

Who is Managing Your Institutional Image – Your Institution or *U.S. News & World Report*?

**Presented by Kathy Dawley, President, Maguire Associates
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The consumer-oriented mindset of students and families combined with the competitive nature of higher education today has created an environment in which college ratings and guidebooks flourish. A 1997 study projected total revenue from various news magazines that publish college rankings and guidebooks to be in the range of \$16 million a year in sales alone. With the recent entry of *Time/Princeton Review* and *Newsweek/Kaplan* as big players, we estimate this total revenue to be more like \$18 to \$20 million for 1999. In addition, advertising is a very significant revenue source for *U.S. News* and others, and this is often overlooked in much that has been written.

Circulation for the *U.S. News & World Report* magazine is currently 2.1 million. The rankings issue may sell an additional 50,000 to 80,000 magazines. Guidebook sales are in the 500,000 range. Website hits to www.usnews.com are substantial, and the ease with which visitors can obtain overall rankings and comparative information for specific schools is amazing.

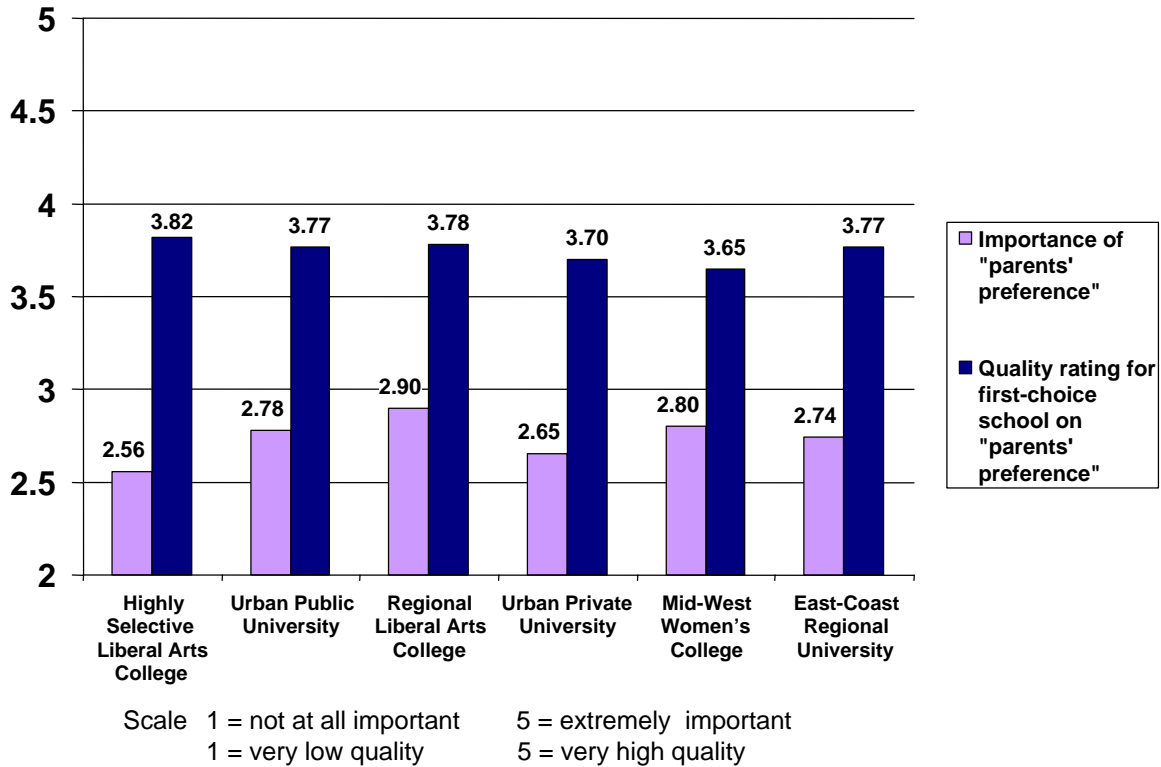
Research indicates that guidebooks may not exert high levels of influence over students' application and enrollment decisions. But, these findings do not tell us much about whether guidebooks and rankings exert a strong indirect effect by influencing what parents, teachers, and peers say to students when they are consulted for information.

At Maguire Associates, we have sought to measure both the direct and indirect influences that rankings and guidebooks can exert in the college-choice process. I will share our findings for a range of institutions in a moment. But first, a quick review of published studies is warranted.

Hossler and Foley (1995) find that rankings and guidebooks do not affect the college decisions of potential students from lower-income and first-generation families, non-traditional students, and students who live at home and commute to school. McDonough and her associates (1997) report similar findings, but find that some students' perceptions of college reputations could be influenced by rankings and guidebooks. She finds that as student ability, parental income, and parental education increase, students are more likely to report that they thought rankings in national magazines were important in shaping their opinions about colleges and universities. She also finds that these students believe that a significant measure of a school's reputation depended upon its graduates' ability to get into graduate schools of their choice and to get good jobs. McDonough concludes that for institutions that are trying to raise their academic profile and become (or remain) more selective, rankings may have an important influence on high-ability students.

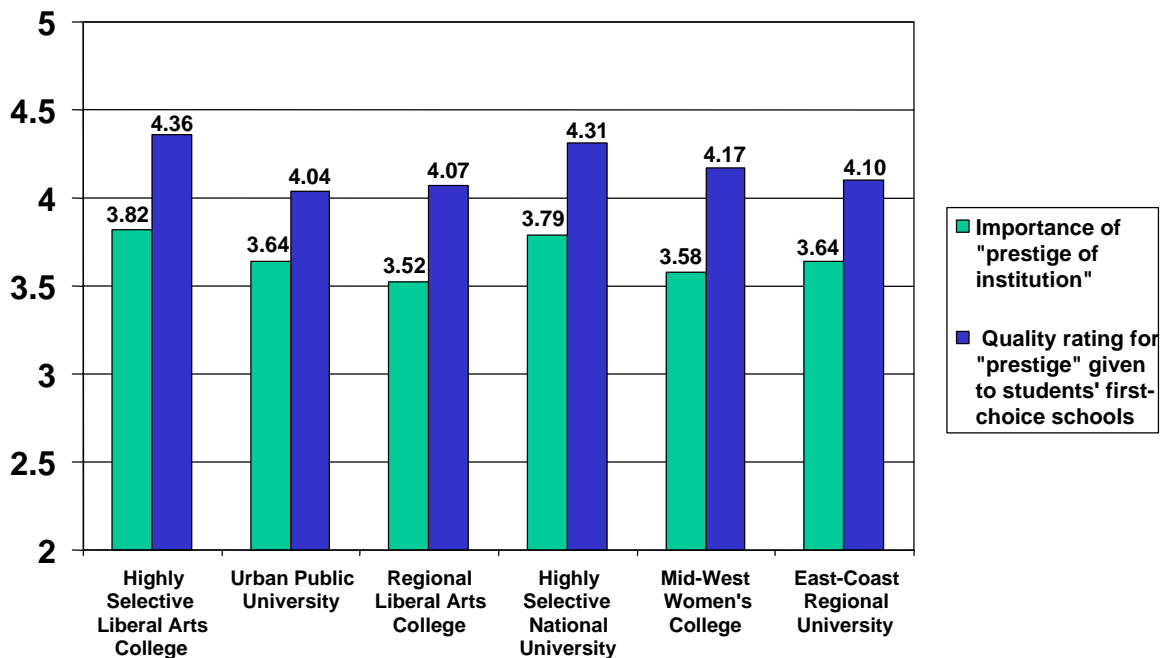
Our research supports these findings and McDonough's conclusion. Today, we will look at research results for a group of selective institutions that vary considerably in terms of size, geographic location, and mission. Each institution sponsored proprietary image research on their prospective undergraduate students and their parents. Highlights reveal that:

Impact of Parents' Preference on College Choice



- Across the range of institutions, students rate the importance of their **parents' preference** as low, while their ratings for the quality of their first-choice institution on this variable suggest a different story. The indirect influence of parents may be far greater than our self-respecting teenagers will admit!

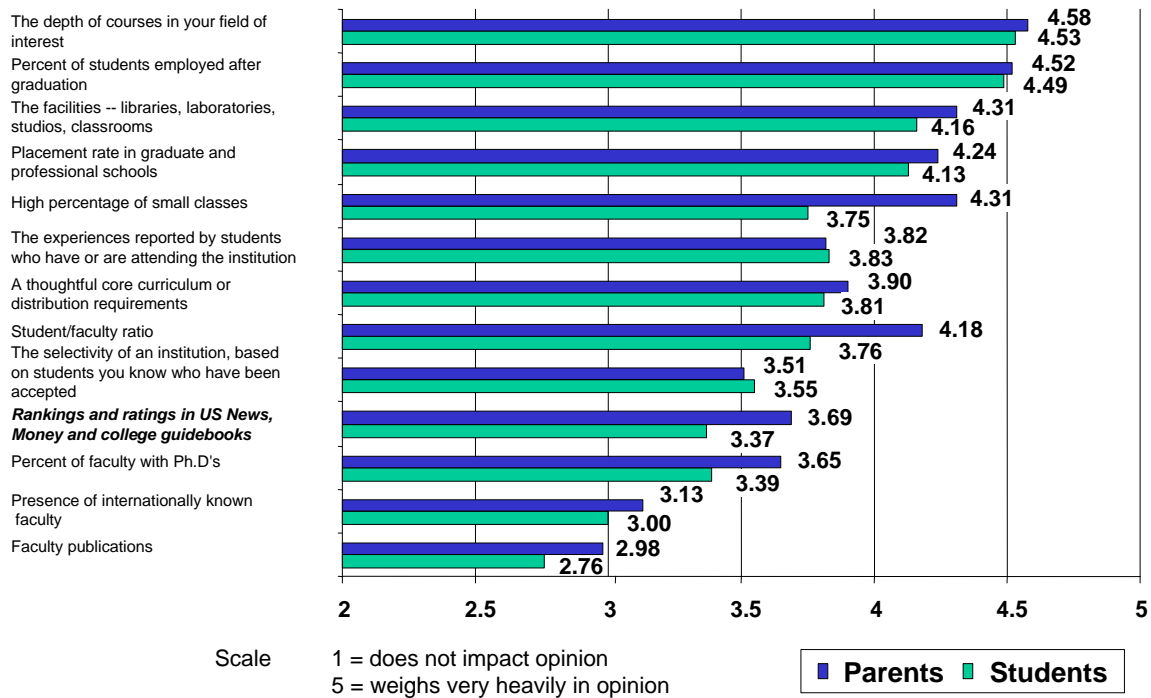
Impact of Prestige on College Choice



Scale 1 = not at all important 5 = extremely important
1 = very low quality 5 = very high quality

- Again across the range of institutions, students rate **prestige of institution** as having only modest importance in the college-choice process. But their quality ratings for their first-choice schools on this variable are significantly higher. And, we would contend that rankings and guidebooks are likely contributors to students' impressions regarding institutional prestige.

Factors that Impact Assessments of College Quality



- Finally, excerpts from one institution’s study highlight a pattern we see over and over again in our cumulative research. Within the context of a comprehensive set of possible determinants of academic quality, rankings and guidebooks play a modest role relative to others such as **depth of courses in your field of interest**, **percent of students employed after graduation**, **facilities (libraries, laboratories, studios, classrooms)**, and **placement rate in graduate and professional schools**.
- There are notable differences in the ratings of students and their parents on specific factors that impact assessments of college and university quality. A **high percentage of small classes**, the **student/faculty ratio**, and **rankings and ratings in U.S. News, Money and other college guidebooks** weigh more heavily in shaping the impressions of parents than they do students.

So, where does this leave us in terms of managing institutional image? Called “specious formulas and spurious precision” by at least one well-respected educator, the problems associated with the *U.S. News* rankings are:

- That the absolute rankings accentuate relatively small differences among institutions.
- That the rankings can become a tangible rationale for enrollment successes and failures (institutional self-esteem), when even the publishers discourage “false precision” uses by institutions as well as by families.
- That state legislators and commissions of higher education make connections between quality rankings and the return on investment that states receive for their support of public higher education.

- That information about colleges and universities is increasingly becoming the domain of for-profit businesses and the college guidance system is becoming a private commodity to be bought and sold.

On the other hand, some educators and most in the general public ask, “What’s the fuss?” (There is, of course, a high correlation between educators taking this position and high ranks for the institutions they represent!) The opportunities associated with the *U.S. News* rankings include:

- That as a general indicator of relative quality, the rankings provide reasonable accuracy and a comprehensive set of comparative data for families and for institutions.
- That the comparative data and the rankings can be used as a benchmarking tool by institutions seeking to compare themselves to peers and/or to others they wish to be more like.
- That absent other measures of academic/institutional success, the rankings have become this measure.
- That resulting comparative analyses can motivate positive institutional changes, i.e., strategic focus on improving student retention and graduation rates as together they play such a significant role in the rankings formula.

So where does this leave us in terms of managing institutional image? Monks and Ehrenberg (1999) have recently published the results of their test to determine whether a change in an institution’s ranking influences its admissions outcomes and pricing behavior. Focused on institutions in top-tier ranks, their study indicates that a decline in ranking leads to higher acceptance rates, lower yields, and lower class quality as measured by SAT’s. While there seems to be no associated lowering of price by these institutions, the study indicates that more generous levels of grant aid are offered to attract more students from a smaller applicant pool.

The popularity of guidebooks and rankings has created opportunities for commercial enterprise that are not about to go away any time soon. The possibility for impact upon individual institutions, through direct or indirect influence on the choices of students and families or in the creation of undesired admissions outcomes for institutions experiencing a lowering of rank, is significant, but really only for highly-selective colleges and universities. And the answer to the problem of controlling the management of image for these institutions lies within each campus community. Those working hard to identify and articulate their values and missions claim an important measure of control. Institutions not doing this kind of work relinquish that control to others.