

Why Recent Criticism of the University of Phoenix is Unjustified

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A recent article in The New York Times “Troubles Grow for a University Built on Profits” has indicated that the University of Phoenix has a low graduation rate for a wide variety of reasons including instructional shortcuts, unqualified professors, and recruiting abuses just to name a few. The University of Phoenix (UOP) makes a big target as the nation’s largest university and as with most sensationalism of the media this article lacks complete detail and accuracy of its information in its attack on the University.

I will demonstrate how the article in The New York Times is unjustified in stating that the University of Phoenix has a low graduation rate.

The Reality of Graduation Rates

First off the figure of 16% for the graduation rate quoted in *The New York Times* is taken out of context. The National Center for Education Statistics (NCES) requires all institutions to provide data on its institution (including all campuses) annually. This information is submitted in a report called Integrated Post-secondary Educational Data System (IPEDS). This report requires a breakdown on everything from student level, part-time/full-time enrollment status, age, race, gender, transfer in, high school graduates, breakdowns on majors, human resources, financial status, cost of attendance, financial aid, retention, completion, and graduation rates. The graduation rates (GRS) are based on those students that entered as a cohort six years prior, completed their degrees within 150% of normal completion time, and the only students within the cohort are first-time, full-time students. First-time, full-time means that the student in this category has never attended college anywhere before (typically the traditional high school graduate). The GRS section of the IPEDS report does not look at all students enrolled in that fall cohort and does not reflect the entire graduation rate for the institution. The GRS is the only number that the NCES requires institutions to publish in its annual Consumer Report.

The New York Times article does not reflect that the GRS number only encompasses 7% of UOPs overall enrollment. The article additionally states that the University’s overall graduation rate was 59% but states that it is “based on substandard calculations”. This calculation is not substandard, it simply encompasses the entire fall cohort instead of one piece of the fall enrollment cohort (first-time, full-time). “According to the 2004 U.S. Census Bureau, the national graduation rate is 25.9%” (US Census Bureau, 2004). This rate encompasses all graduates regardless of enrollment status. The University of Phoenix has an outstanding overall graduation rate of 59%. The adult learner portion of the cohort graduated at a rate of 43%, well over the national average, however their traditional first-time students are graduating below the national average at 16%. The first-time student is not UOP’s primary target market and yet these are the students that are required to be reported to the NCES. In fact, a community college that focuses on first-time, full-time students as their primary market will tend to have higher graduation rates that reflect their mission and goals. The NCES has a narrow focus on recording graduation rates of first-time college students and does not allow for differences in the mission and goals of a particular institution. *The New York Times* article would not have been able to make as large of an impact if they addressed this issue in its entirety.

By looking at the whole picture one can see that the article utilized information that it chose in order to skew the data against the University of Phoenix. The matter of fact is that UOP has an excellent overall graduation rate no matter what difficulties it may be having in other areas.

The University of Phoenix targets the non-traditional working adult as its primary market. It actively engages in recruiting students that are working, single parents, looking to advance their career, and need a flexible schedule in order to continue and complete their education. The average age of these students is between 33 and 36 for undergraduate and graduate students respectively. These students entered at the same time as the first-time, full-time students and are included in the 59% of the students that graduated from the University of Phoenix. In fact the largest percentage of college students today is not the traditional 18 to 22 year-old undergraduate that is living on campus. Most college students today are older, part-time students with full-time careers and outside responsibilities. These students don't care about athletics or social organizations. Adult learners are simply not in college for the "experience". Instead, they want practical, solid skills they can use on the job and to further their careers through promotion and advancement¹.

Faculty, Course Schedules, and Accreditation

The New York Times discusses several reasons that contribute to a lower quality education which in turn may lead to a low graduation rate, such as having a large number of part-time instructors, an accelerated course schedule, lack of accreditation, recruiting abuses, financial concerns, and student complaints regarding these issues. Let us now take a look at each of these issues and evaluate their weight against the low graduation rate presented in the article.

First, the University of Phoenix has 23,000 professional faculty members. All of UOP faculty hold master or doctoral degrees. Their Associate level faculty teach full-time. The undergraduate and graduate level faculty must be professionally employed in their field, and therefore only teach part-time. Because the faculty members are employed in their field of study the students' learning experience is enhanced. The curricula are fully developed by the institution, allowing faculty to focus solely on effective instruction. UOP faculty consists of highly qualified professionals with appropriate degrees of higher learning that provide quality educational services whether they teach full- or part-time. Large numbers of part-time faculty are common in most universities. The article eludes that academic quality is eroding and the high number of part-time faculty may be one of the contributing factors. If this is the case it is certainly not reflected in a low graduation rate at this time. The demographics of the faculty closely matches that of the students as they are both working professionals and either taking or teaching courses.

Secondly, the accelerated course schedule works to keep the student on track with their educational progress. The student focuses on one subject at a time instead of spreading the learning of several courses over one semester. In a traditional semester full-time enrollment is achieved by taking 12 credit hours, (the 12 hour rule of the Department of Education)², this is typically three courses. At the University of Phoenix students register for one, five-week course at a time. This term equates to the same concentration of time as a semester of three classes. Within the five weeks the students meet in class and are required to attend Learning Groups to which they are assigned. The Learning Groups work outside the class setting either in person or online depending on the mode of learning. As with any upper level educational goal, it requires a large amount of discipline, motivation, and desire to see it through to completion. The same mode that makes distance learning advantageous to those that work, have families and busy lifestyles also makes a large demand on their time to complete the courses. The bottom line is that takes a large amount of work to earn a degree no matter what mode or schedule.

The third reason the article indicates that UOPs quality of education has deteriorated is due to insufficient accreditation. UOP is accredited by the Higher Learning Commission and is a member of the North Central Association of Colleges and Schools. HLC/NCA puts each institution that it accredits through a

¹ The NCES can be visited for information on any accredited institution at: www.nces.ed.gov

² In the US one credit hour often translates into about 16 hours of instruction.

very rigorous process to obtain and keep accreditation. The University of Phoenix was granted 10 years of accreditation, the maximum number of years awarded, on its last visit and is not due for re-accreditation until the year 2012³.

UOP is also accredited by the Commission on Collegiate Nursing Education for the Bachelor of Science in Nursing and the Master of Science in Nursing programs; the Master of Counseling program in Community Counseling in Phoenix and Tucson, AZ and the Master of Counseling program in Mental Health Counseling in Utah are accredited by the Council for Accreditation of Counseling and Related Educational Programs; and in British Columbia they are accredited by the Private Career Training Institutions Agency.

The Association for the Advancement of Collegiate Schools of Business International provides an additional level of program accreditation for traditional business schools and the organization promotes management education at traditional business schools. UOP is not accredited with AACSB because these organizations have different missions. UOP is however a member of AACSB and in that capacity shares and exchanges ideas about creating quality business programs. UOP has obtained several accreditations and is affiliated with over 20 other educational-related organizations which provides a benefit to the students it serves and lends to the Universities quality educational programs. UOP is accredited as an institution and this accreditation allows for transferability and academic recognition nation wide. Indeed, the lack of program accreditation for the business and management programs has created concern that the programs in this area are not up to par in relation to other colleges. However, UOP has addressed this issue by working with AACSB to bring their programs in closer relation to the accredited programs without changing the mission of the University.

True Shortcomings at UOP

A true issue of concern pertains to certain student recruitment practices at UOP. The institution was fined \$9.8 million by the U.S. Department of Education (DOE) because they were paying their recruiters financial incentives for the headcount of students they enroll. This practice is in violation of the DOE rule that does not allow pay incentives.

UOP was found by government review to be paying incentive compensation based on enrollments for their employees involved in recruiting and admissions. Incentive compensation based on enrollments creates a problem when the admissions department is only concerned with numbers of students and not on students that are qualified to enter the programs. This type of recruiting practice has led to the lower graduation rate of the first-time students enrolled at UOP due to the fact that these students are not fully prepared or informed of what it would take to complete the programs. If the University of Phoenix was less concerned with profits and more concerned about its students, UOP would not have violated the HEA guidelines and would not be jeopardizing its reputation. Although UOP has paid the fine it has not been released from the larger case of defrauding the U.S. Government. There is a case pending in the ninth circuit court of appeals. The NYT article could have been made stronger if they had linked a direct correlation between the recruiting practices and the lower graduation rate of the first-time students.

UOP seems overly aggressive in their recruiting processes and continues to grow at an accelerated rate increasing profits on a massive scale. This does not change the fact that UOPs overall graduation rate of 59% is well over the national average of 25.9%. This may change if UOP continues to recruit potentially under-qualified students into their programs (it may even explain, in part, why the graduation rate for first-time college students at UOP is low) but this is not reflected in current overall graduation rates at UOP.

³ Although UOP has campuses in multiple regions across the U.S., it can only obtain accreditation from The Higher Learning Commission in one region as the HLC only allows an institution to be accredited by one regional accreditation body.

Student Opinion and the Financial Aid Process

Throughout various websites, such as uopsucks.com and consumeraffairs.com, students complain about their debt and the financial aid process. Students seem to have a misconception that student loans are not part of financial aid. A student's financial aid package is based on their income or parent's income if they are a dependent student. The package may include grants, scholarships, and loans. Most students today will need loans in addition to any free money they may receive in order to pay for their courses. Aid is determined for an academic year and is submitted for a block at a time (such as a semester). In UOP's case a block would consist of three five-week terms of classes (equivalent to a semester). When a student withdraws from a course, the institution is required to send back the correct proportional amounts of aid to the government and lending institutions. Any balance left over is to be paid by the student. The process the financial aid departments must go through to receive and return financial aid is very complicated. There are many rules and regulations that the institution must follow in the Title IV agreement⁴. UOP receives the largest amount of financial aid in the US, which only makes sense as they are the largest university in the country. In 2005 UOP was audited and it was discovered that they were not refunding the proper amounts of federal aid to the government. UOP paid a substantial fine for this violation and has since corrected their procedure for the return of student aid to those who withdraw early enough during the semester.

The New York Times discusses the thousands of student complaints that can be found on several websites. The fact of the matter is that all institutions receive complaints about instructors, programs, courses, accreditation and transferability, financial aid, debt, and more. As of August 31, 2006 UOP had an enrollment of over 260,000 students and had expanded to 211 campuses and learning centers in 39 U.S. states as well as locations in Puerto Rico, British Columbia, and the Netherlands. Additionally, UOP offers degree programs globally through its online delivery system. UOP could have 5,000 complaints and it would only represent less than 2% of their total population. This still leaves over 98% of their students satisfied. In fact, in the annual student opinion survey at UOP 98% of the students were satisfied with their education and services at the University. This type of survey is also required by the DOE and is to be reported in its Consumer Report. This outlook puts the comments in the article in a broader prospective. The University of Phoenix has a standard level of complaints by its students, the same that all institutions go through.

Conclusion

In conclusion, as UOP is the largest university in the US it will ultimately receive the most criticism and attention by the media. The University has an excellent graduation rate when one looks at the overall graduation rate of the institution and its primary target market and not at a small portion of the University's demographic. In the big picture, the UOP graduation rate of 59% is a strong indicator of a quality education and student satisfaction and is well over the national graduation average of 25.9%.

In order to sensationalize the article *The New York Times* unjustifiably linked a plethora of information together that taken out of context creates a grim picture for the University of Phoenix. Although criticism may be justified based on the violation of incentive based recruiting, which may jeopardize UOP's ability to participate in the Title IV program, criticism of graduation rates are unjustified. The University of Phoenix should be fined for improper practices, as it has been, and watched as it grows exponentially just as any other college should be scrutinized. However, irresponsible journalism that is misleading does not benefit anyone, not the University of Phoenix and certainly not the public. There are doubts that online learning will replace traditional, on-campus education, but it will continue to grow at institutions such as the University of Phoenix and elsewhere.

⁴ Title IV is the financial aid program provided by the Department of Education and is utilized to assist students in paying for educational related expenses.

In the present and in the future this trend is changing higher education venues. The advent of the Internet age has created a new demand for adult education allowing students to receive a quality education from their home computer.

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