length of service and time in a current position data is also gathered to provide some additional context for salary figures. No attempt is made to capture variances in fringe benefits, either from institution to institution or between positions.

The following chart shows average compensation patterns for the last four years of the study. The most helpful comparisons are within regions or enrollment categories since they account for differences in cost of living or institutional resources. Additional information including salary means by region and enrollment size is available on the summary documents from this study. Information about how length of service and other factors impact salary is available upon request.



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Admission Professional Salary Survey							
2011-2014	2011-12	%	2012-13	%	2013-14	%	2014-15
	<u>Salary</u>	<u>Increase</u>	<u>Salary</u>	<u>Increase</u>	<u>Salary</u>	<u>Increase</u>	<u>Salary</u>
Admission Counselor	\$29,821.	0.15%	\$29,867.	2.39%	\$30,582.	2.66%	\$31,397.
Senior Admission Counselor	\$33,329.	4.17%	\$34,718.	-0.50%	\$34,546.	5.76%	\$36,536.
Assistant Director	\$37,977.	2.42%	\$38,896.	2.02%	\$39,682.	1.57%	\$40,306.
Associate Director	\$42,061.	1.36%	\$42,633.	4.41%	\$44,514.	-0.37%	\$44,349.
Director of Admission	\$57,748.	-0.89%	\$57,233.	0.48%	\$57,507.	1.88%	\$58,588.
VP/Dean of Enrollment	\$86,992.	0.08%	\$87,058.	5.42%	\$91,780.	3.41%	\$94,908.

The changes in participation in the study probably explain most of the average salary increases over the last few years. These salary figures do not reflect additional compensation losses that may have occurred in the area of fringe benefits. The economic crisis has caused a number of private colleges and universities to roll back retirement account matching, increase health insurance participation fees/deductibles and take other steps to curb personnel costs. Given the critical dependence on tuition revenues for most NACCAP members and the corresponding importance of maintaining an experienced, talented admission team, these compensation patterns should be of concern to enrollment leaders and those to whom they report. Institutions looking to break the cycle of constant turnover in the all-too-critical admission counselor role should create clear avenues for promotion, professional development and salary increases designed to attract and keep good people in these vital positions.

The existence of a senior admission counselor position is a reflection of the value that many institutions place on experienced counselors remaining on the recruitment team for more than the typical tenure. 48.4% of the participating institutions report the presence of a senior counselor position; for those who do, the average difference between a starting counselor and a senior counselor salary is just over \$5,100.

Only 4 of the 95 participating institutions give admission counselors (or other staff members) a car as a part of their compensation package. For purposes of this study, \$5,000 was added to the new counselor (or other staff member) salary figure to account for the provision of a vehicle.

Here is another look at average salaries by position and category.



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Salary Means						
2014 NACCAP ABS						
Grouping	Starting Counselor Salary	Senior Counselor Salary	Assistant Director Salary	Associate Director Salary	Director Salary	VP Enrollment Mgmt Salary
<i>All Participants</i>	\$31,397	\$36,536	\$40,306	\$44,349	\$58,588	\$94,908
<i>Canada</i>	\$33,457	\$41,333	\$45,250	\$51,746	\$51,378	\$75,519
<i>Great Lakes</i>	\$31,103	\$35,727	\$39,728	\$43,079	\$61,426	\$94,302
<i>Midwest</i>	\$30,870	\$32,924	\$36,811	\$44,466	\$55,155	\$96,654
<i>Northeast</i>	\$30,300	\$40,848	\$37,794	\$46,120	\$53,621	\$96,344
<i>Northwest</i>	\$33,324	\$37,299	\$44,875	\$44,105	\$61,443	\$78,481
<i>Southeast</i>	\$28,470	\$34,262	\$37,219	\$41,170	\$54,943	\$91,398
<i>Southwest</i>	\$35,831	\$38,267	\$45,405	\$46,871	\$67,089	\$118,260
<i>Smallest #</i>	\$28,683	\$32,375	\$40,033		\$35,919	\$65,793
<i>Small #</i>	\$30,946	\$34,385	\$38,827	\$42,617	\$48,597	\$81,598
<i>Medium #</i>	\$30,576	\$34,725	\$36,937	\$38,793	\$57,307	\$88,260
<i>Large #</i>	\$30,990	\$36,265	\$38,119	\$42,429	\$57,984	\$97,255
<i>Largest #</i>	\$34,370	\$40,305	\$45,017	\$54,365	\$71,927	\$119,810
<i>Bible College</i>	\$29,428	\$34,900	\$41,007	\$35,787	\$41,057	\$75,940
<i>CCCU</i>	\$31,814	\$36,560	\$40,341	\$46,706	\$62,034	\$100,595
<i>Other CLA</i>	\$32,293	\$38,357	\$38,402		\$52,152	\$79,452

Education Levels

Participants were asked to list the minimum degree requirements for five levels of professional admission staff positions – admission counselor, assistant director, associate director, director and vice president/dean. The results are as follows (school by school details available to participating institutions on request):

- All require a minimum of a bachelor’s degree for employment as an admission counselor
- Assistant or associate director – 9 require a master’s degree; the rest consider a bachelor’s degree the minimum level of education
- Director – 47 institutions require a master’s degree; the others a bachelor’s degree
- VP/Dean – 14 institutions consider a bachelor’s degree the minimum qualification, 5 require a doctorate, 76 require a master’s degree.

This question about qualifications was answered in most cases by the person occupying the chief enrollment officer position, typically the vice president or dean. The question of minimum qualifications for a chief enrollment officer might have been answered differently by a president. A vice president



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with a master's degree might conclude that he/she has minimal credentials, for example, even though the president might choose to require a doctorate the next time the position is open. A vice president with an earned doctorate might conclude that his/her successor would be required to have the same degree when, in fact, the president might see this differently.

The Admission Funnel

The study measures five key recruitment data points and the yield rates they produce. The institutional view of the recruitment process, whereby a large number of potential students produces a relatively small number of matriculating new students, is commonly referred to as the admission funnel. Unlike the funnels used in kitchens and garages, though, everything put into the top of this funnel does not come out the bottom! The funnel concept illustrates the narrowing process from inquiry through application to eventual enrollment – some colleges and universities carry this concept further, extending the funnel to persistence to the sophomore year, to graduation and even to the point of becoming a productive member of the alumni association.

Definitions are critical in developing meaningful comparisons – for purposes of this study, the five key recruitment data points were defined as follows for the study's exclusive focus on new students in traditional, undergraduate programs:

- Inquiries – potential first-year college students who expressed interest in the institution. For example, this number was **not** to include those who were targeted with direct mail efforts but never responded.
- Applicants – potential first-year college students who submitted an application for admission.
- Completed applicants – potential first-year college students who submitted an application for admission as well as all other required documents (SAT/ACT scores, high school transcript, recommendation(s), etc.) so that an admission decision could be made on their behalf.
- Admitted applicants – potential first-year college students who were offered admission to the institution, regardless of their eventual college choice.
- Enrolled students – as the label implies, those potential first-year college students who decided to enroll at the institution.

Six different yield rates emerge from these five key funnel points and are presented on the summary documents.



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As experienced enrollment managers know, the funnel analogy falls apart at some key points as the following fictitious example illustrates:

The Funnel Analogy Breakdown					
Category	Initial Funnel Numbers	Yield Rates	Top of the Funnel Investment Numbers	Reality Check Yield Rates	Reality Check Funnel Numbers
Applications	1,000		2,000		2,000
Completed Applications	800	80.0%	1,600	60.0%	1,200
Admits	780	97.5%	1,560	97.6%	1,171
Matriculants	300	38.5%	601	28.0%	328

In this fictitious example, the institution was convinced a big investment in the top of the funnel to increase applications (the Top of the Funnel Investment Numbers column) would produce a dramatic enrollment increase, assuming that yield rates along the funnel would hold constant. The flaws in this kind of thinking include assumptions that:

- There are systems in place to handle this kind of increased application traffic.
- The current staffing levels are adequate to deal with this many more applications – assuming a staff of four admission counselors, for example, the applications/counselor ratio just doubled!
- These new applications would progress through the funnel at the same rate as historical inquiries that were probably developed from relatively high-yield sources (SAT/ACT scores, alumni and current student referrals, unsolicited inquiries from the institutional website, etc.).

The ‘Reality Check’ column suggests the more likely outcome, with decreased yield rates throughout the funnel. A careful return on investment analysis would need to be done before concluding that adding 28 new students was worth the investment necessary to generate this kind of increase in the inquiry pool. This analysis does not consider the financial aid/tuition discount factors, either, as it might take more financial aid resources to attract these potential students who lack a strong connection to the institution.

This example is a reminder of several important admission funnel principles:

- More applications (or inquiries) is not always a good thing if they are the wrong “more” in terms of mission fit.



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- The point is not to get more applications; the point is to enroll more students, and more applications may actually distract you from the more important goal.

This study focuses exclusively on the admission portion of the funnel and on potential first-year college students only. Transfers are not part of the funnel discussion herein.

The issue of completed applications is increasingly critical as a measure of applicant interest – surprisingly enough, a number of participants do not track this regularly. A simple way to calculate this number is to add the number of students who were denied admission (completed the application process, were considered for admission but not granted admission) to the total admit number. Dividing this completed application number by the total application number yields the completion rate outlined in the study as outlined in the example below.

Calculating a Completion Rate	
Category	Number
Applications	1,566
Denials	51
Admits	871
Completed Applications	922
Completion Rate	58.9%
Admission Percentage	94.5%
Denial Percentage	5.5%

For the last 15 years this study has highlighted the importance of completion rates. The challenges to reaching and/or maintaining a healthy completion rate have increased with heavy levels of investment in direct mail and “fast app” strategies designed to make applying easier for students. In some cases, making the application process simpler is a worthy goal, especially if an institution is requiring steps that are no longer relevant or even inappropriate given their level of selectivity. However, the ultimate goal of a recruitment process is to enroll (and retain) as many great fit students as possible, and increasing application totals may not always be a means to this end. For some institutions, increasing the completion rate may be a more productive strategy than increasing application totals.

The example above also highlights one of the most misunderstood concepts in admission, perpetuated by US News and World Report and other college publications reporting “acceptance rates” which make campuses appear much more selective than they are in reality. In most of these publications the



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reported acceptance compares admitted applicants to total applicants, not completed applicants. While it is technically true that an incomplete application represents a prospective student who did not submit all necessary documents for admission, the reality is they were not denied admission. In many if not most cases they chose not to pursue admission.

Why does this matter? Misreporting acceptance rates does not give a true picture of selectivity and even the academic climate on the campus, perhaps discouraging some potential students and giving a false impression to others.

The Funnel Study Summary documents from the 2014 Admission Benchmarking Study highlight both average numbers and yield rates along the funnel for the overall study as well as by the regional and total enrollment breakdowns that are typically more helpful – here are a few highlights from this summary:

- On average, about 13.5% of all inquiries apply for admission – these rates varied widely by region and enrollment size and increased slightly from last year’s 13.2%. The variations in this rate are reflective of the relative stability in participation (smaller institutions tend to have higher inquiry to application rates) and the continued emphasis on high-volume top of the funnel strategies.
- Over the last five years of this study, the overall completion rate dropped from 73.7% to 72% to 69.3% before a slight increase to 69.9% last year and 70.0% this year. In other words, the average college or university with 1,000 applicants could count on 300 of these students dropping out of the application process prior to an admission decision.
- 90.7% of all completed applicants were granted admission – in other words, there is little room to grow the new student population at the typical participating institution by dropping admission standards.
- On average, 39.6% of all admitted students enrolled for fall 2014, a drop from last year’s 41%. After last year’s slight increase, this year’s result continues a downward trend in yield rate (44%, 42%, 41% and 39.6% respectively from 2010 to 2013).

The chart that follows highlights average yield rates down the funnel for the overall, regional and enrollment categories of this study.



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Average Yield Rates - 2014 Study

Grouping	Inquiry to Application	Inquiry to Completed App	App to Completed App	Completed App to Admitted	Admitted to Enrolled	Inquired to Enrolled
<i>All Participants</i>	13.5%	9.1%	70.0%	90.7%	39.6%	3.1%
<i>Canada</i>	18.2%	13.9%	77.9%	91.0%	67.0%	8.0%
<i>Great Lakes</i>	12.4%	8.7%	73.5%	90.4%	33.0%	2.3%
<i>Midwest</i>	15.9%	10.1%	65.0%	87.2%	34.2%	2.6%
<i>Northeast</i>	7.6%	5.7%	74.1%	93.5%	45.6%	2.4%
<i>Northwest</i>	16.6%	10.9%	64.5%	91.7%	27.5%	3.1%
<i>Southeast</i>	15.2%	8.9%	62.7%	93.5%	41.1%	3.2%
<i>Southwest</i>	9.4%	7.1%	75.9%	88.3%	41.7%	2.4%
<i>Smallest *</i>	10.9%	7.4%	68.5%	91.1%	67.6%	4.5%
<i>Small*</i>	16.5%	9.3%	59.3%	95.3%	45.2%	4.1%
<i>Medium*</i>	7.9%	5.5%	70.6%	91.9%	35.3%	1.8%
<i>Large*</i>	14.4%	10.7%	75.8%	85.7%	31.8%	2.6%
<i>Largest*</i>	15.4%	10.9%	74.6%	90.4%	30.5%	3.0%
<i>Bible College</i>	12.1%	7.9%	67.2%	90.1%	63.0%	4.2%
<i>CCCU</i>	12.4%	8.5%	71.4%	90.6%	34.0%	2.5%
<i>Other CLA</i>	27.9%	17.9%	63.8%	93.9%	35.9%	6.4%

* Enrollment categories for total, full-time undergraduates in traditional programs

Smallest: 0 to 450

Small: 451 to 799

Medium: 800 to 1,199

Large: 1,200 to 1,799

Largest: 1,800 or more



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Using this Study

Beyond the gathering of historical trends and comparison points, this study is most valuable to individual institutions attempting to determine how key ratios, spending levels and the cost to recruit compare to the most likely group of peer institutions. Strategies employed by past participants to utilize this study effectively include:

- Tracking their own year-to-year patterns and setting targets – is the institution making progress on some of these key comparison points?
- Using the budget categories and funnel definitions in this study as a means of altering standard operating procedures
- Reviewing budget percentages and the priorities they reflect against key peer institutions/competitors and developing strategies accordingly (including strategies to leverage additional budget resources/staffing)

As a reminder, participants agree not to share the school-by-school results of this study with other members, organizations, etc. The summarized results are considered public information and, as such, will be posted on www.naccapresearch.org, utilized as the basis for presentations at the annual NACCAP conference and used in other forms and venues.

The data from the study raises several important questions, though. First of all, in a time where institutional resources are scarce and it is costing more to recruit, what alternatives does an institution have to continual additions to recruitment and marketing budgets? The cost to recruit a student more than doubled in 22 years; can the private Christian college education industry absorb this pattern going forward?

At tuition-driven institutions, increased net revenue comes from one or more of several sources:

- Enrollment growth (traditional, online, non-traditional and graduate)
- More efficient use of existing resources in recruiting, financial aid and marketing
- Improved retention.

Increases in annual fund and endowment, changes in program mix (deleting unproductive curricular and co-curricular programs, adding new tuition generating programs), cooperative ventures with other institutions (group purchasing, partnerships, mergers/acquisitions) and the development of alternative revenue streams (summer conference revenue, athletics/academics camps, etc.) are other potential sources of net revenue as well. Since this study focuses on the enrollment of traditional new students,



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the next few paragraphs address some possible answers to the questions raised in the preceding paragraph.

Rather than simply accept this rising cost to recruit a student, here are some recommendations to consider with a goal of more efficient/effective recruitment operations and strategies:

- Technology and streamlining processes and systems – the author continues to be surprised by highly manual operations in relatively sophisticated admission offices; as funnel volume grows through aggressive top of the funnel strategies and as a result of a buyer’s market, manual processes are often not scalable without significant investments in additional staff. Does your ERP (and/or CRM) facilitate efficient gathering, storing, retrieving, analysis and application of data?
- Staff deployment – to borrow language from the author Jim Collins, do you have the right people in the right seats on the bus? Do you have enough of the right people? Finding the right people to carry out key recruitment tasks is critical to efficient, effective operations. How is your team configured to gather data, develop strategies, provide welcoming experiences for campus guests, lead at several levels, build critical campus partnerships **and** recruit students?
- Return on investment – how carefully are you studying the return on investments you are making in marketing and recruiting? The funnel analogy on page 17 of this study is all too real for many institutions where significant dollars are being spent on the top of the funnel without careful enough attention to return on investment. Aggressive top of the funnel strategies can actually backfire if there are not the systems, processes and staffing (levels and deployment) necessary to maximize their impact. This can be especially true of direct mail and travel strategies where the generation of inquiries or “soft” applications is seen as a valuable return while the final and most important return, additional new students, is not realized.



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About the Author

Tim Fuller serves as Project Leader for NACCAP Enrollment Research and this annual study. He joined Credo after a 27 year enrollment career at Houghton College (NY). During his tenure in enrollment leadership at Houghton he served as both Vice President and then President of NACCAP (1985-1988) and also served on the CCCU's Commission of Chief Enrollment Officers for 14 years (1990–2004). In 1993 he began conducting a cost to recruit study for the CCCU, building on similar work done for several years prior for the Christian College Consortium. In Tim's current role as Senior Vice President at Credo he leads the firm's work with Christian colleges and universities in the areas of enrollment, strategic planning, search assistance, research and comprehensive projects and leads the Enrollment and Marketing Solutions divisions.

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