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# The Impact of Financial Aid on the Enrollment and Retention of Student Athletes at National Collegiate Athletic Association (NCAA) Division III Colleges and Universities: A Review of the Literature

By Mark A. Bandré

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*This article aims to review current literature on the enrollment and retention of student athletes at NCAA Division III institutions. However, the review identifies very few studies that specifically focused on Division III programs and none that looks at the influence of financial aid on the enrollment and retention of student athletes at Division III institutions. Discussing and connecting research from student athletes' experiences at Division I institutions as well as research on influences of student aid on college students, this literature review offers some insight on how student aid might influence college enrollment and retention for student athletes at Division III institutions.*

Colleges and universities across the United States offer intercollegiate athletic programs for a variety of reasons. These programs range in size from the highly televised and marketed National Collegiate Athletic Association (NCAA) Division I teams to the much less visible NCAA Division III level as well as the National Association of Intercollegiate Athletics (NAIA). There are also separate classifications for community colleges and schools that choose to compete solely in a Christian college athletic coalition. Many schools offer intercollegiate athletic competition to help with enrollment goals while also providing opportunities for participants to develop athletic ability in the course of their academic program. Schools with large athletic programs view these extracurricular offerings, especially football and basketball, as a potential source of revenue while all types of colleges and universities view sports as an important community building mechanism for the full constituency of the given institution (U.S. General Accounting Office, 2001).

Regardless of the reasons any college chooses to participate in intercollegiate athletics, recruiting student athletes is a common need. No intercollegiate athletic program can be successful over the long term without recruiting students who possess exceptional academic and athletic abilities (Judson, James, & Aurand, 2004). Recognizing that the recruiting process lends itself to many facets of study, this review opens with two specific questions in mind: What impact does financial aid have on the enrollment and retention of student athletes at NCAA Division III colleges and universities? Given that some schools are more athletically successful than others (as defined by win/loss record), are there discounting strategies that are more effective in achieving a greater

percentage of winning programs while maintaining compliance with Division III financial aid rules?

Current literature does not include a great deal of study related to these specific questions, thereby indicating a need for further research. Despite the current literature gap, this review describes related literature in support of the contention that financial aid may affect college enrollment and strives to establish the need for further study in the specific NCAA Division III sector.

## **Impact of Financial Aid on College Enrollment for Athletes and Non-athletes**

As attempts are made to influence the scope of attributes new matriculates bring with them, colleges and universities have direct control over which students will be admitted and what sort of financial aid will be offered to those so selected (van der Klaauw, 2002). Receipt of grants or a combination of grants and loans had a positive impact on attending first choice institutions (Kim, 2004). These two statements make a fair amount of intuitive sense, but various studies have taken on the task of further examining the impact of financial aid on enrollment.

Braunstein, McGrath, & Pescatrice (1999) examined several years of data pertaining to accepted freshmen (i.e., students with no previous college experience) applications from a specific college to study the effect of financial factors on student enrollment. Their study did not look at athletic interest or the potential individuals might have in sports but considered race, ethnicity, gender, number of family members, legacy status, commuter or resident status, various preparatory academic variables, and perhaps most important for the current project, financial variables. After using logistic regression analyses to analyze the data, they concluded that financial aid does have a positive impact on the enrollment of accepted applicants. As the amount of financial aid offered was increased by \$1000, the probability of the given student enrolling increased between 1.1% and 2.5% (Braunstein et al., 1999). The study also found that increases in grants or loans had a much more significant impact than did increases in work-study offerings.

For first generation college students, athletics, financial aid, and many other issues impact college choice and individual persistence towards graduation (Pascarella, Pierson, Wolniak, & Terenzini, 2004). These same authors noted that being involved outside the classroom and interacting with college classmates, in general, can assist greatly in the development of cognitive and social skills. Furthermore, their study suggested that federal and state financial aid policies may allow access to college itself, specifically for low-income students, but not to the full range of personal and social endeavors that are all a part of a traditional college experience. In other words, growth ideally occurs for college students both inside and outside the classroom.

Another study found that federal policy may impact the amounts of money families save for college if they expect funds to be available from other sources such as Social Security or financial aid (Reyes, 2008). To arrive at this conclusion, Reyes analyzed how families handle their asset

portfolios when planning for the college investment. This is an issue because the federal need analysis formula excludes the net worth of primary home equity and retirement accounts. An especially skilled investor could reinvest assets and effectively shield dollars from need analysis consideration. Since asset portfolios tend not to be a consideration for low-income families, it can accurately be determined that Reyes (2008) and Pascarella et al. (2004) looked at different types of families; however, it is significant to note that both recognized the importance of financial aid on enrollment.

Pacey (1982) used regression analysis from a representative sample of female athletes attending two NAIA schools in different divisions to determine the importance of grant dollars in increasing participation rates. Among other findings, she concluded that grant dollars expand athletic opportunities for females in college athletic programs. Knowing that financial aid is an important factor in determining women's rate of participation in intercollegiate sports further validates the aid-related conclusions mentioned previously, such as the positive impact of receipt of grants, scholarships, and loans on enrollment at first choice institutions.

### **Unique Features of NCAA Division III Colleges**

Because of the NCAA Division III program structure, Division III colleges create a unique college experience for its students athletes. Schools participating at this level must offer at least 10 programs, five each for men and women, of which a minimum of two for each gender are of the team sport (e.g., basketball or soccer as opposed to golf or tennis) variety. Student athletes at this level receive no financial aid of any sort related to athletic ability or potential, and funding for all phases of the athletic department happens like any other area of the institution. A key additional differentiation between Division III and other levels is that the primary focus is on the experience of the athlete as opposed to the spectator (National Collegiate Athletic Association, 2007). Typically, Division III schools are not concerned about the number of spectators who attend a contest, and many do not charge admission to attend such events. A person who is a student first and an athlete second is the rule as opposed to the exception at Division III schools.

While there are numerous newspaper and magazine articles in existence that discuss Division III programs, extensive searching on EBSCO Host, JSTOR, ProQuest Education Journals, and other library databases identified very few research studies in this area. The narrower focus of the impact of financial aid on such programs is even less studied. Clearly, there is a need for additional research with regard to NCAA Division III programs in general, and particularly when considering financial aid variables. Other researchers have come to similar conclusions (e.g., Robst & Keil, 2000; Mignano, Brewer, Winter, & Raalte, 2006; Todd & Brown, 2003).

Robst & Keil (2000) looked at the graduation rates and cumulative grade point averages of athletes as compared to non-athletes at a specific Division III institution. The authors used various statistical means to compare data in these areas for athletes versus non-athletes and by individual athletic program. Because the school selected for the study attracted a significant number of transfer students, the project also compared transfer

and non-transfer athletes to non-athletes. The authors noted that many stereotypes exist generalizing that athletes are not typically as academically prepared as non-athletes. The results of the study demonstrated the opposite, indicating that Division III athletes take more credits per year and more difficult classes than do non-athletes, and have a higher graduation rate (Robst & Keil, 2000).

Along the lines of strong academic emphasis among athletes, Mignano et al (2006) compared levels of athletic identity among females at women's colleges and coeducational colleges. The authors created an Athletic Identity Measurement Scale (AIMS) composed of seven items crafted to reflect the social, cognitive and affective components of athletic identity (Mignano et al., 2006). Because the researchers collected data solely from athletes at Division III colleges, their findings correlated with the academic emphasis identified in the Robst and Keil (2000) study, indicating a unique relationship between academics and athletics on Division III campuses. Again, they noted that opportunity for further study clearly exists in this area.

Another unique Division III feature was found by Todd and Brown (2003) who, while noting that athletes are notorious for superstitious behavior, tried to determine the extent to which type A behavior pattern, athletic identity, and locus of control could predict superstitious tendencies among Division I and Division III track and field athletes. In their literature review, the authors provided a 'level of competition' section that included a summary of the different levels of emphasis placed on athletics by these two classifications of schools. Highlighted factors included the lack of athletic scholarships at the Division III level and the general difference in the quality of athlete attracted to the two divisions. The authors appeared somewhat surprised to note little difference in the percentages of superstitious behavior exhibited between the two Division I and III programs. This finding was rationalized by noting that Division III athletes, while generally not as physically skilled as their Division I colleagues, are just as dedicated to having a college athletic career (Todd & Brown, 2003).

### **Influences on the Enrollment Choices of Student Athletes**

Athletic, academic, and campus-related influences were all factors that impact the enrollment choice of small-college student athletes (Goss, Jubenville, & Orejan, 2006). To reach this conclusion, the authors administered an athletically oriented college choice profile to 229 entering freshman student athletes. These students had enrolled in six different small, private, church-affiliated colleges, half of which competed at the NAIA level and half at the NCAA Division III level. The 25-item survey asked students to use a five-point Likert scale ("one" indicated little or no influence while "five" reflected a great deal of influence) to show how much influence each item had on their matriculation decision. Based on mean scores, the five most influential items were degree programs, opportunity to play, head coach, academic support services, and spiritual guidance with the five least influential items being pro-sport opportunities, high school friends, high school teammates, school colors, and television exposure. The main point taken from this study was that all involved in the recruitment process at smaller colleges should develop marketing strategies

that provide an accurate reflection of campus student life including academic, athletic, and general campus elements (Goss et al., 2006).

Similarly, Judson et al. (2004), who focused on NCAA Division I athletes and universities, concluded that schools must develop and employ recruiting strategies based upon attributes that student-athletes identify as important to their decision making process. These researchers tried to determine what criteria were most important to student-athletes recruited to two specific schools in addition to looking at gender and ethnicity issues involved in the process. They concluded that male student athletes were more concerned about athletic characteristics of the school, while their female contemporaries were more focused on academic variables.

In a study that intentionally focused on gender differences as they related to 19 variables considered by students when making their college choice, Mansfield & Warwick (2005) reached a similar conclusion for females. Their study did not consider the athletic variable, but nonetheless concluded that females focused on academic criterion while males were more concerned about tuition. Interestingly, Mansfield and Warwick (2005) found that parents of both male and female students expressed more concern about academic issues.

A study by Klenosky and Troutman (2001) used the laddering interview technique to obtain data from 27 football players at the Division I level. The authors used a means-ends theory (Gutman, 1982) to evaluate their data and determine what elements separated the school chosen by these young men from other schools they had considered. This evaluation method allowed the researchers to examine relationships between anticipated outcomes and personal values and show why certain attributes, such as facilities, coaches, equipment, academic variables, and level of personal comfort with the program, were important to the individuals interviewed. The authors concluded that it is vital for Division I schools to understand what issues are important to prospective students and for them to conduct their recruiting activities accordingly (Klenosky & Troutman, 2001).

Toma and Cross (1998) found that there was a strong relationship between large universities that win an athletic championship and college applications. The researchers identified the schools who won NCAA Division I championships in football and men's basketball over the years 1979 to 1992, and then studied admissions data these universities reported to the *Peterson's Guide to Four-Year Colleges and Universities*. In addition to information reported over the same period by four to five peer institutions, they examined data from the three years prior to the championship and the three years after. The authors noted their interest in learning information about the quality of students who compose these increased admission application numbers and whether this same phenomenon occurs more at selective institutions. This latter point especially would be germane to a study of Division III colleges.

## Conclusion

The cost of a college education is among the most significant investments many people make in the course of their lives (Kim, 2004; Reyes, 2008). Whether this price is borne personally by the student or provided by a parent, it is still a substantial sum. Therefore, it makes logical sense that financial aid, whether in the form of grants, scholarships or loans, will be of significant interest to students and families.

This article intended to examine the NCAA Division III option within the realm of intercollegiate athletics. A review of the available literature revealed work that focuses on issues influencing choices student athletes at all levels face when making college decisions. Included were academic offerings, factors within athletic programs, and other influences. Interestingly, however, the review identified very few studies that specifically involved Division III programs, and none that looked at the influence of financial aid on the enrollment and retention of student athletes at this type of college.

Because NCAA Division III colleges have the unique characteristic of not allowing athletic ability or involvement to be considered when preparing financial aid offerings, it seems likely that researchers have simply chosen to ignore the impact institutional aid packaging decisions have on student athletes and, in turn, on athletic programs at these schools. Since the aid-related studies reviewed here provide conclusions indicating that financial aid *does* affect matriculation decisions, it is reasonable to conclude that a need exists for further study of this relationship in NCAA Division III colleges.

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