The State of the Independent School Admission Industry

2017 IBSC Conference

Dave Taibl, Director of Outreach
At The Enrollment Management Association, we believe that the admission practices of the past will not sustain independent schools of the future. Everyday, we serve enrollment leaders through the best science, research, and training. Because when great schools enroll great students, everything is possible.
Forces Shaping the Funnel

The Economy (Global, Regional, Local, School)

Demographics

Educational Options

Technology

Consumer Behavior

Assessment

Fit
The Realities ...

- Middle class is shrinking
- Gap between haves and have nots is growing
- School tuitions have risen faster than incomes
- Demand for financial aid is increasing
- Enrollment in NAIS schools is declining
2016 State of the Independent School Admission Industry
Special Report

Key Findings

652 schools participated in the survey
A snapshot of the 652 responding schools:

School Type
- Girls 7%
- Coed 87%
- Boys 6%

Boarding or Day?
- Boarding 18%
- Day 82%

Grades
- Pre-K 56%
- K 68%
- 1-5 73%
- 6-8 80%
- 9-12 66%
- PG 8%

Enrollment Size
- 23% Under 201
- 15% 201-300
- 26% 301-500
- 14% 501-700
- 12% 700-1,000
- 10% More than 1,000

*Throughout this survey, any reference to boarding school data includes responses from those respondents that identified their school type as boarding, boarding/day, and day/boarding.
Admission directors have limited exposure to the board of trustees.

86% of admission leaders report to the head of school, and 83% of admission directors claim they are members of their school’s senior leadership team—but only 37% regularly attend board meetings.
Admission directors have limited influence on school finance.

**Role of Admission in Setting Tuition**
- 49% Provide information, but not part of decision
- 34% No influence
- 17% Key role

**Role of Admission in Setting the Financial Aid Budget**
- 45% No influence on financial aid budget
- 32% Influence financial aid budgeting
- 21% Key role in financial aid budgeting

An additional 3% reported financial aid was not offered at their school.
There is evidence to suggest that compensation is tied to enrollment results.

![Salary and Goals Graph](image)

The higher the admission director’s salary, the more likely he/she will meet enrollment and net tuition revenue goals.
There is evidence to suggest that budget control is tied to enrollment results.

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Admission office has key role deciding its budget</th>
<th>Admission office is not directly part of the budget decision</th>
<th>Admission office has limited influence on budget decision</th>
<th>Admission office does not manage budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Met both enrollment and net tuition revenue goals</td>
<td>52%</td>
<td>62%</td>
<td>55%</td>
<td>47%</td>
<td>33%</td>
</tr>
<tr>
<td>Met enrollment goal but not net tuition revenue goal</td>
<td>12%</td>
<td>10%</td>
<td>11%</td>
<td>19%</td>
<td>10%</td>
</tr>
<tr>
<td>Met net tuition revenue goal but not enrollment goal</td>
<td>12%</td>
<td>8%</td>
<td>11%</td>
<td>16%</td>
<td>19%</td>
</tr>
<tr>
<td>Met neither enrollment goal or net tuition revenue goal</td>
<td>17%</td>
<td>15%</td>
<td>19%</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td>Do not know</td>
<td>7%</td>
<td>4%</td>
<td>5%</td>
<td>3%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Salary gaps persist.

21% of women admission directors report a salary of $100,000 or more, while 51% of male directors earn $100,000 or more.

Median Salaries for Administrators in Independent Schools

Admission directors seek and require skills in key areas.

<table>
<thead>
<tr>
<th>Areas of Skill Development</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>58%</td>
</tr>
<tr>
<td>Predictive modeling and forecasting</td>
<td>56%</td>
</tr>
<tr>
<td>Use of data to drive decision making</td>
<td>55%</td>
</tr>
<tr>
<td>Strategic leadership</td>
<td>45%</td>
</tr>
<tr>
<td>Communications</td>
<td>40%</td>
</tr>
<tr>
<td>Admission office technology</td>
<td>38%</td>
</tr>
<tr>
<td>Student assessment/testing</td>
<td>25%</td>
</tr>
<tr>
<td>Finance/budgeting</td>
<td>24%</td>
</tr>
<tr>
<td>Personnel management</td>
<td>20%</td>
</tr>
<tr>
<td>International student recruitment</td>
<td>15%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>

The Enrollment Management Association
Attention must be paid to the admission leadership pipeline.

In Five Years...

- 56%: No longer working in independent school
- 21%: Head of School/Other Administrative Leader
- 12%: Admission
- 8%: Teaching/faculty/dean
- 2%: Retired

The Enrollment Management Association
Some admission offices lack necessary staff professional development funds.

- No Funds: 16%
- Funds for Director only: 12%
- Funds for Some Staff: 17%
- Funds for Entire Staff: 54%
Enrollment challenges are real.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>We received many more applications than available spots and managed an extensive wait list of students in most grades</td>
<td>11%</td>
</tr>
<tr>
<td>We received more applications than available spots and managed a small wait list of students in several grades</td>
<td>32%</td>
</tr>
<tr>
<td>We generally accepted all qualified students and reached our enrollment goals by the start of the year</td>
<td>27%</td>
</tr>
<tr>
<td>We did not reach our enrollment goals until several weeks into the school year</td>
<td>7%</td>
</tr>
<tr>
<td>We did not reach our enrollment goals last year</td>
<td>22%</td>
</tr>
<tr>
<td>I do not know</td>
<td>1%</td>
</tr>
</tbody>
</table>
Many schools are not meeting net tuition revenue goals.

- 52% met both enrollment and net tuition revenue goals
- 12% met enrollment goal, but not net tuition revenue goal
- 12% met net tuition revenue goal, but not enrollment goal
- 17% met neither enrollment or net tuition revenue goal
- 7% do not know
Schools are relying on international students for tuition revenue.

97% of boarding schools AND 37% of day schools recruit international students.

35% of schools provide financial aid to international students.

The Enrollment Management Association
Schools are relying on merit aid as an enrollment strategy.

58% of boarding schools and 37% of day high schools award merit scholarships.
Tuition remains a major barrier (and is a double-edged sword).

Nearly 50% indicate tuition is a major barrier to apply and enroll.

Voluntary Attrition

Reasons for leaving:
- Parents Relocating
- More Affordable Option

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There is a possible disconnect between enrollment realities and future enrollment strategies.

- Deliberately seeking to increase enrollment: 56%
- Seeking to maintain enrollment at current levels: 41%
- Deliberately seeking to downsize enrollment: 2%
- Do not know: 1%
A lack of standardization in student selection has negative effects.

69% do not rank or assign weights to individual application components in the selection process. Yet, schools that met enrollment goals are more likely to do so (34% vs 23%).
Schools (small schools in particular) should be concerned about cash flow problems associated with enrollment declines.

52% of schools lost three or fewer students after deposit. Nearly 30% lost between 4 and 10 students after deposit.
Despite the critical importance of retention in enrollment management, too few schools have formal structures to support it.

Just three-in-ten schools (30%) have a retention committee.

In six out of ten schools with retention committees, admission directors lead them.
Schools are changing their recruitment tactics to serve a new customer.
And they are likely shifting budget dollars to support these activities.

More than $1/3$ of schools no longer print a viewbook.

Those with viewbooks may mail to all applicants or just have them in the admission office waiting room.
Yet many lack a value proposition that differentiates them in the marketplace.

33% of schools indicate that the "development of the whole child" is the focal message of their marketing strategy.
3 Key Lessons Learned
1: Despite responsibility for a significant percentage of a school’s revenue, some admission leaders lack key influence and training.
2: Admission leaders recognize a changing consumer but will require new tools and school-wide buy in.
Remember: Every Interaction with Parents Reinforces (or not!) Their Purchase

- Parent-teacher conferences
- Disciplinary meetings
- Grades/teacher comments
- Athletic competitions
- Annual fund ask
- Making tuition payments
3: Unless independent schools come together in unprecedented ways, some may be in real jeopardy.
Embrace Enrollment Management
EM Defined

- *Enrollment management* is an organizational concept and a systematic set of activities. Designed to enable educational institutions to exert more influence over their student enrollments, enrollment management activities are organized by strategic planning and supported by institutional research. Processes are studied to guide institutional practices in the areas of new student recruitment and financial aid, student support services, curriculum development, and other academic areas that affect enrollments, student persistence, and student outcomes.

Hossler and Bean, 1990
# The Trustee Dashboard (NAIS)

EM-Specific Indicators of School Well-Being

<table>
<thead>
<tr>
<th>Operating Budget</th>
<th>Operating Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admissions Pipeline</td>
<td>Endowment &amp; Debt</td>
</tr>
<tr>
<td>Physical Plant</td>
<td>Student Turnover</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>Tuition</td>
</tr>
<tr>
<td>Net Tuition Revenue</td>
<td>Faculty</td>
</tr>
<tr>
<td>Fundraising</td>
<td>Staffing</td>
</tr>
</tbody>
</table>
The report referenced today (and many more!) can be downloaded for free at enrollment.org.
THANK YOU!

Dave Taibl, Director of Outreach
dtaibl@enrollment.org

Join in the conversation!
Twitter: @davetaibl
@EnrollmentOrg