



Multi-year scholarships and retention: A three-year follow-up

Two prior reports examined the relationship between multi-year scholarships/waivers and retention after one and two years, respectively. The results of the first two reports are summarized below. This report then provides results of an analysis predicting retention to Fall of 2015, or year three for the cohort being studied. The overall goal of these studies is to examine whether multi-year awards (scholarships or waivers) are effective retention strategies.

The first report¹, based on the fall 2012 cohort, showed that for Idaho residents, the retention rates were highest for the multi-year scholarship group, followed by the one-year and non-scholarship groups. Non-residents with multi-year scholarships or waivers had the highest retention rates.

However, predictive analyses found that after controlling for the effects of admissions index scores, scholarship award amounts, and unmet need, multi-year scholarships did not boost retention of new first-year Idaho residents receiving multi-year awards compared to students receiving one-year scholarships or students not receiving scholarships. A similar analysis found that non-residents who did *not* receive either a scholarship or a waiver were more likely to be retained compared to students who received multi-year scholarships or waivers.

A second report² followed only those students retained after one year to see who was retained again to the fall of 2014 and whether multi-year scholarships made a difference in two-year retention rates. At the two-year mark, non-residents had higher retention rates (88% vs. 78%) as they had after one year. Students with multiple-year scholarships had the highest one-year retention rates for both residents and non-residents, but two-year retention rates did not show significant differences for either residents or non-residents based on scholarship length.

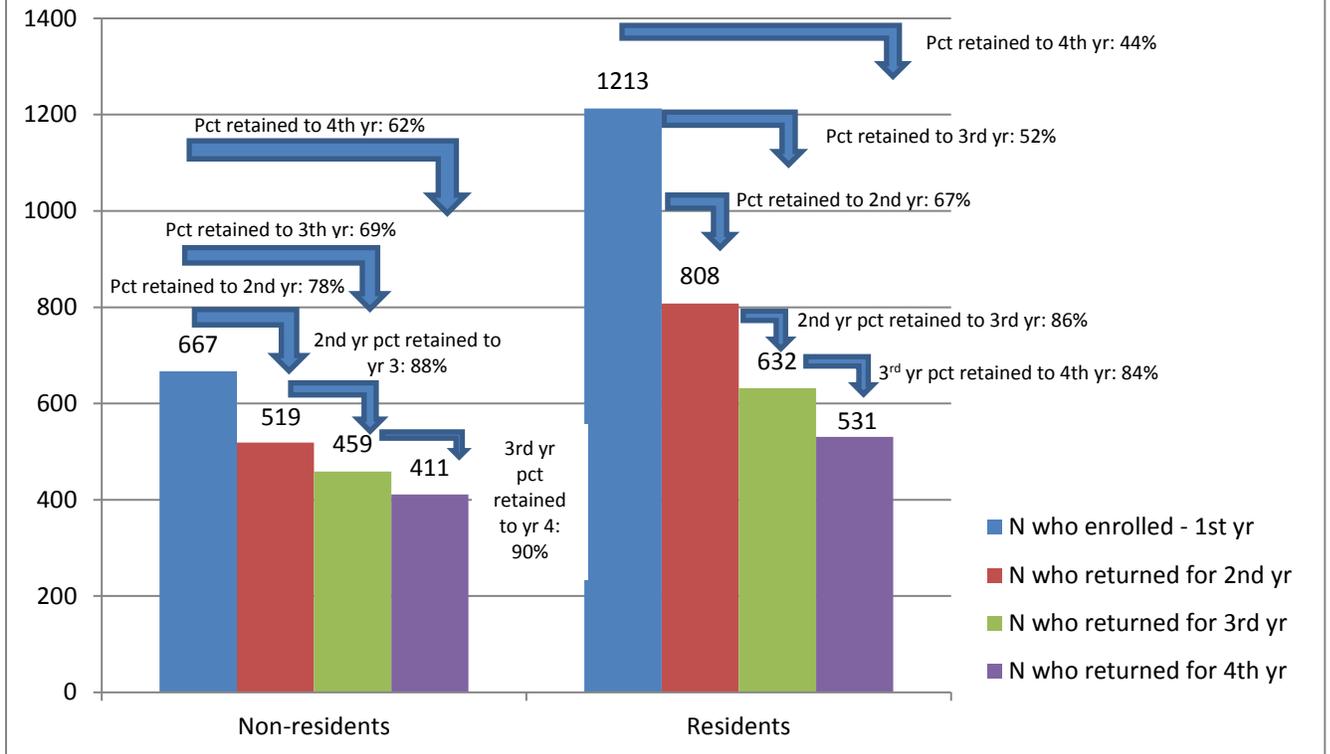
Predictive analyses found that, among Idaho residents, only admission index scores were significantly related to retention of the first year group to the second year, and the model for non-residents was not significant. (Length of scholarship was not related to retention since the policy under investigation is multi-year scholarships.) Although differences in one-year retention rates were evident based on the length of scholarship award, the differences disappeared when the model included measures of academic preparation, award amounts and remaining financial need. If multiple-year scholarships were developed to retain students over a longer period, it appears—based on the fall 2012 cohort—that these efforts were less than successful.

Figure 1 provides an overview of the number of resident and non-resident students and contrasts three different retention rates: (1) retention from the 1st to 2nd year (the focus of the first study), (2) retention of the 2nd year group to the 3rd year (the focus of the second study), (3) retention from the 3rd to 4th year, and (4) retention of the 1st year students to the 4th year (the way that retention over time is typically presented). At the four-year mark, non-residents had a higher retention rate than residents by six percentage points (90% v. 84%). Note that the gap in retention between residents and non-residents is 18 percentage points from the 1st to 4th year. (This is most likely due to the influence of other factors not addressed in this study.)

¹ The full report can be found at <http://ir.boisestate.edu/wp-content/uploads/2014/11/RR-2014-2-multiyear-scholarships-and-retention.pdf>

² The full report can be found at https://ir.boisestate.edu/wp-content/uploads/2014/12/RR-2014-13-Multiyear-scholarships-and-retention_A-two-year-follow-up.pdf

Figure 1. Numbers retained and retention rates by residency



Figures 2a and 2b display the retention rates for residents and nonresidents after one, two and three years based on the length of the scholarship awards. Figure 2a shows retention rates have continued to increase for all three categories, especially those on 1-yr scholarships (78.8% to 87.4%).

Figure 2a. One- two- and three-year retention rates for residents based on scholarship award type

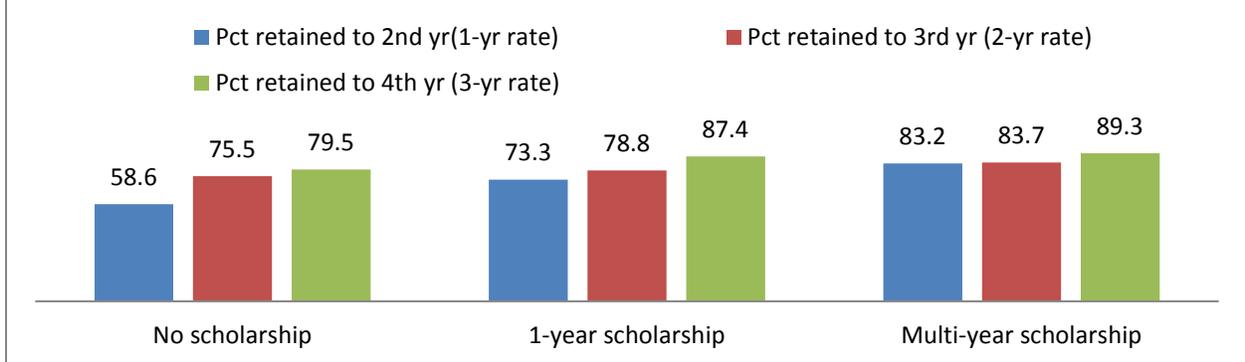
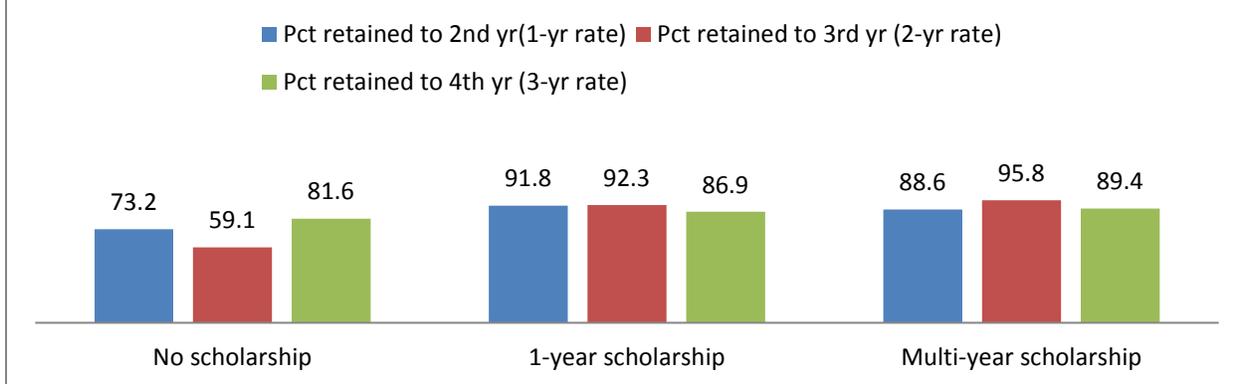


Figure 2b shows the retention rates among non-residents, and there is evidence of some slippage in retention among 1-year and multi-year scholarship recipients at the three-year rate, approximately six percentage points.

Figure 2b. One- two- and three-year retention rates for non-residents based on scholarship award type



What predicted the three-year retention of Idaho residents when admissions index scores, scholarship dollars, and unmet need were included in the model along with the length of the scholarship award? As shown by Table 1, only admission index scores were significantly related to retention of the first year group to the third year. All other variables, including length of scholarship, were non-significant, as was also the case in predicting retention from year one to year three. Although the model was statistically significant, the estimated variability accounted for in the model was small so the practical significance is fairly negligible (Nagelkerke $R^2=.063$), though slightly stronger compared to the model from year 1 to 3 (Nagelkerke $R^2=.031$).

Table 1. Prediction of fourth year retention for Idaho residents who were retained at year one.

	B	S.E.	Wald	df	Sig.	Odds ratio
Admissions Index Score	.036	.010	13.458	1	.000	1.036
Scholarship dollars (in \$1000s)	.023	.066	.120	1	.729	1.023
Idaho Promise Scholarship dollars	-.256	.413	.385	1	.535	.774
Federal unmet need (in \$1000s)	.010	.019	.285	1	.593	1.010
Scholarship group						
• 1-year scholarship vs. multi-yr	-.560	.437	1.645	1	.200	.571
• No scholarship vs. multi-yr	-.356	.527	.456	1	.499	.700
Constant	.283	.609	.215	1	.643	1.327

$\chi^2=23.57$, $N=531$, $df=6$, $p=.01$, $-2\text{Log likelihood}=531.775$

As was the case in the second study, the present model to predict three-year retention for non-resident students failed to reach significance, $\chi^2=2.925$, $N=459$, $df=6$, $p=.818$, and none of the predictors were significant. Therefore, it cannot be concluded that length of scholarship made a difference in encouraging non-residents to continue to enroll for a third year.

Summary

- For residents, one-year retention rates were higher among those with longer awards, but length of the award disappeared as a predictive factor for retention once other factors related to retention were taken into account. Among non-residents, students who did not receive either a scholarship or a waiver were more likely to be retained compared to students who received multi-year scholarships or waivers.
- Two-year retention rates did not show significant differences for either residents or nonresidents based on scholarship length.
- Three-year retention rates did not show significant differences for either residents or non-residents based on scholarship length.

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