NEW data reveals a moderate correlation between enrolment growth and student attrition, but no national crisis.

Since 2008, the commencing bachelor student cohort has grown 38 per cent while the attrition rate has risen from 17.9 per cent to 19.5 per cent. But this general trend masks large variations between institutions.

Some universities have grown massively over the past five years, yet have been able to hold retention rates stable. Others have even increased both enrolments and retention rates.

Meanwhile, regional universities continue to languish, losing students who transfer to higher-status institutions while many more leave the sector altogether.

At the extremes, those universities that embraced massive online growth in the demand-driven system have suffered the consequences of too-fast growth with high dropout rates.
The data reveals many success stories of the demand-driven system. Australian Catholic University has more than doubled its numbers since places were uncapped, yet its retention rate has fallen less than 1 per cent.

RMIT, La Trobe and Deakin universities have managed to grow and increase retention rates. It shows attrition depends on how student growth is managed within institutions, and where the growth comes from.

Common curriculum models have raised some retention rates by promoting student collaboration and social interaction. La Trobe’s rise in retention coincides with the development of a common first-year curriculum, while course consolidation at Melbourne University has contributed to the best retention rate in the nation. Other universities have used federal funding to help disadvantaged students via mentoring programs, academic analytics and student services.

Universities such as Queensland University of Technology now have extensive early warning systems that identify students at risk of failure. Anyone who fails to attend a tutorial or complete an early assessment will usually receive a call and offer of support.

For others, expansion and retention have proved unhappy bedfellows. Regional universities have grown, but attrition rates remain much higher than average. Many students transfer — at the Sunshine Coast, 8 per cent of students move after their first year. Such mobility will likely increase if deregulated fees are introduced.

Yet many more students withdraw from the sector altogether. At James Cook and Charles Darwin, more than one in four do not make it to second year. High attrition is often the direct result of low academic preparedness.

Expanding sub-degree pathways may help bridge the knowledge gap; ongoing outreach to regional schools is also required to raise achievement at the lower levels of education.

And then there is Swinburne. Like ACU, Swinburne has more than doubled enrolments since 2008. Unlike ACU, the retention rate has plummeted 7 per cent. The reason behind this slump is the nature of the growth. Most of Swinburne’s expansion is online, and stems from its much-vaunted partnership with SEEK. This partnership attracts many mature-age students, and a quarter are from low-socioeconomic and regional backgrounds.

The model has broadened access to disadvantaged students and fulfilled an important equity role. And, while Swinburne attrition has risen sharply, it is now in line with UNE and CQU, two other universities that rely on online enrolments.

The question is whether an undergraduate attrition rate of 27 per cent is acceptable for online delivery. Higher online provision will mean growth in access and attrition, which sounds costly for individuals and the government.

Despite variability, the government does not need to reward or punish universities over attrition rates — the cost of losing a first-year student is more than $20,000 and will only increase over time.
If fees rise further, prospective students may look more closely at attrition rates when deciding which institution to preference.

Government priorities could instead include raising achievement at school level, increasing pathways and student support, maintaining equity funding and improving data collection and communication. The adjusted attrition rate, which captures student mobility, could be used more widely than the traditional institutional measure.

There is no emergency, with only 13 per cent of commencing students withdrawing from the sector altogether. Much attrition is caused by factors beyond control, such as personal reasons.

Not every flower is blooming in the demand-driven system, but variability exists by design. Some universities are growing faster, but some are also growing smarter.

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