GRADING HIGHER EDUCATION
Giving Consumers the Information They Need

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The Problem

- While beneficial and important, higher education is an expensive investment
- It can be risky:
  - Less than 60% at 4yr colleges graduate within 6 years (grad rates are less than 10% at some schools)
  - Students suffer with high debt levels and default
- Current tools have incomplete information with little about student outcomes after college
- Consumers need better information to address low awareness, misperceptions, and to help them sort through their options and avoid “bad” schools
The Proposal

1. The Federal government should expand the information collected with an emphasis on student outcome

2. Package the information in more usable ways

3. Actively disseminate the information to potential students where they live, study, and work

4. Take the lead in implementing, coordinating, and assembling the needed information;

5. Implement procedures to audit the information and continuously improve delivery
Key information for consumers: The college scorecard

COSTS AND AFFORDABILITY MEASURES
Total cost of attendance
Avg debt for graduates
Avg net price for low-income students
Loan default rate
Avg net price for all students

THE COLLEGE EXPERIENCE
Expenditures on instruction, academic supports, & student services / student

The Institution’s Rates
• 1st-to-2nd year retention
• Six-year graduation rate

Rates of Similar Peer Institutions
• 1st-to-2nd year retention
• Six-year graduation rate

POTENTIAL BENEFITS AND RETURNS
Employment rate within six months of graduation
Salary information for graduates 1 year and 5 years after completion
Alumni satisfaction rate
The Goals & Potential Benefits

- Catch the attention of potential students with clear information
- Give better indicators of affordability and success for different kinds of students
  - Help potential students find better matches and maximize the chances for success
  - Would result in better outcomes for students and better use of taxpayer dollars for society
  - Increase pressure on colleges and universities to make improvements to their services