

Total Cost of Attrition



- Unrealized Grant Funding
- Unrealized Program Fees
- Student Support Expenses
- Program Related Expenses
- Recruitment Cost

The total estimated cost of attrition to the college was \$15,027,511

The cost of attrition to students and their families stems from lost investments in tuition and related fees, the income they may have earned while enrolled in post-secondary education, as well as the reduced earning potential due to low educational attainment. However, the costs of attrition are also born by institutions when investments in teaching and support services do not lead to degrees or other credentials.

At Humber College, only 45% of domestic students graduate on time from their degree program, and almost one-third do not obtain their degree within seven years of entering. This study assessed the cost of attrition associated with the 361 degree students from the 2014 cohort who left Humber without completing their credential. The cost of attrition was estimated to be the sum of:

- recruitment costs (estimated at \$1,017 per student per year by Trick & Associates, 2016);
- direct program related expenses which include faculty salaries and benefits;
- student support expenses which include the library, health centre and counselling services;
- unrealized revenue from tuition and related fees; and
- unrealized revenue through MTCU grant funding.

The loss of students contributed to more than \$7.37 million in costs associated with recruitment, program delivery and student support expenses and another \$7.66 million in unrealized program fees and grant funding. The total estimated cost of attrition to the college was \$15,027,511. Table 1 provides estimates of the costs based on the number of students who left their degree program in each year (“leavers”).

Table 1: Cost of Attrition by Number of Degree Years

Years of study Completed	# of Leavers	Recruitment Cost	Program-Related Expenses	Student Support Expenses	Unrealized Program Fees	Unrealized Grant Funding	Total Cost of Attrition
1 or less	107	\$108,819	\$773,610	\$281,196	\$2,351,004	\$948,341	\$4,462,970
1-2	176	\$178,992	\$2,458,192	\$948,640	\$2,620,640	\$1,162,656	\$7,369,120
2-3	53	\$53,901	\$1,116,657	\$436,720	\$391,246	\$182,797	\$2,181,321
3-4	25	\$25,425	\$699,625	\$289,050	n/a	n/a	\$1,014,100
Total	361	\$367,137	\$5,048,084	\$1,955,606	\$5,362,890	\$2,293,794	\$15,027,511

Student attrition results in significant revenue losses and costs for a college and its financial supporters. It also contributes to other negative outcomes such as declining key performance indicators related to efficiency, retention and student satisfaction. Understanding these costs and losses will assist the college in making decisions about investments in new and existing programs and services aimed at retaining students and increasing credential completion.

Attrition clearly adds to the expense of producing college degrees; thus reducing it is critical to both enhancing productivity and student success.

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