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[Home](#) [Opinion & Ideas](#) [The Chronicle Review](#) [Innovations](#)



Previous

← [The Class Divide between Yale and Southern Connecticut](#)

Next

For-Profit Colleges' Dubious Statistics

March 28, 2011, 5:00 am

By [Frank Donoghue](#)

This will be a short post, as the numbers about for-profit colleges are fairly well known. One needs neither to be especially good at arithmetic nor paranoid to realize that they're dubious.

It's hard to know where to start. Perhaps with the simple figures of enrollment and graduation. The largest for-profit postsecondary education company, Apollo Group, which operates the University of Phoenix, had an undergraduate Full Time Enrollment (FTE to seasoned administrators) of 238,326 students in 2008, according to a report by The Education Trust, and a six-year graduation rate of 9%.

Some do much better: ITT Tech enrolls even more students in four-year programs (338,509) and graduates 66%. But counting two-year degrees and graduate programs, the University of Phoenix enrolls far more students than ITT, and it is, in effect, the pioneer and flagship of the for-profit education industry. It was the second to become a publicly traded corporation (DeVry, originally a trade school, went first); it was the originator and leader in online learning; it expanded most rapidly, making its founder, John Sperling, a billionaire, and it even has its own football stadium in Glendale, Ariz., which is glamorous enough to have hosted both Super Bowl XLII and the 2011 BCS championship both events signal that it's a real university, no different than the University of Arizona or Arizona State.

So when the University of Phoenix graduates just 9 per cent of its enrollees, one has to raise an eyebrow, since a staggering rate of attrition is somehow being tolerated. And it's worse elsewhere, especially if we measure by withdrawal rates rather than graduation rates: Bridgepoint College has a withdrawal rate of 84%; Lincoln College, 70%; Kaplan College, 69%; and Corinthian Colleges, 67%. The problem with these atrocious attrition and withdrawal rates is eloquently stated by the Education Trust's report, "Subprime Opportunity: The Unfulfilled Promise of For-Profit Colleges and Universities." The report asserts, correctly I believe, that for-profit institutions, "instead of providing a solid pathway to the middle class," as they all promise to do, "pave a path into the sub-basement of the American economy."

I'm going to pause here and conclude by reflecting on the ideological implications of these numbers. If one chooses college as one's route to the middle class, success depends not just on attending college but on graduating from college. That's simply not happening at for-profit colleges.

If one chooses to enter the middle class via college, one has to *graduate*. It's not the only way in: [payscale.com](#) lists the average pay for electricians with 20 or more years in the business as making a range of income between \$38,000 and \$71,000—more than what associate professors or even full professors make in some English departments, and with no student debt involved. The bottom line, in fact the first of several bottom lines, is that for-profit colleges don't care about graduating their students.

More numbers next time.

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HeXt 2 hours ago

I'm surprised you didn't bring up any EDMC schools. As the #2 largest chain of for-profit schools they damper the numbers quite a bit as well.

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fdonoghue 1 hour ago in reply to HeXt

Good point. I got most of the numbers for this post from various reports posted on Tom Harkin's website. He's approaching his whole investigation of for-profits with great clarity.
Frank

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