



Investing in Student Success: The Return on Investment of Minority Serving Institutions

Minority Serving Institutions (MSIs) educate 20 percent of the nation's college students, including large percentages of first generation and low-income students as well as students of color (NCES, 2015). However, these institutions—including Hispanic Serving Institutions (HSIs), Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and Asian American & Native American Pacific Islander Serving Institutions (AANAPISIs)—are often excluded from national conversations regarding increasing college opportunity and maligned by media, scholars, and policymakers as making only marginal contributions. One reason MSIs are overlooked is because there is little research on their return on investment (ROI).

Return on investment is a major focus within higher education communities with various entities defining ROI in both complementary and divergent ways. The Center on Education and the Workforce (2011), for example, issued a report that explored the economic value of various college majors, further cementing the use of projected income gains based on academic majors as a key metric to understand higher education's ROI. Likewise, the Pew Research Center (2011) conducted a survey that also looked at the perceptions of the economic viability of attending college. More recently, Gallup (2014) conducted a poll in partnership with Purdue University exploring a more holistic view of graduates' lives by examining workplace engagement and participants' social, financial, communal, and physical well-being.

There have also been a few reports related to the economic impact of various segments of the MSI community. In 2000, the American Indian Higher Education Consortium (AIHEC) issued a report on Tribal College contributions to local economies. The Institute of Education Sciences (2006) released a report that looked at HBCUs' ROI in their local communities and at the state level. And, in 2014, the National Commission on Asian American & Pacific Islander Research in Education (CARE) issued a report that focused, in part, on AANAPISIs' contributions to student success as well as the value of investing in these institutions. To date, despite their rapid growth and large number (over 350), there has not been a major report on the ROI of Hispanic Serving Institutions.

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A NATIONAL CONVENING

On December 3 and 4 of 2015 at the Chauncey Conference Center, the Penn Center for Minority Serving Institutions and Educational Testing Service hosted the first National MSI Convening on Return on Investment. One hundred invited guests, including scholars, funders, higher education leaders, students, community leaders, media, and policymakers came together to grapple with issues of return on investment. In addition to listening to and providing feedback for the authors of four newly commissioned empirical research papers, the participants worked in small groups to think about how to increase ROI for MSIs as well as how to communicate the ROI of these institutions to larger audiences. The convening also featured four “Impact Talks”—10-minute talks that pushed the participants to think differently about ROI and how MSIs can conceptualize this notion in a data- and performance-driven society.

NEW RESEARCH ON ROI AND MSIs

EXECUTIVE SUMMARIES OF PAPERS

In order to spur conversation about MSIs and ROI, the Penn Center for Minority Serving Institutions and Educational Testing Service commissioned four new, empirical research papers by leading scholars in higher education. Below we share executive summaries of the papers as well as links to the full papers. We invite you to engage the authors of the papers with your questions.

The Return on Investment for AANAPISI-Funded Programs: Outcomes for Asian American and Pacific Islander Students

AUTHORS: Robert T. Teranishi, Cynthia M. Alcantar, Margary Martin, and Bach Mai Dolly Nguyen

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Over half of all students who enroll in community college are in of need remediation (Bailey, Jeong, & Cho, 2010). Additionally, studies have found that students who take at least one remedial course in a community college are less likely to transfer and earn a college degree (Bailey, 2009). One approach to improving the educational outcomes of students in developmental education is through learning communities (LCs). Accordingly, in this study the authors examined the impact of an AANAPISI-funded developmental education learning community on the educational outcomes of low-income Asian American and Pacific Islander (AAPI) students at one community college.

Utilizing institutional data and an in-depth assessment of an AANAPISI funded LC, a *value-added* framework guided the use of propensity score matching techniques to attempt to isolate the added value of participating in this LC. The authors assessed the value-added by the AANAPISI LC by evaluating the short-term (i.e., transition from developmental to college-level courses and credit accumulation) and long-term (persistence from one academic term to the next, degree attainment, and transfer to a four-year institution) outcomes of AAPI students in the LC compared to AAPI students in developmental education who did not participate in an LC. By matching students in the LC with students also in developmental education but not in an LC, the authors were able to identify a positive ROI for this federally funded program on educational attainment rates for this community college.

The authors found that AAPI students in the federally funded LC were more likely to transition from developmental to college-level English and do so in less time, pass their subsequent college-level English courses, and earn more associate degrees than AAPI students in developmental education who did not participate in an LC. Additionally, analysis on targeted subgroups (i.e., Southeast Asians and Pacific Islanders) in the AANAPISI LC revealed improved educational outcomes compared to those who did not participate in LCs.

These findings have a number of important implications for research, policy, and practice at MSIs generally and AANAPISIs specifically.

A full version of this paper can be found [HERE](#)

“With ever-increasing competition for limited resources, many MSIs are confronting such questions as whether to raise admissions requirements to manage growth and help elevate student persistence and graduation rates and student performance on outcomes assessments; improve the quality of their teacher preparation programs; and reduce the default rates on student loans. Included among the data and information that they are increasingly being called upon to produce is evidence about their graduates’ learning, preparation for the workforce, attractiveness to employers, and successful pursuit of post-baccalaureate degrees. Increasing the amount and quality of data and information about the value and contribution of America’s nearly 600 MSIs to the national economy and the social landscape of the nation can strengthen their case for greater resources.”

—MICHAEL T. NETTLES, SENIOR VICE PRESIDENT, EDUCATIONAL TESTING SERVICE

TCUs regard ROI as specific and unique to each TCU and across TCUs, as their contributions to broader U.S. society do not necessarily align with and often cannot be measured by traditional ROI metrics.

Ginger Stull & Stephanie Rainie, 2015

Reframing Return on Investments for Tribal Colleges and Universities: Aligning Analyses with Tribal Priorities and Educational Missions

AUTHORS: Ginger C. Stull and Stephanie Carroll Rainie

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TCUs serve dual missions: educating students and addressing American Indian tribal priorities. Due to this unique status, mainstream ROI metrics fail to fully align with TCU missions. This paper critiques mainstream measures of ROI in the tribal context and provides insights into alternative ROI evaluation methods.

Educational benefits, such as critical thinking skills, improved self-esteem, leadership, community engagement, and life satisfaction are not measured by current data collection practices. TCUs prioritize these and many other difficult-to-quantify gains, like community engagement, language revitalization, leadership, and cultural appreciation. Calculating mainstream measures of ROI for TCUs is also complicated by the external variables and inequalities that can influence ROI calculations. For example, gender, race, and parental earnings are all strongly correlated to differences in income. Therefore, institutions that primarily serve minorities, women, and low-income students, as TCUs do, will demonstrate a lower individual ROI than institutions that serve predominantly white, male, and affluent students—*regardless of institutional performance*—as a result of longstanding socioeconomic inequities.

Even if TCUs transcend the ROI discussion to evaluate Indigenous-defined students and other outcomes, poor data for TCUs and tribal communities hinder the assessment of TCUs' dual mission of educating students and addressing tribal priorities. Tribes and TCUs should lead the movement to improve data, both locally and nationally.

Tribally driven, community-based, and nation-defined outcomes, methods, and measurements that reflect TCU missions are a critical element of moving toward assessing TCUs' success, their positive impact on communities, and their value in the larger scope of educating tribal and U.S. citizens.

A full version of this paper can be found [HERE](#)



We found no difference in wages when comparing graduates of HSIs and non-HSIs that are similarly selective after controlling for our measures of human and social capital and the region of Texas where the graduates were employed 10 years after finishing high school.

Toby Park, Stella Flores, & Christopher Ryan, 2015.

Labor Market Returns for Graduates of Hispanic Serving Institutions

AUTHORS: Toby J. Park, Stella M. Flores and Christopher J. Ryan Jr.

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It is a well-known fact that Hispanics have become the largest minority group in the nation (Ennis, Rios-Vargas, & Albert, 2011). A significant demographic shift has also occurred in the U.S. higher education population, as Latinos have replaced Black students as the largest minority group attending two- and four-year institutions (Fry & Lopez, 2012). A majority of these students now attend two- or four-year HSIs, a category of institution that is accredited, grants degrees, and whose full-time-equivalent undergraduate enrollment is at least 25 percent Hispanic (Santiago & Andrade, 2010; U.S. Department of Education, 2009).

To date, little to no research exists on the effect of attending an HSI on the individual wages earned by Latinos. That is, once a college degree is earned, do wages differ by the type of four-year institution attended by Latinos? The authors sought to explore this question using a unique student-level administrative database in Texas.

After accounting for college selectivity, there was no difference in the earnings of Hispanic graduates from HSIs and non-HSIs. This finding is important, as HSIs are often criticized for low graduation rates and poor labor market outcomes. Not only has previous research demonstrated that Hispanic students graduate from college at equal rates at HSIs compared to non-HSIs after controlling for student and institutional characteristics (Flores & Park, 2014), this analysis suggests similar outcomes in regard to labor market outcomes: Hispanic students graduating from HSIs have comparable earnings to Hispanic graduates from non-HSIs after accounting for selectivity. This fact is made even more relevant by considering that the majority of Hispanic students in Texas tend to enroll at non-selective or moderately selective institutions, and HSIs in general tend to be funded at 66 cents per dollar compared to all other postsecondary institutions (Hispanic Association for Colleges and Universities, 2015).

HSIs will continue to be important in the postsecondary education and earnings story for Hispanics in America; this paper has laid a strong foundation and continued research is warranted in this arena.

A full version of this paper can be found [HERE](#)



African-American college graduates who attended HBCUs assumed higher status jobs than their counterparts at comparable (in terms of institutional quality) non-HBCUs.

African-American college graduates who attended HBCUs do not differ from their same-race peers who attended non-HBCUs in terms of job satisfaction.

Terrell Strayhorn, 2015

A Return on Investment Analysis for Black Graduates of Historically Black Colleges and Universities: Insights from Three Studies

AUTHOR: Terrell L. Strayhorn

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Much of the research on returns on postsecondary education investments suggests that earning a bachelor's degree significantly influences one's economic success and labor market outcomes, such as earnings, occupational status, and job satisfaction. Still, there has been fairly consistent debate about the "educational justification" of HBCUs and whether such institutions confer labor market advantages on Black graduates compared to those who earn a bachelor's degree from predominantly White institutions (PWIs) or other non-HBCUs.

This paper presents results from a three-part study that measured the returns on one's investment in earning a bachelor's degree from an HBCU in the United States. Building on a previous analysis (Strayhorn, 2008), the author conducted a series of analyses in Study 1 using a blend of statistical methods with a rigorous set of statistical controls to understand the influence of graduating from an HBCU (versus a non-HBCU) and institutional selectivity on labor market outcomes for a nationally representative sample of African-American college graduates. Study 2 uses National Survey of Black Americans (NSBA) data to explore the relationship between graduating from an HBCU (versus a PWI) and Black Americans' occupational status, job satisfaction, and four social psychological measures (i.e., self-esteem, Black identity, psychological distress, and life satisfaction). Study 3 is based on one-on-one exploratory interviews with a relatively small group of HBCU graduates.

Findings generally suggest positive returns on Black students' investment in attending and graduating from an HBCU, especially in terms of occupational status and Black identity, although results were mixed in terms of annual earnings and job satisfaction. A summary of key findings is as follows: (1) Black graduates from HBCUs earn lower annual salaries, on average, compared to same-race graduates from PWIs and these differences persist even when controlling for institutional selectivity; (2) Black graduates from HBCUs assume higher-status occupations compared to same-race graduates from PWIs and these differences persist even when controlling for institutional selectivity; (3) Black graduates from HBCUs report higher scores than same-race PWI graduates on the NSBA *Black Identity Index*; (4) Black graduates from HBCUs and PWIs generally do not differ in terms of job satisfaction, self-esteem, and psychological distress, although occupational status (SEI) differences approach statistical significance in Study 2; (5) Black graduates from HBCUs are socialized to higher-status occupations in college, HBCU environments affirm their racial/ ethnic identity, and many Black HBCU graduates report significant non-monetary returns on their educational investment. Important implications for policy, practice and future research are also discussed.

A full version of this paper can be found [HERE](#)

IMPACT TALKS *Click on the image to watch a talk.*

At the National MSI Convening on Return on Investment, the Penn Center for Minority Serving Institutions and Educational Testing Service invited four speakers to give 10-minute “Impact Talks” to push participants to think differently and expansively about ROI. Tailored to address the implications of ROI in a data- and performance-driven society, each talk provides an innovative perspective about how MSIs and their stakeholders can re-conceptualize their institutional approaches and adapt to the changing landscape of higher education.



David Wilson

PRESIDENT OF MORGAN STATE UNIVERSITY

“The Power of Hope: How Noncognitive Traits—Motivation, Grit and Determination—Prevailed Over Cognitive Metrics (Standardized Tests): A Life Story”

David Wilson recounts his unexpected journey from his humble beginnings in rural Alabama to his education at Tuskegee University and Harvard University to the presidency of Morgan State University despite having received a sub-600 score on the SAT. Wilson attributes his success to the encouragement of educators and institutions like Tuskegee that recognized his potential through perspectives outside of normal educational standards, noting that these standards were wholly insufficient if not damaging in measuring or cultivating educational ability, especially for Black students.



DAVID WILSON is the 12th president of Morgan State University in Baltimore, MD. After more than 30 years in higher education administration, he has compiled a lengthy record of accomplishments including two books and over 20 articles published in scholarly journals. He has been recognized as one of the nation’s top 100 leaders in higher education, one of Maryland’s most influential leaders and recently honored by the University of Alabama for outstanding leadership in engaged scholarship.

Wilson is a member of the board of directors of the Greater Baltimore Committee, the United Way of Central Maryland, the American Council on Education, the Association of Public and Land-grant Universities and was appointed in 2010 to President Barack Obama’s eleven-member Board of Advisors on Historically Black Colleges and Universities. He holds four academic degrees: a B.S. in political science and an M.S. in education from Tuskegee University; an Ed.M. in educational planning and administration and an Ed.D. in administration, planning, and social policy, both from Harvard University.

In his nearly four years at Morgan, Wilson has expanded the physical plant with new construction, enhanced the university’s degree offerings online and at several two-year college campuses, and extended study abroad opportunities for students.



Cheryl Crazy Bull

PRESIDENT & CEO OF THE AMERICAN INDIAN COLLEGE FUND

“Contributions of Tribal Higher Education to a Better World”

Emphasizing the “cultural responsiveness” of tribal colleges, Cheryl Crazy Bull talks about the contributions of these institutions through the stories of how their students and teachers respond to the unique needs of tribal communities. Crazy Bull describes how these institutions are representative of demographics and cultural knowledge that do not often fit within traditional metrics of research or educational value and how other institutions might follow their lead in developing supportive communities.



CHERYL CRAZY BULL (Sicangu Lakota), whose Lakota name Wacinyanpi Win means “they depend on her,” has more than 30 years of experience work-

ing in education for adults, higher education, and K-12 with Native American institutions. She has been serving as the President and CEO of the American Indian College Fund since September 2012. Since then, she has led the launch of a \$25 million 25th anniversary campaign, implemented a new 4-year strategic plan, and established the Fund’s first long-term business goals. In early 2013, she established the Fund’s first office devoted to research and capacity building about the successes of tribal college students and the tribal colleges themselves.

Crazy Bull is experienced with community and organization development with strong skills in strategic planning, assessment and evaluation, public relations, and fundraising. In addition to her experience with education, she has worked extensively with tribal economic development, entrepreneurship, and development of cultural arts and outreach programming.

IMPACT TALKS *Click on the image to watch a talk.***Neil Horikoshi**

PRESIDENT AND EXECUTIVE DIRECTOR OF THE ASIAN & PACIFIC ISLANDER AMERICAN SCHOLARSHIP FUND

“Finding the Missing Minority in Higher Education—Can AANAPISIs Change the National Narrative by 2040?”

Horikoshi examines how Asian American and Pacific Islander students are misrepresented in data that do not account for their full spectrum of identities, noting that the group is actually comprised of 48 ethnicities and over 300 sub-ethnicities. Disaggregating the data regarding this group is thus vitally important for identifying students who need support that fall between the cracks of reductive quantitative analyses.



NEIL HORIKOSHI joined the Asian & Pacific Islander American Scholarship Fund (APIASF) in 2008 as the President & Executive Director after a distinguished 30-year career at International Business Machines Corporation (IBM), where he served in a variety of legal and executive management positions in the United States and Asia Pacific.

During Horikoshi's tenure, he led new strategic initiatives to expand organizational programming to better meet the needs of underserved Asian American and Pacific Islander (AAPI) students and help APIASF become a more socially impactful organization. APIASF now uses a scalable model of change that is based in accelerating student success, strengthening institutional capacity, and mobilizing resources to create a pipeline of diverse leaders who will spur economic growth. To accomplish this goal, APIASF works directly with Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs) and some of the leading AAPI research organizations in the country. Horikoshi continues to grow these efforts to ensure that all AAPI students have the opportunity to access, complete, and succeed after post-secondary education.

**Andrés Castro Samayoa**

ASSISTANT DIRECTOR FOR ASSESSMENT AND SENIOR RESEARCH ASSOCIATE AT THE PENN CENTER FOR MINORITY SERVING INSTITUTIONS

“Humanizing Data: Reconsidering Roles of ROI in Educational Research”

Drawing on his family history in El Salvador, Castro Samayoa describes the implicit humanistic underpinnings of data. If the use of data is a method that attempts to make sense of the messiness of world, Castro Samayoa suggests that we should not let this method overwrite the messy, but real experiences, identities, and histories that data is meant to represent. This is especially important in educational research, where it is all too easy for the power of numbers to obstruct the visibility and diversity of students.



ANDRÉS CASTRO SAMAYOA is Assistant Director for Assessment and a Senior Research Associate at the University of

Pennsylvania's Graduate School of Education's Center for Minority Serving Institutions (CMSI). At the CMSI, Castro Samayoa serves as Co-PI on two grants focused on diversifying the teaching profession at both the K-12 and postsecondary level. He is also a Ph.D. candidate in higher education at Penn GSE; his research focuses on the social history of large-scale datasets in postsecondary education; qualitative investigations on educational researchers' use of quantitative data to explore issues of diversity; and the institutionalization of services for lesbian, gay, bisexual, queer, and transgender students.

Castro Samayoa completed an M.Phil. in Multi-Disciplinary Gender Studies as a Gates Scholar at Cambridge University (U.K.). Previously, he worked as the Student Life Fellow and the Director for Community and Diversity Programming for the Freshman Dean's Office at Harvard University, where he also completed his B.A. in Studies of Women, Gender, and Sexuality.

RETURN ON INVESTMENT RECOMMENDATIONS



In order to conduct high quality **RESEARCH** pertaining to MSIs and ROI, we need:

Honest & transparent IPEDS data and an IPEDS system that represents both traditional and non-traditional students

Communication across the various silos in higher education, such as policymakers, researchers, and institutional leaders

Culturally responsive definitions of ROI that speak to the uniqueness of the MSI context

Student-level data that is easily available and comprehensive in nature

Disaggregated data that considers the great diversity among students at MSIs

Cultural sensitivity in data collection and analysis

Partnerships across various types of MSIs and MSI-related organizations and the sharing of data.



In order to produce high quality work pertaining to MSIs and ROI, we need the **VOICES** and assistance of:

Students

College and University Leaders

Media

Politicians/Policymakers

Federal Government

Local Governments

Student Affairs Professionals

Community Leaders

MSI-related Organizations

College and University Institutional Researchers



When **MEASURING** ROI and MSIs, we need to consider:

Student satisfaction with their college experiences

Job placement after graduation

Percentage of graduates in service-oriented work

Mentorship/networking/social capital gained from the college experience

Impact of the MSI on the local community and state



In order to **DEMONSTRATE** ROI at MSIs, we need to produce:

Social media campaigns focused on raising exposure of MSIs and their contributions

Measurement tools that 'bust' the biases of traditional indicators of ROI and are created with the unique context of MSIs in mind.

Media packets for institutions to more effectively communicate their support for students and their postgraduate successes

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