



UNDERSTANDING INCENTIVES, CONNECTING THE DOTS FOR TRANSFER STUDENT SUCCESS

Insights from “Real Talk” with Enrollment Managers & CFOs at Universities

A TACKLING TRANSFER REPORT | 2021



Understanding Incentives, Connecting the Dots for Transfer Student Success: Insights from “Real Talk” with Enrollment Managers & CFOs at Universities

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TACKLING TRANSFER

The Aspen Institute College Excellence Program, HCM Strategists, and Sova have joined together through the Tackling Transfer initiative to partner with institutional leaders, policymakers, and practitioners in Minnesota, Texas, and Virginia to dramatically improve transfer outcomes for baccalaureate-seeking students who begin at community colleges.

This comprehensive effort incorporates policy, practice, research, and strategic communications to foster the conditions for scaled and measurable improvements for baccalaureate-seeking transfer students, including the large number of students from low-income backgrounds and students of color who begin their education at community colleges.

The Aspen Institute College Excellence Program aims to advance higher education practices and leadership that significantly improve student learning, completion, and employment after college—especially for the many students from low-income backgrounds and students of color on American campuses.

HCM Strategists is a public policy and advocacy consulting firm committed to removing barriers and transforming how education is delivered. Our work focuses on developing sound public policy, aligning teaching and learning practices, and advancing meaningful accountability and equitable strategic financing. HCM works to support leaders and organizations that prioritize the voices and outcomes of Black, Hispanic, Native American, recent immigrant, low-income, and adult students.

Sova focuses on improving the quality and accelerating the pace of complex problem solving in the areas of higher education and workforce development. Animated by a core commitment to advancing socioeconomic mobility for more Americans, Sova pursues its mission through distinctive approaches to will-building, strategic planning, change leadership, and process improvement.

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Introduction

The work of the Tackling Transfer partnership is based on the conviction that meaningful—and meaningfully equitable—improvements in outcomes for transfer students entail clear-eyed and comprehensive attention to state and system policy, institutional practice and culture, and leadership and communications at multiple levels.



Student success and equity matter a great deal to many universities, but when the rubber hits the road, enrollment and financial pressures often drive institutional focus and results.

Through our work with systems and institutions in diverse governance and policy contexts, it has become abundantly clear that more attention needs to be paid to understanding the role of incentives for four-year institutions when it comes to actively promoting transfer student success. While student-focused, mission-based reasons to focus on better serving transfer students matter a great deal to four-year institutions,

those good intentions can be subsumed by other pressures in practice. Student success and equity matter a great deal to many universities, but when the rubber hits the road, enrollment and financial pressures often drive institutional focus and results.

This small-scale qualitative research project was designed to examine perceptions of those pressures as they relate to building transfer-receptive cultures at universities (Jain, Bernal Melendez, Herrera, 2020). By exploring how

enrollment managers and CFOs at four-year institutions view the role transfer students play in the overall picture of institutional health, we sought to unearth insights about the incentives and opportunities for four-year institutions to pursue systemic improvements that have a real chance of achieving dramatically improved and more equitable outcomes for transfer students.

Toward that end, we conducted in-depth, confidential, semi-structured interviews with more than 30 individuals, of which 25 were Chief Financial Officers, Vice Presidents for Enrollment, or leaders in similar positions at a range of public four-year institutions across the country. Conversations with five national experts working in higher education finance helped us to refine our interview protocol. We rounded out the analysis by drawing on emerging insights gained in 13 focus groups conducted in partnership with the National Association of College and University Business Officers (NACUBO). The focus groups were composed of business officers from a mix of two-year and four-year institutions and focused more broadly on business models and student success, with transfer being one of several topics discussed.

The leaders charged with ensuring the financial health of the institution are vital players in the transfer student success and equity puzzle, but these critical actors are often disconnected from key conversations about transfer student success.

How to Use This Resource

We created this resource with multiple audiences in mind. For state and system leaders, as well as philanthropies in higher education and workforce development, we hope the insights captured here will foster better and more strategic attention to the incentives that shape institutional behavior. For university leaders at multiple levels—from the President to Cabinets to Deans—we hope special attention will be paid to the Bright Spot section below. The six elements included in that section can be used to guide self-reflection, collaborative analysis, and cross-silo action planning. See the [“Better Partnerships, Better Results”](#) resource for tips and tools to turn analysis into action in service of better and more equitable outcomes for transfer students.

Overall, while there is no doubt that institutional leaders at multiple levels of most four-year institutions care deeply about transfer student success, those who oversee enrollment management and the business operations of universities are driven by unique pressures and are not well knit into broader student success efforts. Understanding the perspectives and experiences of enrollment managers and CFOs is helpful for understanding the gap between the aspirations of many four-year institutions and the incentives that drive institutional focus in practice. There are also important lessons to learn from those institutions that are pursuing focused, coordinated attention to promoting a transfer-affirming culture with transfer partner colleges and to building a transfer-receptive culture within the university.

In what follows, we explore the primary themes from this targeted listening project. The first set of themes centers on the picture of the status quo that emerged in confidential conversations, while the second set of themes points in the direction of opportunities for improvement. Because the themes here were extracted from a small set of conversations with institutional actors from a wide range of institutional types, and given the complexity of transfer patterns which belies any simple two-year to four-year model, the insights summarized here should be viewed as suggestive rather than definitive. It should also be noted that these interviews were conducted in the first half of 2021, as institutions were beginning to experience enrollment declines as a result of the COVID-19 pandemic. It is reasonable to assume that as the ripple effects of the pandemic continue to unfold, the views and experiences of enrollment managers and CFOs will evolve. We hope this snapshot of a moment in time provides helpful insight for advocates of learner agency and transfer student success.



We've dabbled in the ROI conversation by program, but it's still a really hard sell for faculty and deans. So, we haven't really forced the issue.... there's not much appetite for that conversation...

–Enrollment Manager

The Status Quo

For all but those universities with an explicit transfer mission or where transfer students represent a large majority of the student body, the status quo is one that conspires to render transfer students invisible—and thus underserved. Key points we learned from the interviews include:

1. Transfer students are received, not recruited.

Many institutions don't actively recruit transfer students, but rather see themselves in the more passive role of facilitating transfer. As a result, transfer students are not regularly part of larger enrollment strategy conversations, or seen as a priority population for financial aid or tailored supports.

2. A "take what they get" approach to financial aid.

The large majority of institutions do not strategically package financial aid for transfer students, leaving a tool for improving both recruitment and retention unused. For most universities, while scholarships for first and second year students are allocated by the central administration, upper division scholarship dollars are allocated by faculty in departments. As a result, transfer students are at a significant disadvantage when it comes to accessing those scholarships compared to students who began as FTCFT and who, by their third year, have established relationships with faculty.



What is the payback, what is the return to a particular program? We're just starting to explore that because that's been totally foreign to us.

–Enrollment Manager



We receive transfers, we don't recruit them. We'd probably freak out if they didn't show up, but they do, so there's not been much incentive for us to pay special attention to them. An FTE is an FTE.

–Enrollment Manager

3. For CFOs, all FTEs are created equal. Very few budget and finance offices make any distinction between tuition revenue from first time in college, full-time students (FTCFT) and transfer students, or among other key demographic groups, such as Pell-eligible students and minoritized students of color. Our interviews suggested that enrollment managers are more likely to be connected to administrative leaders in student success conversations than are traditional CFOs, but those points of connection are often underdeveloped. The scope and drivers of CFOs' day-to-day work puts them at a significant remove from student success conversations—and many prefer it this way.

4. Reluctance to engage in deep analysis of what is actually happening to transfer students. ROI is typically not yet part of the vernacular, and there is still little appetite at many universities for drilling down to better understand disaggregated transfer student progression and outcomes data at the program level. Applicability of credits in transfer, time to degree, excess credits, and completion by program are all vital pieces of the transfer student success puzzle that are sidelined when transfer students are rendered invisible by incentives and systems in place.

Unpacking the Status Quo

Outside of those universities founded with a transfer mission or serving transfer students in the majority, transfer students are valued but they are often treated as ‘nice to have’ rather than foundational to the financial stability of the university. While many institutions value transfers and are even hungry for them as a source of enrollment, in practice transfer students are too often rendered invisible by the incentives and metrics that many four-years view as existentially important: selectivity and rankings, accountability metrics, and the size and profile of the incoming class.

At the time of these conversations, most universities we connected with reported that far more energy and money goes into understanding and recruiting FTCFT students—and the incentives that contribute to transfer students being rendered invisible and underserved, increase with institutional selectivity. This has significant equity implications, and no doubt contributes to increased stratification of opportunity. Among our conversations, flagship institutions and those who have R1 aspirations were most likely to report that very little attention goes into recruiting or retaining transfer students. In other transfer work around the country, we are finding that private universities and smaller liberal arts colleges are beginning to actively recruit and support transfer students. This suggests that public institutions of all sizes can expect increased competition from private institutions as enrollment declines continue to shape the higher education landscape.

For most enrollment managers, the professional imperatives they face incentivize them to focus on ‘making the numbers’ in the short-term rather than on remaking the institution to work better for the full array of their students. In many institutions, the misalignment between the pressures facing enrollment managers and those leading broader work on student retention undercut efforts to coordinate effectively at the cabinet level to better serve transfer students.



Once our advisors & academic administrators started looking at all those math requirements by program, they realized how many students we’ve harmed and lost because we didn’t have the will to take on hard conversations with faculty about the appropriate math for different programs...

–Enrollment Manager

A Note on Threat Perceptions

Discussions in the field about barriers to transfer student success often include the idea that transfer enrollment is perceived by four-year institutions as antithetical to their financial model because it threatens FTE.

Interestingly, our interviews did not find this to be a predominant theme. Rather, most Enrollment Managers and CFOs wanted transfer enrollments, and saw them as “padding” enrollment and their financial bottom line. But generally, they did not see transfer enrollment as a priority or worthy of equal consideration substitute as FTCFT enrollment—they saw it as additive.

The absence of a threat perception is predicated on two factors: first, that the university has excess capacity in its upper-division courses, and second, that the “cost of acquisition” for transfer students is relatively low. Given that most institutions are designed to receive, rather than recruit transfer students, they do in fact spend far less on per student acquisition—marketing, recruitment, and financial aid—for transfers than they do for FTCFT.

These are important issues to keep in mind when considering what it means to advance a focus on transfer student success among four-year institutions.

Bright Spots in Institutional Practice: The Power of Relationships & Cross- Silo Collaboration

Some of the respondents in our interviews described what it is like to be at a university that truly prioritizes in practice its stated commitment to transfer student success. These ‘bright spot’ conversations provided important insights about what it looks like when leaders at multiple levels within a university are ‘walking the talk’ with respect to building a transfer-receptive culture.

1. Data on transfer student progression and completion at every step in the learner journey anchor regular conversations and collaborative planning at the cabinet level. Strategic improvement efforts would flow from a shared understanding of who transfer students are, where they transfer from, and how they fare at the university. Disaggregated data, drilled down to the program level, ground leadership conversations and improvement efforts.
2. S.M.A.R.T. and short-term goals are set for improvement in transfer student outcomes by program, and the metrics are grounded in what transfer students themselves care most about: how many of their credits will apply in transfer, how long it will take to complete, and the value they can expect to get out of their degree with respect to career advancement. The priorities of transfer students themselves are reflected in the day-to-day work and language of leaders at multiple levels, with the tone set from the top.
3. Transcript evaluation for all interested transfer candidates is treated as a priority, with all admissions staff prepared to conduct evaluations quickly. Transfer students are never asked to apply first to receive an unofficial transcript evaluation. Regular conversations between academic deans and the enrollment manager form the basis of the trusting relationships between faculty and transcript evaluators that are required for rapid transcript evaluation and maximum applicability of credits.



I work closely with our academic leadership, as well as leaders in student services at [our partner CCs] because we all need to be on the same page for our students. It's too complicated to figure out if we're not in it together...

–Enrollment Manager

4. The enrollment manager, provost, and head of student services consider each other to be vital resources and allies in work aimed at attracting, enrolling, supporting, and graduating transfer students. Each of these actors sees clearly the relationship between their own immediate priorities, the priorities of their colleagues, and the longer-term goal of dramatically improving outcomes and equity for transfer students.
5. Financial modeling is undertaken with the goal of finding new or better ways to strategically package financial aid for transfer students. The CFO, enrollment manager, and provost work together to create the conditions for more upper division scholarships to be reserved for transfer students, and academic leaders would be consistently engaged to build their understanding and support for greater allocation of upper division scholarship opportunities to transfers.
6. Enrollment managers at universities actively cultivate strong relationships not only with their own provosts, but also with the provosts/CAOs of their most important transfer partners. A strong relationship extends beyond regular updates and emails to a shoulder-to-shoulder trouble-shooting sensibility grounded in real listening, mutual respect and shared responsibility for transfer students. These relationships serve as the anchor for mid-level leaders across institutions to work more effectively together to build transfer-affirming and transfer-receptive cultures.

Opportunities to Change the Status Quo

Efforts designed to shift the incentives around recruiting and serving transfer students must bear in mind the ways in which contextual factors shape the levers available for driving improvements. While the role of systems in rendering transfer students invisible or underserved is a cross-cutting theme across our conversations with four-year institutions, interviews revealed there is no consistent or universal way that transfer students fit into institutions' enrollment and financial models and priorities.

Key contextual factors shape the perspectives and priorities of Enrollment Managers, CFOs, and Chief Business Officers (CBOs) in important ways, and understanding the different incentives at work in different contexts is vital for seizing opportunities that exist for building transfer receptive cultures. Size and scale of transfer student populations, regional demographics, regulatory and policy environment, selectivity, online presence, and relative competition all shape four-year institutions' approach to transfer—and how those factors all intersect at a given institution profoundly shapes how Enrollment Managers, CFOs, and CBOs view and prioritize transfer students. The first step in challenging the status quo in any given setting is to have a clear-eyed understanding of the contextual factors that shape the real drivers of institutional behavior concerning transfer students.



I'm so proud of what we've done internally to build that trust with faculty so that we can streamline credit review with their blessing and confidence...That's been a lot of work over a few years, but the payoffs are huge for our students....

—Enrollment Manager

Interviewees reported increasing sophistication around the transfer population if they were facing at least one of two external pressures: (1) state accountability frameworks that prioritize transfer and tie significant dollars to performance-based funding, or (2) significant-to-severe declines in the college-aged population in the institution's state or region. There are both opportunities and threats that flow from these pressures, but amid the complexity there are promising signs and opportunities for accelerated progress through upgrades in data and policy:

- **Enrollment and financial analysis are becoming more sophisticated.** Some institutions we spoke with reported that they have made recent investments in improving their data infrastructure, which will enable more sophisticated analysis of enrollment drivers and ROI. Despite the lack of appetite for and disincentives around such conversations, enrollment and financial challenges have become dire enough that they are forcing the conversation on many campuses about the need to start tracking net tuition revenue and ROI by program. As capacity and sophistication in this area improve, states and institutions should consider analyzing metrics that—in addition to student outcomes—shine a light on how institutions are taking responsibility for transfer student success. How are they recruiting, orienting, and supporting transfer students?
- **Understanding more about mechanisms for reducing excess credit.** Some interviewees noted that policies aimed at reducing excess credits can function to create incentives for four-year institutions to work with two-year partners to provide concurrent enrollment and to create clear, transparent pathways. However, credit caps on state financial aid and lifetime limits on federal aid can create challenges for transfer students' continued enrollment. Understanding more about good mechanisms for reducing excess credits, that influence institutional behavior without harming students with unintended consequences, is an important opportunity.

- **Efforts to increase transfer student visibility through the adjustment of existing policies are gaining ground.** Some states are committing themselves to creating data transparency and accountability structures to make transfer student enrollments and outcomes “count.” For example, states such as Oregon and Virginia, are making improvements in data capacity to enhance public reporting of disaggregated data on transfer student outcomes by student race, ethnicity, and income status. Incentivizing a focus on transfer student success through outcomes-based funding frameworks is a piece of the puzzle—ideally, in a framework that equally weights performance for both sending and receiving institutions. And accreditation is a potentially important, untapped lever, for helping focus institutions on making transfer students more visible as part of a commitment to promoting equity in opportunity and outcomes for today’s learners as part of conversations about quality.
- **More purposeful, powerful and holistic policy conversations are bubbling around transfer.** Recent statements, like “The Transfer Reset” by the Tackling Transfer Policy Advisory Board, point in the direction of next-level work to be done in creating a policy set that situates transfer holistically. A key finding of the Board was that the large majority of transfer activity is focused on building pathways—this is true at many levels, including state, system and institutional. While critically important, that focus leaves gaps in critical areas such as fiscal incentives, data transparency, accountability, and financial supports for students. Connecting the dots on transfer with key decision makers such as CFOs and enrollment managers is therefore a necessary next step in centering equity for transfer students.

Action Action Ideas for Policymakers

- **Prioritize state and institutional aid for transfer students.** As noted earlier, the large majority of institutions do not strategically package financial aid for transfer students, and transfer students—even when eligible—are often not prioritized for receiving state and institutional aid. In the Transfer Reset, the [Tackling Transfer Policy Advisory Board](#) elevated this issue by calling on states and institutions to designate a subset of aid for transfer students, and ensure that transfer students are treated equitably when aid is distributed. At this time, only three states—California, Maryland, and Virginia—have targeted state aid for transfer students.
- **Include all public universities in transfer policies.** Some state transfer policies don’t include all of the state’s public universities, giving flagships and other highly selective institutions a “pass.” This unfairly and inequitably limits opportunities for many students, particularly as we know many students begin their educations at community colleges for financial reasons.
- **Invest in technology solutions that speed credit evaluations, promote learner agency, and remove the implicit bias baked in when individuals review transcripts on a case-by-case basis.** As noted earlier, exemplars in this space place a priority on rapid transcript evaluation and maximizing the applicability of credits. This is an area where technology can be a catalyst by reducing the manual burden, removing individual decision-making, and putting transcripts and tools into the hands of learners. There is a strong need for states, systems, and institutions to invest in platforms that support student mobility across institutions and provide cost efficiencies for participating institutions.

Toward the “Next Normal”

During the COVID-19 pandemic, students have faced massive disruption in their learning, and enrollment declines threaten many institutions’ survival. As institutions navigate their way to the ‘next normal,’ transfer and credit mobility issues will loom large as vital pieces of the survival picture. While mission-based reasons to focus on better serving transfer students matter, those motivations will likely continue to take a backseat to the enrollment and financial pressures that drive institutional focus and results. By exploring how enrollment managers and CFOs at four-year institutions view the role transfer students play in the overall picture of institutional health, we have sought here to unearth strategies for focusing four-year institutions on pursuing systemic improvements. We have also sought to provide deeper insight for both two-year and four-year institutions into opportunities for improved leadership, partnership, communication, and policy work in service of dramatically better and more equitable outcomes for today’s students—most of whom will attend multiple institutions on their way to a credential. We are hopeful that the confluence of pressures facing institutions will result in new incentives for universities to remake the systems that do not serve transfer students well and to build new ones that promote transfer student success.

For more information about this report, or to share your own stories about important efforts to support transfer student success at your university or four-year college, please reach out to alison.kadlec@sova.org