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The Student Consumer: What does adding a price tag to your postsecondary degree do for you?

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*The Student Consumer: What does adding a price tag to your
postsecondary degree do for you?*

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Submitted in Partial Fulfillment
of the Requirements for
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Thesis Summary

The topic of this thesis came to me after two experiences: 1) a journey to Bayreuth, Germany with two of my best friends and 2) watching the documentary *Ivory Tower*, which focuses on the changes in cost over time in the United States' higher education system. I am fascinated with Student Affairs, specifically International Student Affairs. I hope to pursue a career in Higher Education and am continuing on to obtain a Master's degree in Higher Education, Student Affairs at Virginia Polytechnic Institution while working for their Cranwell International Center. As a Marketing major, I was able to recognize how universities in the United States' market to students and try to increase attendance by offering better resources, such as Student Affairs, while increasing the costs of tuition and fees.

The first section of this paper delves into the history, prevalence, and cost of higher education in the United States. It begins with a detailed history of the development of the notion of Student Affairs. I focused on four year public postsecondary colleges and universities for my studies, since these are defined as being "publicly" funded, much like the tertiary schools in Germany are. It goes on to discuss how public four year universities break down financing and how they bring in revenue (mainly from tuition fees) and what this means for the resources they can offer students. I also connected student and academic support systems to show how they are related.

The second section of this paper gives an overview of German public higher education. It begins with how the organization of primary and secondary education contributes to the lower number of postsecondary degrees (compared it to our primary and secondary levels). I also discussed limited German Student Affairs and how 100% state-funded postsecondary education

for students leads to fewer resources being provided for student success. I end with a conclusion section to establish the differences between each country's higher education systems and provide some of my own recommendation based on what I read.

I found most of my data from the National Center for Education Statistics (NCES, n.d.), the Organization for Economic Co-operation and Development (OECD), and the Integrated Postsecondary Education Data System (IPEDS). I also utilized a variety of literature and sources to pinpoint trends and beliefs about how each country funds public postsecondary study and pros and cons to each method.

Introduction

In the United States, most of the culture is centralized around focusing primary and secondary education on preparing students for higher education. Attending college has become much more commonplace, even since the 1950s, and jobs that used to be obtainable without one now require them in a new concept known as “degree inflation”. An article in the New York times states, “The college degree is becoming the new high school diploma: the new minimum requirement, albeit an expensive one, for getting even the lowest-level job. (Rampell, 2013).” Some lower-level entry occupations, such as secretaries or file clerks, now require a postsecondary degree, contrast to how it was in the past. Primary and Secondary Educational course curriculums in some states are set up to prepare children for postsecondary education and fail to provide an equal or even similar amount of vocational and experienced-based skills and resources. A belief is stimulated in many students that that in order to get a ‘good’ job (i.e. high paying, good benefits, desirable), they must to further their education (“Ivory Tower). However, college is not a route that is necessary for everyone, nor is it necessary to obtain a “good job”.

With focus shifted towards higher education preparation, primary and secondary students

may be limited in some resources and opportunities for occupational preparation that would not require further education, but depend rather on skills and practice in the field. According to Michael Banger of MDRC (formerly known as the Manpower Demonstration Research Corporation prior to 2003), “Surveys consistently show that many high school graduates do not meet employers’ standards... in employability skills such as attendance, teamwork and collaboration, and work habits.” He suggests that some students in high school, especially those who either know or show signs of not continuing education, need more skill and experience-based learning, such as internships and apprenticeships or courses that teach technical and vocational skills (Banger, 2008). In an economy that is mainly information-based, the United States’ primary and secondary education system needs to be able to prepare youth that may not need to pursue a college degree for a variety of occupations, not just to prepare for the higher rigor of college courses.

Americans are provided free education funded by the state from kindergarten to 12th grade, but are charged to attend higher education institutions. This makes attending postsecondary institutions a privilege, despite the mentality for some that a higher education degree is necessary for an increasing amount of careers. Even though public universities are “state-funded”, only about 33.3% of higher education revenue per state comes from the government. The rest comes mainly from student fees and tuition (Bogue, 2000). Lower and higher education systems have to compete in each state for its financial resources. Another variable: each state has a different amount of money to expend to education based on state generated income taxes. In example, some southern states with lower average income levels overall or in the majority of counties have less resources than northeast states.

A concept that is mainly unique in institutions in the United States comes from the need

to bring in more funding through tuition and fees: marketing to students. Colleges and universities now compete with each other to bring in the most students, using this revenues to improve the quality and variety of certain facilities and affairs offered to them. The variations in what resources they can offer students give each higher education institution competitive advantages. From benefits such as academics, athletics, student affairs, and facilities, each institution provides something different and advantageous to others. On another note, spending for universities has increased, while state funds have decreased. With less public funds in institutions' budgets, students are paying a much larger share in order to finance these benefits, based on numbers provided by the National Center for Education Statistics.

Providing students with more resources in order to compete with other universities requires more revenue, and the cost of tuition has risen due to this reason and the basic concept of supply and demand. Students are willing to pay this amount in return for a good academic experience and eventually a degree. Thus, the student is treated as a consumer, and the original purpose and values of higher education seem to be watered down. The knowledge from a tertiary degree is no longer at the forefront; it is no longer enrichment. Instead, knowledge becomes wrapped up in an industry, overshadowed by other components of American institutions. Knowledge becomes a much more expensive good, and academics are no longer the main reason students choose a school. This is especially the case in four-year public degree-granting postsecondary institutions, as they strive to draw in more students and revenue in order to keep functioning. According to the National Commission on the Cost of Higher Education, there has been concern that “the price of college (what students and their families are charged and what they pay) [is] rising faster than the cost of college (what an institution spends to provide education and related educational services to students)” (Bogue, 2000). Some of this increase in

cost comes from the monies spent on marketing to students in a variety of ways.

So how exactly can a student benefit from the increase in tuition fees? There are many advantages for the paying student, the customer, with the shift of focus for universities towards building up facilities, instructional resources, and student support systems to attract more students, as mentioned above. Resources at four year public institutions are more available to students, including: Student Success Centers that provide tutoring and other great support systems, Career Centers that provide aid in job search processes, and Residence Communities that allow students to connect and transition into a college career. These fall under the umbrella of Student Affairs, which are student support services and resources managed separately (though there is overlap) from the instructional and academic side of a university. Institutions can afford to fund more entertaining facilities, such as athletic events and sports and campus wide activities. Students find themselves able to engage in a wide variety of organizations and activities such as intramural sports, professional clubs, and social groups.

In contrast with the rest of the world, Student Affairs at public universities are much more prevalent in the United States. Other countries are making efforts to begin and/or improve resources offered to students, introducing the concept more and more. One nation that has very limited exposure to the concept of Student Affairs is Germany. They focus mainly on providing instruction for a smaller number of students and research resources. This could be because the higher education is paid for by the state, which removes the student from being the consumer. In order to compare how a student can benefit from being charged tuition fees as opposed to being provided free postsecondary education, this paper will compare the US's public postsecondary education system to Germany's. Before looking at Germany's higher education institutions and free public education, however, the history, financing, and resources in the United States' 4 year

higher education institutions will be analyzed.

United States' Higher Education and Student Affairs History

The number of postsecondary schools in the United States has increased tremendously since the foundation of the nation. In 1700, there were only 2 higher education institutions. By 1950, there were almost 2000, and by 1998, there were over 4000 (Bogue, 2000). Since the establishment of Higher Education Institutions in the United States, much of the administration and resources available on the American college campus have been increased and transformed. One major change to note is the development of the concept of “Student Affairs”, which formulated from the original idea of provided resources in these institutions, which were simply under a category of “Academic Affairs”.

In the earliest years of American Higher Education, faculty and staff were the ones creating rules and resources for students to use *in loco parentis*, or “in place of a parent”, which allowed them to establish these regulations (Long, 2012). Residential colleges were formed in order to provide students with food and housing during their studies, which created a need for regulations, during colonial times (LaGuardia, 2010).

Land-grant institutions were created through the Morrill Act of 1862, which stated that each state would provide 30,000 acres of public land. It also framed that 90% of this land must be sold to fund or be utilized for public institutions in an effort to boost agricultural and mechanical education. This brought about major change within the realm of higher education, as studies began to include a focus on applied learning and other education outside of simply classical studies (Lightcap, n.d.). It also created a bridge between American government and higher education, providing direct financial support to institutions.

Around the mid-1800s, Higher Education institutions in the United States became

drastically impacted by the structure of European universities, and especially began to function similarly to German models. The mentality of faculty shifted to focus on training students' intellectual capabilities, rather than just the regulatory approach of providing informational instruction. Attendees of these institutions grew in knowledge and went on to eventually earn doctoral degrees. Faculty began to delve deeper into the scholastic side of higher education by increasing scope and depth of knowledge provided and by focusing in on specific intellectual subjects, which shifted their mentality away from strictly mentorship and regulation (Long, 2012). Though very prestigious institutions were formed in colonial times, it was not until about 1890 that they started using their legacy and reputation in order to appeal to students. As admissions became more competitive and the amount of attendees rose, the need to attract more prospective students led universities to strengthen the focus of their educational mission on the prestige and experience (Thelin, 2011).

In "A History of American Higher Education", John Thelin discusses the fact that with the transition back to focusing on colonial prestige, higher education institutions began "preserve antiquities". This included components such as buildings and historical site preservation on these campuses, used to benefit enrollment and reputation. Between 1890 and 1960, these colonial institutions began to emphasize facility renovation, showing a tilt in appealing to the student as the consumer. It went further than just buildings, however. For example, the College of William and Mary, in the 1930s, began to catalog historical documents associated with the institution and attempted to draw in greater appeal based on historic esteem. This colonial revivalism also worked in institutions' favor to draw in economic support from legislators. This focus on the past also established a focus on historic academic integrity and standards (Thelin, 2011).

The shift into a more scholastic approach by faculty caused students to build their own

organizations and other extracurricular activities in order to enhance their experience through programs outside just that of their studies. Some of these activities included Greek organizations, subject focused societies, student resources such as publications, and sport and social clubs. With these organizational establishments, a divide between faculty regulation of the students and student regulation of their own extracurricular activities formed and eventually caused almost complete elimination of faculty involvement in student mentorship, discipline, and outside of the classroom development. Students formed their own rules on campus for these organizations, which began to change around the 1920s. Student Personnel Administrators were introduced through “deans of men” on Harvard and other land grant institutions’ campuses in order to hold conduct meetings and create accountability for students to abide by the universities’ missions and rules. “Student Affairs” type resources had begun to emerge as well. Student Health services, basic advisor-like staff members, and deans with specific functions were established. The Student Affairs profession core values were established with a report from the American Council on Education, the *Student Personnel Point of View* in 1937 (Long, 2012).

After the GI bill was passed by President Franklin Delano Roosevelt in 1944, college became an exponentially higher pursued route. The GI bill paid for veterans’ tuition and provided a stipend to cover living expenses while in school. It was passed in order to enable veterans to afford higher education and ensure their employability after returning from the war. Thousands of soldiers took advantage of this, since it made attending college possible. The increase in attendance to higher education institutions was dramatic (Rossi, 2014). When baby boomers began to attend college in the 1960s, a huge growth in enrollment in higher education occurred, putting pressure on states to compete and provide better opportunities for students. As more of a push to provide students with better resources and facilities, a need for an increase in

funding came about. This led to universities seeking more public funding from state government. As time went on, due to recessionary periods, federal mandates, legal changes dealing with equity in public school financing, states had to cap how much they could contribute to universities (Bogue, 2000).

The cost of college kept increasing, but the state funds did not. To afford these expenditures, colleges began boosting the price to attend for students (Bogue, 2000). Student Affairs became less about discipline and more about providing educational support for students around 1960 (Long, 2012). Over more recent years, the number of students attending postsecondary institutions has grown exponentially. In the next section, numbers and trends of the United States' Higher Education system will be introduced to gather a better understanding of how attendance and funding has changed overtime.

United States Education Enrollment and Funding

An estimated 20.5 million United States students were enrolled in postsecondary schools in fall of 2016 (NCES, n.d.). 40.5% of United States citizens between the ages of 18-24 were enrolled in postsecondary education, and 29.9% of all US students aged 18-24 were enrolled in 4 year institutions (NCES, n.d.). There are over 31.5 million people aged 18-24 in the United States, and 12.0 million college students under the age of 25 were enrolled. (NCES, n.d.). As of 2015, there are over 8,257,300 undergraduate students enrolled in a public 4-year postsecondary level institution in the United States. In 2014, ~72.3% of the students in this group attended classes at a no distance level, meaning they were on the campus physically. According to the same graph, in 1976, college enrollment was only half of the current amount, approximately 4,892,900 (NCES, n.d.). This means that enrollment nearly doubled in 40 years, while the population only went from 218 million to about 318 million, of which includes all US citizens (not just those in

the average age group of college attendees, ages 18-25).

There are over 710 four-year public higher education institutions in the United States, as of 2016 (NCES, n.d.). Cost of all expenses (tuition, fees, board, and other campus resources, such as academic support and student health service) for students to attend four year public institutions in-state on average in 2014 was reported as being about \$18,632. In current dollars, the cost for all these expenses in 1963 was \$929. By 1989, costs had increased to \$4,975, by 1999, had jumped to \$8,229, and by 2009, had risen to \$15,036 on average (NCES, n.d.)

Expenses for universities are broken up into 11 categories according to the Integrated Postsecondary Education Data System (IPEDS), which includes: Instruction, Research, Public Service, Academic Support, Student Services, Hospital Services, Independent Operations, Institutional Support, Auxiliary Enterprises, Scholarships and Fellowships, and other expenses. The main expense categories associated with Academic and Student Affairs are Student Services, Auxiliary Enterprises, Institutional Support, and Academic Support resources. Keep in mind that every institution may associate certain support and resources differently in terms of finance. Also note that these numbers are just an average taken from a variety of 4 year public postsecondary institutions, and there is variation between regions and even states in the United States in terms of funding and resources.

Student Services, according to IPEDS, is an expense associated with resources such as admissions, the registrar, activities that benefit student well-being (both emotionally and physically), student health services, cultural and social events, student media organizations, intramural sports, organizations, and supplemental instruction. Auxiliary Enterprises could be associated in some universities as being student affairs, since it covers residence halls, food and health services, intercollegiate athletics, and student unions. Some components of Institutional

Support expenses in certain institutions deal with general administration, management of personnel and employees, and space management, which could place this financial category under the umbrella of student affairs. Academic Support is anything outside of academic instruction that improves academic success for students, including activities and services that support a university's mission of research, instruction, and public service. Some examples include libraries, museums, galleries, deans for specific resources, colleges, and departments on campus, demonstrations in classrooms (i.e. health sciences and nursing demonstrations), technology, and other academic personnel that does not fall into instructional employment (NCES, n.d.).

In total, an estimated \$270,184,915 in expenses for postsecondary 4-year public institutions was reported by IPEDS in 2015 (based on 698 institutions). Of these expenses, an estimated \$13,128,497 went towards Student Services, \$27,752,967 went towards Auxiliary Enterprises, \$23,511,961 went towards Instructional Support, and \$22,636,700 went towards Academic Support. In total, this means that about \$87,000,000 for potential student affair related benefits and resources. Total revenue from tuition and fees, government allocations, investments, auxiliary enterprises, and other, equaled about \$278,990,106 for 2015 for degree-granting public 4 year postsecondary institutions (NCES, n.d.). Again, on average about 33% of 4 year public institution funding comes from the state governments, meaning that the rest must come from students or outside funding. This percentage varies state to state, since states have to choose how to allocate public funds between lower and higher education resources and every state has a different amount of taxes and cash to put towards these public school systems.

As evident from the financials above, American universities must consider all of their expenditures as transactions. Public postsecondary institutions are focused on bringing in as

much revenue to fund faculty and staff, research, outside support and to continuously improve what they are offering students. In doing so, they are partially acting as companies, striving to bring in more revenue. In order to get the highest amount of income from the paying student, they market and advertise to potential students, attempting to offer the best deal and selling themselves on benefits such as student affairs resources, big time athletic teams, and top quality facilities (i.e. student recreation centers). In a sense, higher education is an industry and defines students as the consumer in order to draw in enough revenue to continue funding the competitive advantages each university offers. In regards to the institutions' business-like operations, Associate Director for the Office of Student Activities at Syracuse University, Kerry Foxx, states, "Functional units within Student Affairs operate like small businesses or nonprofits that function independently from one another" (Foxx, 2013).

Student and academic affairs alike are decentralized from the main funding and management of these universities. Like mentioned previously, school functions a little differently in terms of their relationship between Student and Academic Affairs. Some utilize many partnerships between offices and departments and work to collaborate in different areas, whereas others try to separate them (Foxx, 2013). For example, Virginia Polytechnic Institute's student success services, known as the Student Success Center, is classified as an academic affair, while the University of South Carolina's Student Success Center is under the financial and organizational umbrella of student affairs and gets funded mainly through income from students' housing fees. Foxx also referred to this collaboration between student and academic affairs as a scope, since each university each office and department partners resources differently. For example, if an Office for Multicultural Affairs at a postsecondary institution collaborates with the college's Business school to provide a Diversity and Inclusion event, Student Affairs and

Academic Affairs are conjoined. Sometimes, it is difficult to define all the ways these resources are intertwined and connected, blurring the line between the two (Foxy, 2013).

According to Richard Keeling, the author of *Learning Reconsidered 2: Implementing a Campus-Wide focus on the Student Experience*, in order to understand how to differentiate the two, you must be able to examine and reconsider “ideas, policies, and actions that emphasize or reinforce the division of campuses (and learning) into completely segregated cultures (the proverbial two sides of the house)” (Keeling). Technology has been important in enabling easier communication between the academic and student affairs. With technology, administrators are able perform functions more efficiently, such as advising, consolidating and categorizing student information, and recording and analyzing assessment materials (Foxy, 2013). There is an organization specifically formed to create a bridge in American higher education between these two sectors, known as Student Affairs Partnering with Academic Affairs (SAPAA).

The evident cohesion between academic and student affairs is unique to the United States. Public universities place great emphasis on evaluating how the two correlate and aid students in academic progress through data collection, such as surveys and assessment. This focus on measuring student performance and the relationship between that and the amount of academic and student affair resources there are is important in validating public postsecondary funding.

A dramatic increase in financial investment has been made by students in the United States and it seems that, based on trends, it will only continue to grow. In order to justify the expenditures of postsecondary public institutions, academic success accreditation is put in place, which is linked to the quality and effectiveness of resources being funded. In *Exploring the Heritage of American Higher Education*, accreditation is stated as being used to “devise

standards and review processes that support greater institutional productivity, efficiency, and cost constraint (Bogue, 2000).” Professionally, accreditation is thought of as assurance of other goals for higher education institutions, which include diversity, fiscal efficiency, integrity in operations such as instruction and management, and controlling big-time athletics. The book also states that it is evident that college students in the United States have invested to the extreme in higher education, hoping to gain the best quality education in all areas, not just instruction (Bogue, 2000).

State governments formed commissions that kept account of how finances should be allocated to higher education public institutions. The concept of “Formula Funding” was created in order to be able to establish reasonable needs for higher education institutions, allocate funds equitably, recognize variations in campus operations, and accomplish statewide goals. This formula funding instrument compares costs of instructional activity to level of instruction and credit hour totals.

Many states also use performance funding to decide how to allocate funds. This refers to using criteria for higher education institutions to follow in order to determine how much they should receive annually. Criteria could include alumni and student satisfaction with opportunities and resources offered, programs holding professional accreditation, diversity numbers, and percentages of students passing licensure exams (Bogue, 2000). With all this information, it is important to establish the fact that each state allocation education funding between lower and higher education. After determining the amount necessary for each public primary and secondary school, each state must then determine how to break up funding between institutions. Every state has a different amount to contribute to public education, which also changes the amount of revenue higher education institutions much draw in to support competitive advantages for

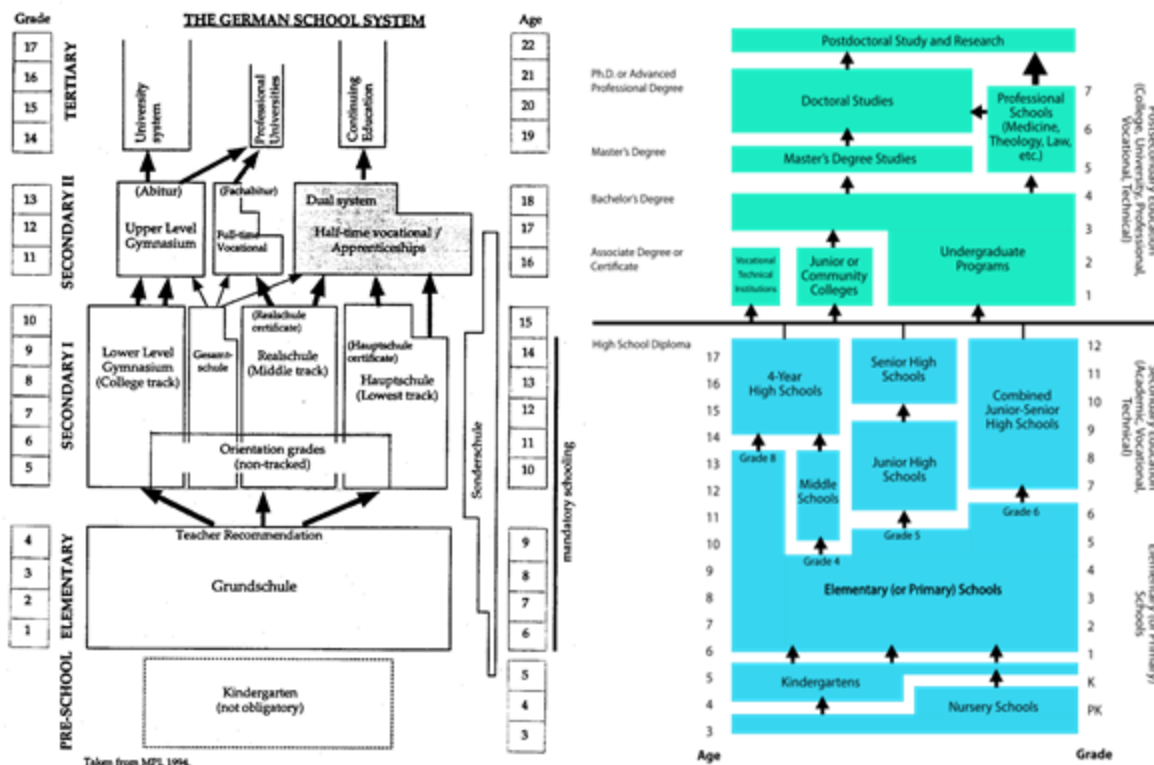
students.

Summary of Higher Education in the United States

With the transition for certain careers in the United States to begin requiring, the level of enrollment in higher education has increased exponentially. After reviewing the history of higher education in the United States and how student affairs developed, it is evident how the student in this country has become a crucial consumer in the higher educational industry. Public postsecondary four year institutions attempt to offer an increasing amount of resources and facilities to draw in more students in exchange for charging higher tuition and fees. In the next section, the German educational systems and the ability for the nation to provide free public postsecondary education to students will be addressed. In addition, differences in what each nation provides for students and focuses funds on, as well as the different resources they are able to offer (i.e. student affairs resources) will be analyzed.

German Education

The public education system in Germany consists of five levels: primary, secondary, upper secondary, tertiary, and quaternary. Each German state, or *Bundesland*, is in charge of providing education to their youth, much like in the United States, and there is a national commission that oversees education throughout the country. However, there is not as much emphasis in postsecondary preparation. Below, I have inserted two diagrams: one shows the levels and division of education in Germany, taken from Bloomsburg University of Pennsylvania, and the other is from the Institute of Education Sciences.



Unlike the United States, Kindergarten is not required as part of the education system curriculum, but is optional. This means that German students are not required to begin school until age 6, however, about 80% of the German population ages 3-6 attend kindergarten. Similarly, in the United States, with the option of preschools before mandatory kindergarten, students can begin attending school as early as around age 3 or 4. Since kindergarten is not required by the German state, this level of education is not directly state-funded. However, if you are a parent in Germany, you get an allowance off of your income tax of at least 184 euros per month per child under 18 (the amount could be higher in some states). This allowance is known as *Kindergeld*, and parents use it typically to put towards sending their children to kindergarten ("Children's Allowance - Kindergeld in Germany", 2016). After Kindergarten, German students continue on to Grundschule, which entails grades first through fifth.

As evident from the pictures above, after Grundschule, students are broken into three

main educational tracks based on a combination of instructor recommendation, a test that they must take, and, in some cases, parents' wishes. These three tracks are known as Gymnasium, Realschule, and Hauptschule. This division determines what track a student will take academically and occupationally, whether it be postsecondary education or preparation of more skill based or vocational routes. In gymnasium, students' curriculums are more academically intensive and they choose a subject route to pursue for their career, i.e. math, science, etc. At the end of Gymnasium, which would be about 12th grade in the United States, students are prepared to take the *Abitur*, which is a very subject intensive test, in order to determine if they can achieve enrollment at a higher education institution. Universities look at a student's GPA and these *Abitur* scores in a very competitive application process. About 30% of the youth population is placed in Gymnasium, but this does not necessarily guarantee them enrollment into universities. A university education is required for professional fields such as medical doctors and lawyers in Germany, but not necessarily required for some jobs in the United States.

About 31% of students are enrolled in Realschule. Realschule, which is considered the middle track, requires students to attend school until the equivalent of 10th grade before receiving a certificate of completion, or the "leaving certificate". Graduates can attend *Berufsfachschule*, which is a full-time vocational school, or *Fachoberschule*, secondary school with a focus on vocational skills. These additional schools prepare students for careers such as nursing, social work, commerce, forestry, technical work, and medical and dental technology. For example, to become a nursery school teacher, an individual must graduate from Realschule and then attend Berufsfachschule to be certified to teach children that age. Sometimes, these additional training and technical schools cost the student money to attend, meaning that this education is not state funded ("Germany-Secondary Education", n.d.).

In Hauptschule, the lowest track, students earn their certificate of completion at the equivalent of the United States' ninth grade. 25% of students are placed in Hauptschule (McDaniel, n.d.). Students can also pursue further education through vocational schools like Berufsfachschule. It is believed that students in this track are not as academically inclined or come from households where academic skills are not as emphasized or supported by parents.

This division in academic level and subject-specific course curriculums opens the discussion on how this early aged placement affects student capability and achievement. Metaphorically, a tree can only spread its roots and grow as big as the pot it is placed in. Placing children in a route at a young age could hinder their capabilities or prevent them from finding a passion in a career they should.

Demographics of the students in each route play a role in which division they are placed in. According to the OECD, 58% of German adults have obtained the same level of education as their parents and only 24% have obtained higher education than their parents, compared to the United States having about 53% of adults with the same level of education as their parents. 55% of German adults in 2012 scored lower than the literacy test level, compared to the average 39% for other countries in the Organization (OECD). There could be limitations for a student to pursue a different educational track than the one their parents did just because of family status alone. Children of parents who attended Hauptschule and have good careers may not be as encouraged to pursue a more rigorous academic route, creating a cycle for Germans.

In comparison to the United States, as evident from the chart displaying the American education system, differences in levels of division are dependent upon how a state or county chooses to organize public education for youth. The concept "No child left behind" stands and no students attending public schools are divided based on instructor recommendation. Everyone is

supposed to be provided the same resources and amount of time in the classroom, and not as much is done to help students develop vocational skills. This is to contrast the Realschule and Hauptschule divisions of education in Germany, which only prepare students to follow such tracks. A wide variety of subjects are required to be covered, with the exception of elective courses that students have the ability to decide on their own. Students pick their own route if and after they complete the secondary education level or earn a G.E.D (General Education Development) ("Education in Germany", 2016).

According to the Organization for Economic Co-operation and Development, in 2012, 31% of young people in Germany were estimated to graduate with a tertiary degree. Germany was ranked as the 29th highest country in percentage of population between ages 25-34 with tertiary education attainment, compared to the United States' ranking of 14. There are over 100 state-funded universities (*Universität*) in Germany and about 170 applied sciences universities (*Fachhochschulen*). Applied sciences universities focus more on practice-based learning, such as programs for business, social sciences, or technology. There are also about 50 state-funded colleges of art, music, and film ("Higher Education in Germany", n.d.). Below, I have compiled into a table data from OECD about the percentages of enrollment for each country in 2012 for pre-kindergarten and percentages of different levels of education for the population.

Comparison of Data between United States and Germany (based on data from 2012)

	Germany (percentage and rank of OECD countries)	United States (percentage and rank of OECD countries)
4 year old enrollment in pre-kindergarten	96% (12 th)	69% (28 th)
Upper secondary as highest level of education (between ages 25-64)	58% (8 th)	89% (4 th)
Expected to complete at least upper secondary	95% (3 rd)	77% (22 nd)
Tertiary level of education (ages 25-64)	28% (24 th)	42% (5 th)

Funding for Higher Education

After comparing Germany's primary and secondary education systems to the United States' in terms of how students are divided and prepped for higher education, it is necessary to compare how funding differs between countries in terms of providing further education. The average cost per student for a tertiary degree in the United States is about \$30,000 per student, placing the country as number one in the ranking (OECD.org, n.d.) In Germany, the average cost is about \$17,000 per student; however, keep in mind, this is almost 100% financed by the German states. Only 14% of funding for public higher education institutions in Germany comes from private sources, compared to about 69% in the United States (Morgan). Germany has the second highest income tax out of all OECD states, with the burden being about 50% in 2012 (Denmark, 2014).

Funding is decided per Bundesland and each has their own parameter models to determine how to allocate funds. Some examples of parameter models that are used target oriented funding methods, which is based on the achievement of public institutions' for certain performance criteria. Universities must provide annual reports on utilization of funds and resources to each Bundesland government to make sure funds are being allocated resourcefully. Within each state a mixture of ministries, state parliaments, and higher education pacts keep track of the components of cost allowance and control the amount of basic funding with or without program based restrictions (OECD.org, n.d.).

Though hearing that tuition is free may be enticing, there are several issues in relying so heavily on public funding and state allocation for resources. One problem is that postsecondary institutions are potentially underfinanced and cannot compete with other European universities' amount and quality of research they can afford. With less funds to work with, there is also the issue in affording enough faculty and staff to keep up with the increasing amount of students entering the tertiary pursuit in Germany.

With poor student to faculty ratio comes lower student success rates and less quality in education. Limited funding forces universities to have to choose more carefully on how to allocate funds. Most universities, such as the University of München, strive for excellence in order to compete with other universities, much like higher education institutions in the United States. However, they tend to focus mainly on research in order to collect more funds and get a leg up without focusing on scope and depth of resources provided to entice students, unlike the United States. If funds are used for strategic purposes, such as research, then the quality of student success and instruction is neglected (OECD.org, n.d.). This forms a parallel ridge between academic and student affairs, forcing German higher education institutions to target just

the academic side.

Yet another issue is many German students, much like in the United States, take longer than four years to graduate, adding on to the public costs of postsecondary students. There is even a term coined for these students, as it is so common: *Dauerstudenten*, or the “eternal student”. Christopher Denhart, contributor to Forbes and the Center for College Affordability and Productivity, brings up a wonderful point: students do not have to face consequences for extending costs of education with additional years of study, then they will not feel as much pressure to finish tertiary pursuit in a timely manner (Denmark, 2014).

Barbara Kehm, a professor of leadership and international strategic development in higher education at the University of Glasgow, Scotland, argues that adding tuition fees would enable universities to shift focus slightly back on providing top quality education for students, rather than having to rely on national and state higher education policies and research to improve funding (Morgan). Student numbers are rising, but resources and faculty numbers are not. Ulrich Müller, a member of the Commission of Higher Education, believes that student fees “encourage students to think harder about what they want to study and universities to treat them with more respect” (“Mediocre, but at least they’re free”, 2011).

Studentenwerke

The extent of German university student affairs and services is run mainly through Studentenwerke, or “Student Services”. There are 58 organizations within Studentenwerke, which are in charge of supporting students at all public higher education institutions in Germany. Their scope includes residential services, counseling, advising, child-care, dining services, and diversity, culture, and internationalization. Studentenwerke are self-funded, financing themselves through rent collection, catering revenue, and semester fees (mandatory to be paid by individual

students to their local studentenwerk) (Navigation and Service, n.d.).

Universities that provide residential services for students (Student affairs!) are running out of room to house them, though have no money to increase living areas. Business Insider interviewed Nicolas Zumholte, a student in Heidelberg, Germany, on the fact that he was placed in emergency housing and sharing a room with several other students. There are 400,000 new students in German universities each year, but only 230,000 locations to house them (Bertrand). When universities do not necessarily prioritize providing student affairs and support services, students are more limited in the quality and amount of resources that aid them in acclimating to postsecondary education.

The real question is whether or not German students need additional resources to complete their higher education and earn a degree. Since only 30% of the youth population is placed into Gymnasium, this means that the students attending college are already at an accelerated level. These students would be considered academically inclined, honors, or gifted students in the United States. German states may not see reason to provide such resources to students who are already supposed to be the top 30%.

States may also be reluctant to add more student affairs resources to benefit students who are falling behind because they are already costing the government tuition. Since students are not paying for themselves, they are relying on the state to fund their education. There is not as much push for student retention because if a student is failing, they are in a sense wasting government money. To contrast that, in the United States, student retention rate is a measure of how successful colleges and their resources are in providing education to students.

Conclusion

(with recommendations)

In the United States, with the notion of a student as a customer, public institutions work to increase varying benefits that they can entice more potential students with to increase attendance. The focus is to establish enough attractive resources and benefits for students in order for universities to compete with each other to draw in more revenue. For some, pursuing a postsecondary degree seems to be the only option in pursuing a wide variety of careers nowadays that did not once require a four year college degree. This ideal is rooted in our primary and secondary education levels as they focus on preparing and encouraging students to pursue higher education.

While the focus in the United States should be to still provide excellent resources to the students for what they are paying for, there needs to be a cultural shift on the belief of the necessity for college degrees. The current focus on postsecondary preparation in the United States' primary and secondary education systems could be changed in a variety of ways to benefit a wider range of students. Perhaps states should look to provide better preparation for non-tertiary degree career routes. This would mean funds would have to be reallocated in order to add resources to lower education. Increasing collaboration with middle and high schools and both colleges and potential employers would benefit students by allowing them to gain experience and be introduced to different careers.

The freedom of choice is one of the United States' solidified qualities. In order to withhold this quality, instead of telling students whether or not they are allowed to pursue postsecondary degrees, more options should be explored in the secondary level (not mandated). A problem common with youth is indecisiveness and the fact that they discover career options too late. Another way to combat over-encouragement of tertiary degrees would be to improve teachers' professionalism and development skills. This would allow students to make more

connections or learn more about career-related concepts through their teachers.

Technology based classes online could help the mass spread of higher education and vocational skills with an extreme cost reduction. Online courses could allow the increase in higher education pursuit while reducing cost for students as consumers in a variety of ways, including: 1) Cheaper transportation fees or the fact they do not have to live on a campus, 2) the courses generally cost less in tuition and fees since there are not material and experience fees, 3) students could hold jobs during the day and take the courses at night, and 4) additional funding for other resources, like student affairs activities, would be unnecessary for universities to charge. However, that would be sacrificing the many support services available to physical attendees.

In Germany, state governments fight to be able to provide free tuition for all students that are eligible. Since students are divided up at a young age into different education tracks, this causes less need for a college degree within the country for various positions. Citizens are spread out in a variety of different roles, many of which require no postsecondary education, but rather experience and skills. Since tuition is free, universities do not feel the need to compete with each other on the amount of resources provided to students, but instead with the amount of research they can perform and benefit from. Therefore, student to faculty ratios have become higher and student success and support services are not as much of a priority. Students in Germany are already the top 30% academically, so the need for student support resources is questionable. Additionally, student affairs are not a priority because retaining students just add to the amount of tuition the state is paying, so struggling students are not necessarily as important to help.

The opportunities for students during their enrollment are greater in the United States compared to German universities because of the fact that American public four year universities

still get most of their funding from tuition and fees from students. In contrast, German schools have to rely on the state to produce the monies for providing free tertiary education or their research expenditures. This shifts the focus away from funding student support services and more towards research ventures. Postsecondary institutions in America will continue funding for academic and student support services, as these can benefit students and both draw them into each university and ensure they can obtain a degree in four years. Students as consumers in the United States arguably are getting more “bang for their buck” through the amount of resources, instruction, and degrees they earn.

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