Washington State Institute for Public Policy Benefit-Cost Results

## Student success courses (for 4-year college students) Higher Education

Benefit-cost estimates updated December 2023. Literature review updated September 2017.

#### Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For

more detail on our methods, see our Technical Documentation.

Program Description: This topic explores the impact of student success courses and similar freshman seminars at 4-year colleges and universities. Included studies examine the impact of a forcredit course designed to teach first-time students nonacademic skills and increase college readiness. The content of these courses can vary widely but generally includes topics like study skills, time management, academic planning, college orientation, and personal wellness.

Courses excluded from this topic include courses that are not for credit, bundled freshman courses, and courses built into living and learning communities (where all students in the course lived in on the same floor or in the same dorm).

Benefit-Cost Summary Statistics Per Participant								
Benefits to:								
Taxpayers	\$882	Benefit to cost ratio	\$6.20					
Participants	\$2,269	Benefits minus costs	\$3,602					
Others	\$1,757	Chance the program will produce						
Indirect	(\$613)	benefits greater than the costs	67%					
Total benefits	\$4,296							
Net program cost	(\$693)							
Benefits minus cost	\$3,602							

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2022). The chance the benefits exceed the costs are derived from a Monte Carlo risk analysis. The details on this, as well as the economic discount rates and other relevant parameters are described in our Technical Documentation.

Meta-Analysis of Program Effects											
Outcomes measured	Treatment age	No. of effect sizes	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis						Unadjusted effect size (random effects	
				First time ES is estimated			Second time ES is estimated			model)	
				ES	SE	Age	ES	SE	Age	ES	p-value
Persistence within 1st year	18	3	332	0.298	0.185	18	0.298	0.185	18	0.377	0.012
Persistence into 2nd year	18	4	671	0.143	0.071	19	0.143	0.071	19	0.269	0.005
Persistence into 3rd year	18	1	181	0.087	0.140	20	0.087	0.140	20	0.164	0.243
Persistence into 4th year	18	1	94	0.092	0.194	21	0.092	0.194	21	0.173	0.374
College grade point average <sup>^</sup>	18	1	54	0.047	0.157	19	n/a	n/a	n/a	0.089	0.573

<sup>^</sup>WSIPP's benefit-cost model does not monetize this outcome.

Meta-analysis is a statistical method to combine the results from separate studies on a program, policy, or topic in order to estimate its effect on an outcome. WSIPP systematically evaluates all credible evaluations we can locate on each topic. The outcomes measured are the types of program impacts that were measured in the research literature (for example, crime or educational attainment). Treatment N represents the total number of individuals or units in the treatment group across the included studies.

An effect size (ES) is a standard metric that summarizes the degree to which a program or policy affects a measured outcome. If the effect size is positive, the outcome increases. If the effect size is negative, the outcome decreases.

Adjusted effect sizes are used to calculate the benefits from our benefit cost model. WSIPP may adjust effect sizes based on methodological characteristics of the study. For example, we may adjust effect sizes when a study has a weak research design or when the program developer is involved in the research. The magnitude of these adjustments varies depending on the topic area.

WSIPP may also adjust the second ES measurement. Research shows the magnitude of some effect sizes decrease over time. For those effect sizes, we estimate outcome-based adjustments which we apply between the first time ES is estimated and the second time ES is estimated. We also report the unadjusted effect size to show the effect sizes before any adjustments have been made. More details about these adjustments can be found in our Technical Documentation.

### Detailed Monetary Benefit Estimates Per Participant

Affected outcome:	Resulting benefits: <sup>1</sup>	Benefits accrue to:				
		Taxpayers	Participants	Others <sup>2</sup>	Indirect <sup>3</sup>	Total
Persistence into 2nd year	Labor market earnings associated with higher education	\$1,415	\$3,333	\$1,757	\$0	\$6,505
Persistence into 2nd year	Costs of higher education	(\$533)	(\$1,064)	\$0	(\$266)	(\$1,863)
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$347)	(\$347)
Totals		\$882	\$2,269	\$1,757	(\$613)	\$4,296

<sup>1</sup>In addition to the outcomes measured in the meta-analysis table, WSIPP measures benefits and costs estimated from other outcomes associated with those reported in the evaluation literature. For example, empirical research demonstrates that high school graduation leads to reduced crime. These associated measures provide a more complete picture of the detailed costs and benefits of the program.

<sup>2</sup>"Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.

<sup>3</sup>"Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

Detailed Annual Cost Estimates Per Participant							
	Annual cost	Year dollars	Summary				
Program costs Comparison costs	\$504 \$0	2006 2016	Present value of net program costs (in 2022 dollars) Cost range (+ or -)	(\$693) 30%			

Costs are based on the per-participant costs reported in in an evaluation of the Enhanced Opening Doors program (Weiss et al., 2011), which contains a student success course component. We estimate the per-participant cost as the total budgeted amount for the comparable student success course components, divided by the total number of budgeted classes. Additional adjustments are also made to account for the higher per-student expenditures at 4-year colleges relative to 2-year colleges. Weiss, M., Brock, T., Sommo, C., Rudd, T., & Turner, M.C. (2011). Serving community college students on probation: Four-year findings from Chaffey College's Opening Doors program. New York, NY: MDRC.

The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost estimate; more detail can be found in our Technical Documentation.



The graph above illustrates the estimated cumulative net benefits per-participant for the first fifty years beyond the initial investment in the program. We present these cash flows in discounted dollars. If the dollars are negative (bars below \$0 line), the cumulative benefits do not outweigh the cost of the program up to that point in time. The program breaks even when the dollars reach \$0. At this point, the total benefits to participants, taxpayers, and others, are equal to the cost of the program. If the dollars are above \$0, the benefits of the program exceed the initial investment.

#### Benefits by Perspective Over Time (Cumulative Discounted Dollars)



The graph above illustrates the breakdown of the estimated cumulative benefits (not including program costs) per-participant for the first fifty years beyond the initial investment in the program. These cash flows provide a breakdown of the classification of dollars over time into four perspectives: taxpayer, participant, others, and indirect. "Taxpayers" includes expected savings to government and expected increases in tax revenue. "Participants" includes expected increases in earnings and expenditures for items such as health care and college tuition. "Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance. "Indirect benefits" includes estimates of the changes in the value of a statistical life and changes in the deadweight costs of taxation. If a section of the bar is below the \$0 line, the program is creating a negative benefit, meaning a loss of value from that perspective.



Taxpayer Benefits by Source of Value Over Time (Cumulative Discounted Dollars)

The graph above focuses on the subset of estimated cumulative benefits that accrue to taxpayers. The cash flows are divided into the source of the value.

## Citations Used in the Meta-Analysis

- Boudreau, C.A., & Kromrey, J.D. (1994). A longitudinal study of the retention and academic performance of participants in freshmen orientation course. Journal of College Student Development, 35 (6), 444-49.
- Clark, M.H., & Cundiff, N.L. (2011). Assessing the effectiveness of a college freshman seminar using propensity score adjustments. *Research in Higher Education, 52* (6), 616-639.
- Hendel, D.D. (2006). Efficacy of participating in a first-year seminar on student satisfaction and retention. *Journal of College Student Retention: Research, Theory & Practice, 8* (4), 413-423.
- Hoops, L.D., Yu, S.L., Burridge, A.B., & Wolters, C.A. (2015). Impact of a student success course on undergraduate academic outcomes. *Journal of College Reading and Learning, 45* (2), 123-146.
- Strumpf, G., & Hunt, P. (1993). The effects of an orientation course on the retention and academic standing of entering freshmen, controlling for the volunteer effect. *Journal of the Freshman Year Experience*, 5 (1), 7-14

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Printed on 03-29-2024

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