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By Kelly Rapp

Merit Scholarships:

Are High School Counselors' Perceptions Aligned with University Practices?

Abstract

As a college degree is becoming a necessity for later earning a steady living, tuition rates are rising rapidly. Fortunately, the availability of merit-based scholarships is increasing, yet little research has been done on scholarship-awarding practices. Determining whether high school counselors accurately perceive awarding practices is an important step in determining how they can best advise students how to achieve these merit awards. This study compares the scholarship-awarding processes reported by 18 university scholarship personnel at selected four-year, public universities in seven Midwestern states with 122 high school counselors' perceptions of these processes.

Participants completed a survey in which they rated statements and ranked factors regarding the scholarship-awarding process. Analysis of the data indicates that universities rely on academic factors statistically significantly more than on extracurricular involvement or other chance variables when awarding merit scholarships. The high school counselors have an accurate perception of the order in which these factors are considered; however, the elevated amount of importance attributed by counselors with the non-academic variables is misaligned with university practices.

The need for a college degree is becoming increasingly important for ensuring future economic security. However, the cost of tuition is rising drastically, to above rates most families can afford. Therefore, it is critical for students to know how to access every type of tuition aid possible. The awarding of merit, or non-need based, scholarships is on the rise, and students need to accurately prepare themselves to be probable candidates for such aid.

High school counselors are one of the best sources for transmitting scholarship information to students, serving as conduits between the parties awarding the money and the prospective recipients of this aid. However, there is no formal mechanism through which counselors are made aware of which factors universities consider when making award decisions. This study investigates the potentially detrimental gap between university practices and the advice given to students by their high school counselors.

Background

Education level is the single most important factor influencing level of income (Council for Aid, n.d.). According to the latest Current Population Survey by the U.S. Census Bureau, average earnings in 2002 increased with each education level: the average worker with a high school diploma earned $27,280 annually, whereas the average annual income for a bachelor's

Table 1
High School and Counselor Demographics

	Average Size of high school	Average years of counseling experience	Gender		Ethnicity
			M	F	
Large	1167.19(505.91)	13.84(8.50)	23	41	Caucasian = 92.2% missing = 7.8%
h = 55					
c = 64					
Small	205.91(123.36)	12.17(8.57)	22	32[a]	Caucasian = 84.5% missing = 15.5%
h = 56					
c = 58					
Total	710.19(610.56)	13.05(8.54)	45	73[a]	Caucasian = 88.5% missing = 11.5%
H = 111					
C = 122					

Note. Standard deviations are in parentheses. h/H = number of high schools. c/C = number of counselors.
[a]Four counselor responses from small high schools omitted gender information.

degree holder was $51,194 (Stoops, 2004). This wage differential between education levels has been increasing over the last two decades (Scurry, 2003), and the Commission on National Investment in Higher Education predicts that the salaries of the highest paid workers will continue to rise with inflation while the salaries of lower-paid workers will decrease drastically by the year 2015. The only way to reduce this widening gap, the Commission states, is by improving the education of all Americans (Council for Aid, n.d.).

As the college degree is becoming essential, college tuition is skyrocketing—creating a paradox in which students need to have money in order to make money (Scurry, 2003). In the 2003–2004 academic year, the price of tuition at four-year, public colleges increased by the highest percentage in 30 years, rising faster than inflation (Farelle, 2003). If tuition increases at current rates, by 2015, only half of the students who wish to pursue higher education will not be able to afford it (Council for Aid n.d.). Often, colleges are raising fees only for incoming students (Hebel, 2001), exacerbating the barrier tuition poses on access to a college education.

An accompanying trend is the decrease of available need-based financial aid (Farelle, 2003). However, many state universities are devoting more resources to providing merit-based aid (Farelle, 2003). From 1982 to 1999, state spending on need-based scholarships increased 7.3 percent annually while spending on non-need, or merit, scholarships increased 12.7 percent annually (Heller, 2000a). The percentage of state grant dollars allocated for merit-based awards increased from 10 percent in 1993 to 24 percent in 2003 (Farelle, 2003).

Since merit-based scholarships do not have to be paid back, they are an effective lure with which universities attract high-quality students. However, students from middle- and upper-income families traditionally receive the majority of merit-based grant money (Farelle, 2003), potentially placing lower-income students at a disadvantage (Scurry, 2003). Students from low-income families are less likely to be informed about financial aid opportunities than their peers (U.S. Department of Education, 2003), as their parents often have little or no experience with applying to college (Krueger, 2003). In 1999, the National Household Education Surveys Program revealed that the likelihood of having knowledge about college costs increases as income level increases; therefore, students who can least afford college know the least about what it costs to attend (Horn, 2003).

With the increasing cost of tuition and the rising importance of a college degree, students are in need of financial assistance. Now that universities are providing more merit-based aid than ever before, it is critical that the students seeking these awards are properly advised on how to obtain them. High school counselors, through their experience with the college and scholarship application processes, provide this link from secondary school to college (Krueger, 2003). In its *Steps to College* newsletter, the National Association of College Admission Counseling (NACAC) states that one of the most important resources in the college search is the guidance counselor (Gross, 2000). However, there are no formal mechanisms for sharing the factors that influence university scholarship awarding practices with the high school counselors in order to ensure that students are receiving accurate information.

Despite the abundance of merit aid available, little research has been done on the awarding practices of the institutions that provide this aid. Some studies have summarized the characteristics of students who receive merit awards (Heller, 2000a, 2000b; McPherson and Schapiro, 1998; Reindl and Redd, 1999), and one study reported academic achievement as being

Table 2
University and Admission Personnel Demographics

Average enrollment of institution	Average amount of aid each year	Average years of experience	Gender		Ethnicity
			M	F	
16,329.94	$2.8 million	7.61(6.82)	4	13[a]	Caucasian 77.8%
Minimum 5,400	Minimum $350,000				Missing 22.2%
Maximum 30,000	Maximum $8 million				

Note. There were 18 institutions in this sample, and only one response was received from each. Standard deviations are in parentheses.
[a]One respondent failed to provide gender information.

influential in awarding merit scholarships (McPherson and Schapiro, 1998)—although a decreased importance in this dimension has recently been observed (Heller, 2000b). For the most part, however, the research does not specify the decision processes used by the universities in awarding merit-based scholarships or the advice that students are being given for preparing their scholarship applications.

The purpose of this study is to determine the degree of alignment between the factors that influence scholarship awarding decisions at the universities and the high school counselors' understanding of these practices, which influences the advice given to their students on how best to prepare to receive the merit awards.

Method

Participants

One hundred and twenty-two counselors from both large (over and including 500 students) and small (under 500 students) high schools in Kansas participated in this survey research design. This number represented a response rate of 76 percent, or participating counselors from 114 out of the 150 randomly selected high schools. Additionally, admission and scholarship personnel from 18 out of the selected 20 four-year, public universities within Kansas and six neighboring states, that are the most popular with Kansas high school graduates (ACT, 2000; Institution of Attendance, n.d.; Kansas Public High School Graduates, n.d.), completed the survey. Descriptions of the high school and university samples are in Tables 1 and 2.

Instrument

The researcher developed a short survey to measure the importance of academic factors, such as grades and standardized test scores, and non-academic factors, such as extracurricular involvement and state residency, in awarding merit scholarships. The surveys for both high school counselors and university scholarship personnel contain identical items; only the instructions, demographics requested, and selected pronouns were changed in the latter.

In the first section of the survey, the participants were asked to rate the importance of 14 different academic and non-academic factors on a scale from one (not important) to five (very important). In section two, high school counselors and university officials rank the top three most important and the bottom three least important factors considered or thought to be considered when determining awards. The third section presented 10 statements about scholarship awarding practices in general and asked the participants to rate their level of agreement with the statements on a scale from one (strongly disagree) to five (strongly agree). Section four collected descriptive information about the subjects and their institutions, and section five allowed room for additional comments. The entire survey took from five to 10 minutes to complete.

Data from the 14 factors in section one were grouped using the statistical procedure principal components analysis (results are presented in Table 3). The results of this grouping yielded three interpretable factors. The first factor was made up of variables that exhibit a student's involvement in the school and community, as well the impression he makes on others as evidenced by his essay, interview and personal recommendations (subsequently referred to as Personal Qualities). Characteristics of a student that are due more to chance, such as alumni connection or ethnicity, made up the second factor (Chance Variables), and the third factor was composed entirely of academic variables (referred to as Academics). Personal Qualities accounted for 21.7 percent of item variance, Chance Variables for 16.7 percent and Academics for 15 percent.

Researchers meaned importance scores for each factor by assuming equal intervals between responses and computing the mean rating across variables in each factor. They reduced data to these three factors to more clearly assess and interpret the results.

Table 3
Correlations between Scholarship Awarding Variables and the Scholarship Factors

Factors			
Variables	Personal Qualities	Chance Variables	Academics
Personal Quality Variables (a= .76)			
Leadership in activities	.84	-.16	.13
Community service	.82	-.03	.02
Personal essays	.70	.09	-.02
Letters of recommendation	.67	.42	-.07
Number of activities	.65	-.02	-.09
Personal interview	.41	.40	-.41
Chance Variables (a= .67)			
Alumni connection	.04	.77	.22
Academic major	.13	.71	-.13
State residency	-.18	.64	.05
Ethnicity	.09	.55	.42
Academic Variables (a= .59, excluding state assessment scores)			
GPA	.18	-.02	.76
ACT/SAT scores	-.09	.20	.68
Class rank	.05	.32	.60
State assessment scores	.19	.17	-.51

After establishing the groups for section one, frequency data was obtained for the rankings in section two. Sections three and four required no further manipulations, and the comments in section five were tallied and grouped with others that shared similar opinions. Tables 4–8 present the results of the statistical analyses that were applied to the survey results.

Discussion

According to the four-year, public universities in this study, academic variables carry the most weight in the scholarship application process, statistically significantly more than personal qualities or any other chance variable. Specifically, university personnel ranked GPA, ACT/SAT scores and class rank as the three most important variables and number of extracurricular activities as the least important variable considered when awarding merit scholarships.

High school counselors have an accurate understanding of this order of importance, also listing ACT/SAT scores, GPA and class rank as the top three most important variables. There is no statistically-significant difference in the importance they give or perceive to give to academic variables between the two samples. Additionally, the correlation between each sample's mean importance ratings of all 14 variables is statistically significant, indicating agreement on the order of importance of all factors.

However, when the individual variables are grouped into three categories (Academics, Personal Qualities and Chance Variables) and compared across samples, high school counselors attribute statistically significantly more importance to Personal Qualities and Chance Variables in the scholarship awarding process than are university personnel. This discrepancy may lead to inaccurate advising as counselors overemphasize personal qualities such as essays, letters of recommendation and extracurricular activities rather than advising students to focus on the academic variables shown to be highly effective in winning scholarship money.

Although the high school counselors recognize that admission officers give academic variables the most importance in awarding decisions, the comments received indicate dissatisfaction with this practice—the counselors believe that too much emphasis is placed on ACT/SAT scores, GPA and class rank. Academic rigor—specifically the degree of difficulty of a student's high school schedule, defined in part by the number of honors or advanced placement classes in which he or she is enrolled—should be considered when looking at the other academic variables, according to many respondents. Perhaps the elevated importance the counselors placed on non-academic variables, relative to actual university practices, reflects a desire to see these characteristics given more weight in the scholarship-awarding process.

Many of the counselors believe that all universities have different criteria for awarding scholarships and find it difficult to accurately advise their students when the varying criteria are often not publicized. Indeed, two comments from the university personnel support the notion that it is difficult to generalize the criteria because their processes are so varied. Although the responses to the survey may reflect the least common denomina-

Table 4
Independent-Samples t Tests for Scholarship Factors by Size of High School

Factor	Means		df	t	Cohen's d	p
	Small	Large				
Academics	4.64(.479)	4.51(.573)	120	1.4	.25	.164
Personal Qualities	3.65(.561)	3.49(.638)	120	1.5	.27	.135
Chance Variables	2.97(.846)	2.85(.816)	120	.74	.13	.462

Note. Standard deviations are in parentheses.

Table 5
Differences among High School Counselor's Ratings of Scholarship Factor Importance

Factor	M	SD	Academics	Personal Qualities
Academics	4.58	.5232		
Personal Qualities	3.58	.6015	*	
Chance Variables	2.91	.8303	*	*

Note. (*) = significance using the Bonferonni approach

Table 6
Differences Among University Personnel's Ratings of Scholarship Factor Importance

Factor	M	SD	Academics	Personal Qualities
Academics	4.43	.5460		
Personal Qualities	2.75	1.018	*	
Chance Variables	2.11	.7584	*	NS

Note. (*) = significance using the Bonferonni approach.
NS = nonsignificant differences.

tor of university practices and not the full range of scholarships available, the counselors in this study can best-prepare their students to be successful award candidates by placing the most emphasis on grades and ACT/SAT scores and decreasing the emphasis on other variables that are significantly less important to universities when awarding merit scholarships.

The lack of a formal mechanism for communicating scholarship criteria to the high school counselors combined with the possible influence of personal opinions when advising may be affecting the accuracy of information provided to the students in this sample, preventing them from maximizing their potential to receive this essential merit aid. A gap exists between the actual importance given to Personal Qualities and Chance Variables by the universities and the elevated importance of these characteristics perceived by high school counselors. If such misalignment between university practices and high school counselors' perceptions exists in this regional sample, it is possible that high school students in other parts of the country also are not receiving crucial information that will prepare them to be competitive for merit awards.

Recommendations

The response rate of 76 percent of high schools suggests that there may be sufficient interest to warrant future research on this topic as the need for accurate advising on receiving merit aid increases. High school counselors rather than high school students were studied in a top-down approach to this issue; a future study might survey high school students to investigate the communication between counselors and students.

Additionally, in *Going to College*, Hossler, Schmit and Vesper (1999) found that parental encouragement is the most significant influence on the college decision process. Therefore, it might prove beneficial to know if parents understand the scholarship awarding practices of universities and colleges.

As a college degree becomes a necessity, it is imperative that all students have access to postsecondary education. Therefore, high school counselors must be properly informed of the methods for affording college, especially the increasing availability of merit scholarships. There should be no gaps between what students are being told and what is taking place at universities. The scope of this study is narrow and only capable of being generalized regionally. Therefore, in order to broaden the relevance of the discovered trends, researchers should sample populations from across the country and from all types of institutions of higher education that award merit scholarships. Future research that aims to develop a more comprehensive picture of the scholarship awarding processes may help facilitate effective communication among universities, high schools, parents, and students, allowing merit aid for postsecondary education to be accessible to all.

Table 7
Scholarship Awarding Variables Receiving the Highest Percentage of Each Importance Ranking by High School Counselors and University Scholarship Personnel

	Most Important					Least Important
	1	2	3	4	5	6
High School Counselors						
ACT/SAT scores	48.8%					
GPA		37.3%				
Class rank			21.9%			
Alumni Connection				22.0%		
Alumni Connection					36.7%	
State Assessment Scores						52.9%
University Scholarship Personnel						
GPA	55.6%					
ACT/SAT score		50.0%				
GPA			20.0%			
Class rank			20.0%			
Leadership in activities			20.0%			
State assessment scores				23.1%		
State residency					23.1%	
Alumni connection						29.4%

Table 8
Independent-Samples t Tests for Scholarship Factors by Type of Institution

Factor	Mean		df	t	Cohen's d	p
	High Schools	Universities				
Academics	4.58(.523)	4.43(.546)	138	1.12	.28	.263
Personal Qualities	3.58(.602)	2.75(1.02)	18.8	3.36*	.85	.003
Chance Variables	2.91(.830)	2.11(.758)	138	3.87*	.98	.000
Note. Standard deviations are in parentheses. *p < .01						

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