An Ounce of Prevention...

How Engagement Surveys Can Help Reduce Attrition

- The US birthrate (fertility) is at its lowest point in history[1]
- Nearly half of NAIS schools are experiencing a softening enrollment picture[2]
- The percentage of students enrolled in all US private schools has declined from 12% in 1995 to 10% today. Enrollment is projected to continue declining to 9% by 2025[3]
- The student attrition rate among NAIS members has increased over the decade to an average 10.4% (8.6% median for day schools)[4]

It is more challenging than ever for independent schools to find new students in a shrinking demographic pool and a more competitive marketplace. For day schools not located in prosperous urban areas, the search for tuition revenue to replace the exiting income from graduating seniors and those who move away has focused new attention on student attrition. As one veteran admissions officer wisely observed, "The easiest students to enroll for next year are the ones we already have."

Financial aid is playing a large role in schools' strategies to keep students and find new ones. But the data has been contradictory. A 2002 NAIS study showed that 16.9% of the students who chose not to return to their independent school cited finances as the reason for leaving. However, a subsequent NAIS report revealed increasing financial aid has not proven to be an effective strategy to maintain enrollment[5]. Schools have not been able to fully plug the hole in the enrollment boat with financial aid dollars.

Research suggests that one of the reasons businesses lose customers is that they fail to create a feeling of engagement between the company and the customers[6]. Engagement, first written about by Professor William Kahn of Boston University in 1990 and later developed into the Q12 Employee Survey by Gallup, focuses on the connection of the person to the broader experience of being a part of the institution. Apple Inc. is a leader in maintaining customer engagement. After computers came reimagined music players and phones; their customers went with them because Apple made its customers feel like they were a part of something very special, a company thinking about what it was like to be the end user of their products and making it "cool" to be a customer. They offered what customers wanted before the customers knew they did. Brand engagement is powerful when cultivated. In a survey of 8,300 Samsung

[1] Bakalar, N. (2017, July 3). U.S. Fertility Rate Reaches a Record Low. Retrieved from https://www.nytimes.com/2017/07/03/health/united-states-fertility-rate.html

[2] National Association of Independent Schools (2015). *NAIS Trendbook 2015-16*.

[3] National Center for Education Statistics (March 2017).

[4] National Association of Independent Schools (2015). *Data and Analysis for School Leadership 2015-16*.

[5] *NAIS Trendbook 2016-2017* **and** Pruce, Cheryl. (2017, May 8). *Key Enrollment Trends: How Small Schools are Faring*.

[6] Treiger, T. and Kamins, C. (2006, Dec 14). Why You're Failing to Engage Customers. Retrieved from http://www.gallup.com/businessjournal/25711/why-youre-failing-engage-customers.aspx

Henderson, C., Steinhoff, L. and Palmatier, R. (2014). Consequences of Customer Engagement: How Customer Engagement Alters the Effects of Habit-, Dependence-, and Relationship-Based Intrinsic Loyalty. Retrieved from http://www.msi.org/reports/consequences-of-customer-engagement-how-customer-engagement-alters-the-effe/

customers taken after the Galaxy Note 7 was recalled because of fiery phones, 86% of the respondent said they would purchase another Samsung phone.[7]

At its root, engagement reflects the willingness to invest oneself and expand one's discretionary effort to help the organization succeed.[8] Engaged faculty are proud to work at the school, feel safe and respected as professionals and are willing to go beyond the narrow job description of a teacher or coach to advance the positive atmosphere of the school. Engaged parents advocate for the school, help recruit other students and contribute to building a stronger community. In short, engagement, or a sense of belonging, increases commitment to the school and it ultimately leads to success, including financial success, for all involved.[9]

An Engagement Survey for Independent Schools

A few years ago, after being impressed with the insights revealed by a university employee engagement survey and realizing that no such survey existed for independent schools, my colleagues and I began developing an engagement survey for the two key adult stakeholder groups in a school: current parents and faculty/staff. Over the past 2.5 years, we have used these surveys with some of our IES client schools and developed helpful baseline data.

The hallmark of independent schools has always been our strong, positive school cultures. Today it is not good enough simply to assert we have this culture, we must have the data to back it up. A well-crafted engagement survey, properly analyzed with comparative data, can reveal helpful insights into our school's culture, which then can be shared with prospective parents and students and help confirm the choice for families already enrolled.

What we learned

One school's stakeholders who took our IES Engagement survey series revealed that some teachers felt uncomfortable when entering the faculty parking lot after evening meetings or during winter months. The survey comments showed that the concern came from the fact that the lot was not well lighted. A school can learn a lot when it simply asks employees and parents, "do you feel safe on campus?"

At another school, we learned of an underlying discontent among parents who reported that their volunteer contributions to the school were not being as widely recognized as financial contributions were. At another K-12 day school, after a firing, what was rumored to be a wide disaffection of the faculty toward the Head was shown through the survey results to be harbored only in one division, not shared by the rest of the faculty or the parents. At another school, the Board found through the survey that the complaints of an untenable pace of change instigated by a new Head were really the voice of only a few; the opinion was not shared by most of the current parents or faculty.

At several schools, we learned that most parents returning the surveys considered themselves very active parents at school yet most had not attended a private school or ever had a child in one before. This simple finding opened an important discussion among school officials about what they should be

---

[7] Bader, D. (2016, Oct 26). No Lasting Damage: Samsung Users Stay Loyal after Note 7 Recall. https://www.androidcentral.com/survey-samsung-users-stay-loyal-after-note-7-recall

[8] Blessing White (2008). The Employee Engagement Equation in India. Presented by Blessing White and HR Anexi. (as cited in Employee Engagement: The Key to Improving Performance by Solomon Markos and M. Sandhya Sridevi in the International Journal of Business and Management, Vol. 5. No 12; December 2010.)

[9] Employee Engagement: The Key to Improving Performance by Solomon Markos and M. Sandhya Sridevi in the International Journal of Business and Management, Vol. 5. No 12; December 2010.)

doing to help active parents become knowledgeable advocates for the school amongst their friends and good partners with the faculty.

These glimpses into the level of engagement of stakeholders allow leadership to focus on real data and not rumors or hunches about the health of the school's culture. Further, taking stock of the level of positive engagement among faculty and current parents gives the Board objective data about one of the most important parts of the work of the Head, establishing a climate of mutual respect and trust.

Attrition and the Bottom Line

Attrition is expensive. Although the exact cost of losing a student is not easily found, we can estimate based on what is known.

Example: NAIS Day School[10]

Median Size of an NAIS Day School = 332

Median Net Tuition Income (after financial aid) = $15,974

Median Attrition in NAIS Day Schools = 8.6% (or 28 students)

% of Students who after attending the school
withdraw for reasons other than moving away = 43.4%

Median Annual Giving Gift by Parents (lost) = $874

2015 cost of replacing a student
at a Private 4-Year College or University = $2232.00[11]

Estimated cost
of replacing a student lost to
attrition =$19,080.00

If the median independent school of 332 students could cut attrition by half, over $220,000 would add to the bottom line of the operating budget, annual giving would go up and marketing expenses devoted to admission could go down. Further, keeping 14 students who might have left would honor and ultimately capitalize on the work faculty and staff have put into creating a positive experience for the student and family.

Engagement data can be used in a variety of ways including keeping board members informed and enhancing marketing materials. Most importantly, these survey data can give school leadership a new tool in their efforts to reduce student attrition and increase positive stakeholder engagement with the school.

George Conway, President
IES Consulting

---

[10] All information comes from National Association of Independent Schools (2015). *Data and Analysis for School Leadership 2015-16* unless otherwise noted.
[11] Ruffalo Noel Levitz 2016 Cost of Recruiting an Undergraduate Report. Retrieved at https://www.ruffalonl.com/papers-research-higher-education-fundraising/2016/cost-of-recruiting-an-undergraduate-report