

Maximizing Opportunities for Youth in Poverty

# **RESEARCH BRIEF**

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Number

## Low-Income Young Adults Continue to Face Barriers to College Entry and Degree Completion

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All students deserve access to a full range of postsecondary options, and the current economic climate and competitive job market have made obtaining a four-year degree more important than ever. But there are persistent inequities when we look at the college attendance and completion rates of students across socioeconomic groups. We know that growing up in poverty is associated with conditions and obstacles that can affect later educational attainment. For example, students' aspirations and opportunities may be impacted by lowered expectations (MacLeod, 2008), limited access to rigorous high school curricula (Conchas, 2006), negative relationships with school personnel (Crosnoe, Johnson, & Elder, 2004; Stanton-Salazar & Dornbusch, 1995), limited access to resources via their peer and family networks (Bourdieu & Passeron, 1977; Lareau & Weininger, 2008) and a host of other stresses that accompany these issues. As a result, fewer students who grow up in poverty graduate from four-year colleges. These lower graduation rates are the result of the degree to which lower-income students can access higher education (Roksa, Grodsky, Arum, & Gamaron, 2007) as well as their ability to attain degrees once they are there (Astin & Oseguera, 2004; Rosenbaum, Deil-Amen, & Person, 2006).

This research brief draws on a longitudinal study of American youth to explore the relative impact of these two separate but highly interrelated issues access and attainment—on students from different socioeconomic backgrounds. First, we show how educational attainment outcomes in adulthood vary by socioeconomic background in adolescence. Next, we highlight socioeconomic differences in timely college entry and compare the educational trajectories of those who do not enroll in college shortly after high school. We conclude with an analysis of how socioeconomic background relates to the types of colleges that students attend and how these institutional types influence eventual degree attainment.

### A National, Longitudinal Portrait

This study uses data from the National Longitudinal Study of Adolescent Health, a nationally representative survey of American adolescents conducted in four waves over a 14-year period (1994–2008). We drew on three waves of the study. The first survey, conducted in 1994 and 1995 when respondents were in the seventh through twelfth grades, allowed us to determine their family income backgrounds. The second survey conducted seven years later (2001-2002), when respondents were between the ages of 18 and 26, provided a window into their years immediately following high school. And the third survey conducted in 2007-2008, when the respondents were between 24 and 32 years old, tracked them beyond their early adult years to offer a view of what was likely, for many, the conclusion of their educational trajectories.<sup>1</sup> In all, 9,369 young adults participated in the full study.

Our first set of analyses considers the full sample in the third survey, when respondents were between the ages of 24 to 32, in order to illustrate how educational outcomes differ by socioeconomic background, regardless of age at college entry. The remaining analyses focus on a subsample of respondents who were in the traditional college age range of 18–22 years old in 2001–2002.



Respondents were grouped by socioeconomic background, measured based on family income and household size during the first survey, when they were adolescents. A respondent was coded as living in poverty if his or her family was at or below 185% of the federal poverty line in 1994 (e.g., \$27,380 for a family of four)-the threshold for a number of meanstested benefits, such as Medicaid, food stamps, and free or-reduced price school lunch programs. This measure has been used in multiple studies and has been established as an adequate approximation of economic disadvantage. For the purposes of this analysis, these young adults are referred to as "in poverty" or as "low-income," whereas those above this income threshold are referred to as "not in poverty" or as "higher income." However, we wish to note that the young adults in this classification are from families that are simply above the poverty line, not necessarily from middle or high income families.

#### Socioeconomic Background Affects Access and Degree Attainment

By the time they were between 24 and 32 years old, a majority of young adults who had grown up both in and out of poverty had attended postsecondary education (PSE) in some form, but most had not earned degrees (Figure 1). Importantly, however, a much larger percentage of higher-income young adults had enrolled in PSE and/or received degrees

than had young adults who were raised in poverty (76% versus 53%, respectively). Moreover, while just over half (52%) of higher-income young adults failed to earn associate's or bachelor's degrees (either after they had completed some college, or because they did not pursue PSE in the first place), this percentage was much higher (78%) for young adults who were raised in poverty. Likewise, a sizeable proportion (40%) of young people from families not living in poverty had completed bachelor's degrees by this

#### Why the Timing Matters

Between the ages of 18 and 32, individuals transition to adulthood. These years are often marked by the milestones of leaving home, finishing school, and becoming financially independentthough not always in that order (Furstenberg et al., 2004). This span of time captures what Arnett has termed "emerging adulthood" (2000), as well as the crucial years during which postsecondary education is most likely to be completed. As young adults enter their late 20s and early 30s, their educational trajectories have become clear, and degree attainment rates change little if individuals are followed beyond this point (Adelman, 2006).

point in time, but only 15% of lower-income youth had done so.

These findings highlight two major points. First, contrary to more optimistic assertions that access to higher education is now relatively open (Rosenbaum, Deil-Amen, & Person, 2006; Rouse, 1995), nearly a third of young people who grew up in poverty had not attended any PSE or received any job training by the time they were between 24 and 32 years old,<sup>2</sup> even though previous research suggests that many young adults from low-income families want to enroll in college (Hanson, 1994). Second, it is clear that retention and degree completion remain major issues facing youth who grow up in poverty. These low degree attainment levels, when compared to those of young adults from higher-income backgrounds, not only underscore major leaks within the college pipeline, but also illustrate a mechanism through which the reproduction of social class occurs. Therefore, increased efforts need to focus on helping low-income youth enroll in college and on ensuring that pathways to degree attainment exist once they are there.

#### Timely Entry into PSE Helps Ensure Degree Completion for All Students

Research has shown that students who delay enrollment in higher education following high school are less likely to complete bachelor's degrees (Bozick & DeLuca, 2005). It is therefore significant that a full 70% of 18- to 22-year-olds who grew up in poverty had not yet enrolled in PSE. In contrast, less than half (41%) of higher-income youth in the same age range had not yet enrolled (Figure 2).

When we compare the educational status of these students six years later (Figure 3), we see that lowincome young adults who had not enrolled in PSE by the time they were between 18 and 22 years old (survey two) were more likely than their higherincome counterparts to have *remained* out of PSE (64% vs. 52%) when they were between the ages of 24-28 (survey three). Moreover, while significant percentages of young people from both income groups who had not enrolled in PSE as very young adults did go on to complete degrees or at least some PSE within the next six years (a total of 36% from lower-income families and 49% from higher-income





families), most had not earned degrees. Only 10% of previously non-enrolled higher-income young adults earned associate's (5%) or bachelor's (5%) degrees, and fewer disadvantaged students earned either degree (3% had earned each type) by the time they reached 24 to 28 years old.

These findings echo other studies that demonstrate that timely entry into PSE is crucial for degree completion (Bozick & DeLuca, 2005). And, in fact, these trends have serious negative implications for the economic and labor force outcomes of young adults who fail to enter PSE shortly after high school graduation. In a struggling economy where jobs are scarce, quality employment opportunities in the absence of higher education may be difficult to come by (Stoll, 2010). As such, the significant numbers of low-income young adults who fail to enter PSE or complete degrees are likely to face spells of joblessness and confinement to the low-wage labor market, with fewer opportunities for upward mobility.

Efforts aimed at increasing degree attainment among all youth should focus on improving opportunities for college enrollment directly from high school, with specific resources channeled to low-income youth, who appear to face greater obstacles to enrollment. At the same time, larger, more systemic issues must also be addressed. The rising costs of higher education, highly competitive admissions criteria at four-year institutions, and the limited capacity of these institutions to accommodate a growing student



body create serious obstacles to enrollment for young people from all income brackets (Alon, 2009; Altbach, Berdahl, & Gumport, 2011).

## Institutional Type Matters for Degree Completion

The type of higher education institution a young adult attends also impacts degree completion, particularly for low-income youth. As shown in Figure 4, nearly half (49%) of young adults from higherincome backgrounds had enrolled in PSE by age 18–22, compared to 26% of respondents who had grown up in poverty. Students from lower-income backgrounds were evenly split between two- and four-year institutions, while their more affluent peers

Figure 4

#### Students Enrolled in PSE by Age 18-22 (by Family Income and Institutional Type)



were more likely to have enrolled in four-year colleges and universities. These divergent enrollment patterns are important, because they have an effect on degree completion.

Figure 5 shows the educational trajectories of young adults who were enrolled in PSE shortly after high school (i.e., between the ages of 18 and 22) and demonstrates that six years later, many—especially those who began at two-year institutions—had still not earned degrees.<sup>3</sup> Youth who grew up in higher-income families were more likely than their lower-income counterparts to earn bachelor's degrees, in part because of their increased likelihood to have enrolled in four-year colleges.

Both lower- and higher-income students had much higher six-year degree completion rates when they began at four-year institutions: 69% of students who grew up in poverty and 82% of students from higher-income backgrounds who attended four-year colleges had completed bachelor's degrees six years later, compared to 15% and 27% (respectively) of students who initially enrolled in two-year colleges. This last finding is especially notable, since it indicates that the rates of bachelor's degree completion were substantially higher for students who did not grow up in poverty, regardless of institutional type.



Overall, the relatively poor degree completion rates among community college students of all income backgrounds are especially troubling in light of the recent recession, as more young adults may be choosing two-year colleges because they are less expensive. Unfortunately, community colleges are the least resourced of higher education institutions (Schulock, Offenstein, & Esch, 2011), and enrollment most commonly does not lead to transfer to four-year schools or to degree completion (Dowd & Melguizo, 2008). On the other hand, four-year institutions have better completion outcomes for all students, but are far less accessible to those who have grown up in poverty. Thus, more efforts are needed both to improve transfer rates and degree completion at twoyear colleges and to facilitate the enrollment of lowincome young adults directly into four-year colleges after high school.

#### **Summary and Implications**

The divergent educational trajectories of lower- and higher-income youth in early adulthood lead to differing educational outcomes later in life. This research shows that, most often, lower-income young adults between the ages of 18 and 22 were either not enrolled in PSE at all or were enrolled in two-year colleges, where they had a much lower likelihood of attaining degrees. In comparison, most youth from higher-income families were enrolled in college, typically in four-year institutions, where they had a much higher likelihood of earning bachelor's degrees.

Only a small percentage of students who initially enrolled in two-year colleges had earned associate's or bachelor's degrees six years later. This finding holds across income levels, but it is especially pronounced for students who grew up in poverty. Moreover, while some would argue that community colleges provide access to those who would not otherwise continue their education, the findings here suggest that full postsecondary access remains limited, since many students from low-income backgrounds still did not enroll at all. Likewise, the low degree completion rates at community colleges reveal that the outcomes for students with divergent socioeconomic backgrounds remain unequal.

In sum, both college entry and degree completion are critical junctures at which disparities in educational attainment remain. Policies and practices aimed at *either* improving postsecondary access *or* improving degree completion rates alone will likely make only modest inroads into alleviating educational inequality in the United States. Rather, integrated policies and programs must address several goals.

First, these efforts must facilitate timely entry into postsecondary education for low-income students. Second, new initiatives should provide more resources to two-year colleges in order to improve transfer and degree completion rates for students who take this path. Finally, it is essential that we open more pathways to four-year institutions so that comparable numbers of students from all socioeconomic backgrounds enroll in these institutions either after completing some coursework at two-year institutions or immediately following high school.

#### **Notes**

- 1. Add Health conducted another survey in 1996, which was not used for this analysis. Please see the Add Health study design for more details: http://www.cpc.unc.edu/projects/addhealth/design.
- 2. Respondents in the job training category completed programs through employers, the armed forces, trade schools, or other institutions. Although these respondents reported not completing any postsecondary schooling, this training does have potential benefits to their labor force outcomes (Grubb, 1996). Thus, we have grouped them with those in the "No PSE" category but also highlighted them as a separate group, since their experiences may be qualitatively different.
- 3. In order to streamline the data in this research brief, respondents who had already completed bachelor's degrees by ages 18–22 (4% of all low-income youth, and 10% of middle/high-income youth) are excluded from these analyses. As a result, the percentages in Figure 2 and Figure 4 do not total to 100%.

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