

Report and Suggestions from IPEDS Technical Review Panel #38 Using IPEDS Data to Construct Institutional Groups for Consumer Comparisons

SUMMARY: To create meaningful institutional comparison groups for consumer information tools such as the College Scorecard, the Technical Review Panel suggests using IPEDS data to define comparison groups. The pre-defined comparison group for each institution should be broad, based on the primary level of award granted by the institution. The Technical Review Panel also suggests that there be opportunity for consumers to create customized comparison groups to further enable them to make informed decisions related to college choice. Comments from interested parties are due to Janice Kelly-Reid, IPEDS Project Director at RTI International, at ipedstrpcomment@rti.org by August 27, 2012.

On June 11, 2012, RTI International, the contractor for the Integrated Postsecondary Education Data System (IPEDS) web-based data collection system, convened a meeting of the IPEDS Technical Review Panel (TRP) in Washington, DC. Meetings of the IPEDS TRP are conducted by RTI to identify technical improvements to the IPEDS data collection and dissemination, as well as to foster communication with data providers and users. The purpose of this meeting was to solicit input from the postsecondary education community regarding appropriate uses of IPEDS data to construct institutional comparison groups for consumer information purposes. Specifically, the panel was asked to consider what IPEDS data could be used to create a pre-defined comparison group for consumer information tools such as the College Scorecard. The panel consisted of 32 individuals representing data providers and users including institutions, association representatives, state government, the federal government, and others.

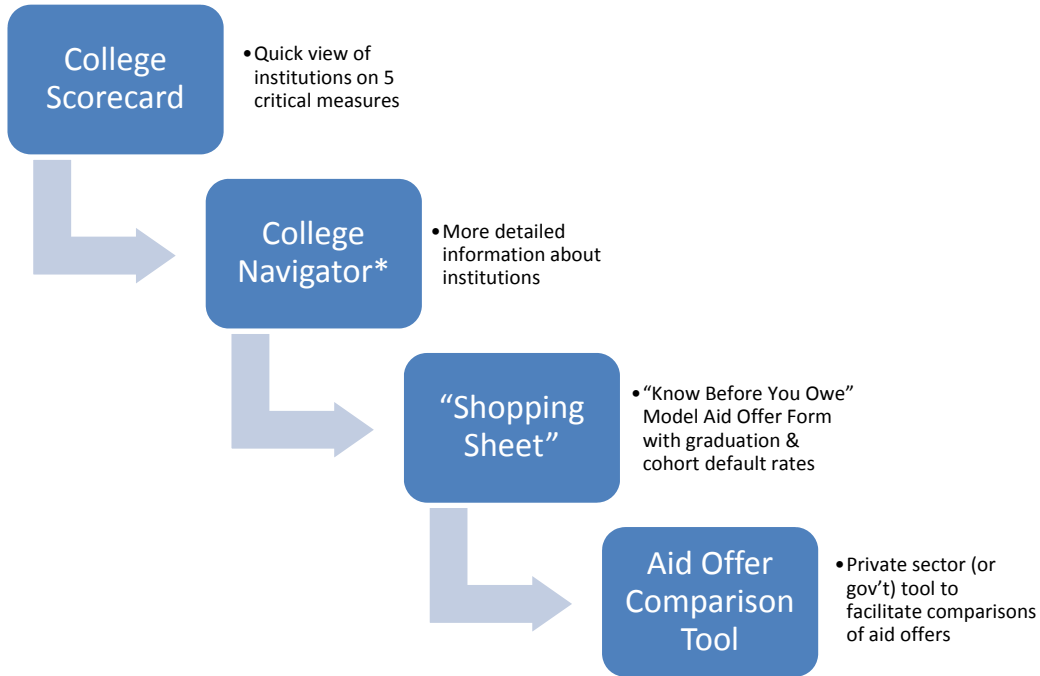
Overview

The Administration has made increasing the availability and usability of consumer information a priority. The goal is to enable consumers (e.g., parents and prospective students) to make informed decisions by making relevant information “salient and easy to find and understand.” The emphasis on consumer information has resulted in the development of several tools to help prospective students at several points throughout the college choice process.

The White House recently announced the College Scorecard (<http://www.whitehouse.gov/issues/education/scorecard>), part of a suite of college choice tools, for all degree-granting colleges and universities. The purpose of the College Scorecard is to facilitate comparisons of degree-granting institutions using key measures of affordability and value. The proposed Scorecard will display information about an institution’s net price, graduation rates, student loan default rates, student loan debt, and employment outcomes compared with a pre-defined group of institutions. This information will be based upon data collected in IPEDS and other U.S. Department of Education (ED) data collections. The final version of the Scorecard will be added to ED’s College Affordability and Transparency Center (CATC). The CATC includes information for students, parents, and policymakers about college costs at America’s colleges and universities.

College Choice Consumer Information Tools

The suite of consumer information tools is designed to enable informed decision-making at various stages in the college choice process.



*Existing

RTI convened the IPEDS TRP to discuss how IPEDS data may be used to create meaningful institutional comparison groups for consumer information tools such as the Scorecard. Creating meaningful institutional comparison groups will help provide consumers context for the information that will be included in these tools and allow for the appropriate interpretation of information, particularly regarding measures of affordability and value.

Discussion

A methodology for creating pre-defined institutional comparison groups using IPEDS data already exists. The National Center for Education Statistics (NCES) creates pre-defined comparison groups for the purpose of the IPEDS Data Feedback Report (DFR), a report sent to institutions annually to provide context for examining the data it submits to IPEDS and that may also be useful for benchmarking and peer analysis. The DFR presents selected indicators and data elements for an institution and a comparison group of institutions. If an institution does not specify a comparison group of institutions, NCES creates one for it. The list of institutions in the comparison group and the characteristics used for their selection, including institution type and enrollment size, are included in the DFR.

In addition, RTI reviewed several national college search websites to determine how they create pre-defined institutional comparison groups, if at all. Of the websites reviewed, institutional

characteristics used in creating comparison groups include location, sector, size, tuition and fees, and financial aid, among others.

One website creates a pre-defined institutional comparison group if a user does not select institutions to compare. This site uses a comparison group that is an aggregate of institutions in the same sector and state as the selected institution. Another website uses a methodology that applies an algorithm comparing the selected institution with similar institutions that have been assigned a “similarity score” based on 12 institutional and student characteristics.

However, comparison groups for the purposes of consumer information tools such as the College Scorecard *could* differ from those created for institutional analysis purposes. For example, a prospective student may be interested in making comparisons across sectors (e.g., comparing the costs to attend a community college with the costs to attend a 4-year institution; comparing the percentage of students who graduate within 6 years from a 4-year public institution compared with those who graduate from other 4-year public institutions and 4-year private nonprofit institutions).

To identify how IPEDS data may be used to create meaningful comparison groups for consumer information tools, the panel considered institutional characteristics that could be used to create a pre-defined comparison group.

Distance Education

Starting in the 2012–13 data collection year, the IPEDS Institutional Characteristics component will collect data on distance education opportunities. Several panelists noted that although distance education is an important factor in the college choice process, creating a separate comparison group for distance education institutions may be too limiting. The panel came to a consensus that once the data collected on distance education become more expansive, NCES should revisit this topic and determine how distance education data can better be utilized to create a pre-defined institutional comparison group.

Enrollment size

The IPEDS Fall Enrollment component collects data on student enrollment counts by level of student. Several panelists noted that enrollment size is not highly correlated with the proposed Scorecard measures. As such, the panel was hesitant to define the comparison groups by enrollment size without a clear idea of how the comparison groups might be used in other consumer information tools. The panel acknowledged that although enrollment size may be an important factor for some consumers, defining comparison groups by enrollment size may be too limiting.

Selectivity

The IPEDS Institutional Characteristics component collects data on admissions and can be used to categorize institutions by selectivity (e.g., ACT or SAT scores, as well as the percentage of applicants who are accepted). Several panelists noted that although selectivity measures provide important context for the graduation rates measure included on the proposed Scorecard, defining comparison groups by selectivity may be too limiting for consumers early in the college choice process.

Region

The panel was concerned that grouping institutions by region does not provide consumers with enough context for making meaningful comparisons on college cost. For example, the average net price of the selected institution would be compared with the average net price for a comparison group predefined by region. Several panelists questioned whether consumers could make the distinction between in-state and out-of-state tuition when comparing public institutions or online institutions. Additionally, grouping institutions located within a given radius creates disproportionate comparison groups. There are many institutions located in metropolitan areas, like the Northeast region, but fewer institutions are located in rural regions.

Level of Institution

IPEDS places institutions in one of three levels, based on the highest award offered at the institution: 4-year or higher (4 year), 2-but-less-than 4-year (2 year), or less than 2-year. An increasing number of institutions offer some degree programs that are at a higher level than the majority of awards granted by the institution. For example, if an institution begins to offer one or more bachelor's degree programs, but still grants the majority of its degrees at the associate's level, the institution is classified as a 4-year institution. When institutions are divided into 2-year and 4-year categories, the example institution is compared with 4-year institutions. Several panelists raised concerns about making comparisons across levels and noted that the institutional characteristics of 4-year predominantly bachelor's-degree-granting institutions are very different from the institutional characteristics of 4-year predominantly associate's-degree-granting institutions. Instead, the panel focused on grouping institutions by broad institutional characteristics, like predominant undergraduate credential offered.

Predominant Undergraduate Credential

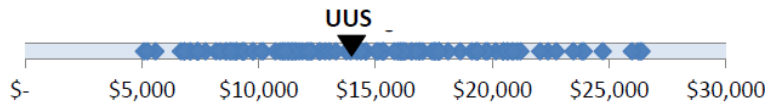
The panel agreed that broad institutional characteristics, such as predominant undergraduate credential or degree offered, should be used to create a pre-defined comparison group in consumer information tools. To create a pre-defined comparison group, the broadest institutional characteristic (i.e., predominant undergraduate credential offered) should be used, which would group institutions into the following categories:

- Predominantly bachelor's-degree-granting,
- Predominantly associate's-degree-granting, or
- Predominantly certificate-granting.

In the College Scorecard, the key measures for a predominantly bachelor's-degree-granting institution would be compared with those from all predominantly bachelor's-degree-granting institutions. For example, the average net price for the focus institution (UUS, a predominantly bachelor's-degree-granting institution), would be compared with the average net price for a pre-defined comparison group composed of other predominantly bachelor's-degree-granting institutions (the range of which is indicated by ♦ below).

Costs

Average net price after grants and scholarships compared to other institutions



Note that the three proposed comparison groups are new institutional classifications. The TRP suggests that NCES review the distributions of degree-granting institutions and determine appropriate definitions based upon the data.

Custom Comparison Groups

The panel noted that comparing an institution with a pre-defined comparison group may have limited utility to a prospective student, since an individual's college choice is complicated by many factors.

The panel suggested that consumer information tools such as the College Scorecard should also provide consumers the ability to create customized comparison groups, based on characteristics that are important in their decision. In light of this, the panel discussed other ways to create comparison groups based upon input from the consumer. The panel suggested that in addition to using a pre-defined comparison group, consumer information tools should allow prospective students to create a customized comparison group by allowing them to select individual institutions. Consequently, the panel suggested allowing consumers to refine the pre-defined comparison groups further using the following variables:

- region in which the institution is located;
- institutional selectivity;
- programs offered (2-digit level of the Classification of Instructional Programs); and
- student age (percentage of students age 25 or older).

The panel also suggested that NCES create strong links between the Scorecard and College Navigator so consumers are encouraged to conduct more in-depth comparisons based on other institutional characteristics (e.g., size, tuition and fees, financial aid, etc.).

The panel acknowledged that this approach does not prohibit consumers from comparing institutions from multiple predominant degree types. The panel expressed concerns with consumers' inability to distinguish between categories and the potential for inappropriate comparisons of certain measures, such as graduation rates, across sectors.

Based on this discussion, the panel suggested that NCES create different displays of comparisons in the College Scorecard by degree type such that the consumer can distinguish when customized comparison groups include institutions from multiple predominant degree types, as defined in the box above.

The panel also suggested that the Scorecard be tested by consumer focus groups once the beta version is made available. In addition, as the tool is unveiled and utilized, NCES should collect information on how the tool is used—specifically, whether it is used more frequently by institutions or students.

Summary of Suggestions by Technical Review Panel #38

Following is a summary of the TRP's suggestions detailed in the discussion sections of this report.

Suggestions by Technical Review Panel #38

There are no new reporting requirements for institutions as a result of this panel.

Pre-defined comparison groups for consumer information tools such as the College Scorecard should be broadly defined. Specifically, the TRP suggests creating pre-defined comparison groups based on the institution's predominant undergraduate degree awarded:

- Predominantly bachelor's-degree-granting,
- Predominantly associate's-degree-granting, or
- Predominantly certificate-granting.

These categories are not currently defined in IPEDS. The TRP suggests that NCES review the distribution of degree-granting institutions to determine appropriate definitions for each of the above comparison groups based upon the data.

When possible, consumer information tools should also offer users the opportunity to create custom comparison groups. In the case of the College Scorecard, the TRP suggests that institution comparison groups could be based upon the following consumer input:

- Consumer chooses individual institutions for comparison, or
- Consumer customizes the pre-defined comparison group using the following institutional characteristics and program offering information:
 - region in which institution is located;
 - institutional selectivity;
 - programs offered (2-digit level of the Classification of Instructional Programs); and
 - student age (percentage of students age 25 or older).

Implications on Reporting Burden for Institutions

There are no new reporting requirements as a result of this panel.

Next Steps

Once the TRP summary comment period has closed, RTI will review the comments and provide NCES with final recommendations based on the suggestions of the TRP. NCES will review the recommendations to determine next steps.

Comments

RTI is committed to improving the quality and usefulness of IPEDS data. We encourage interested parties to send any comments or concerns about this topic to Janice Kelly-Reid, IPEDS Project Director, at ipedsTRPcomment@rti.org by August 27, 2012.