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for Public Policy Studies

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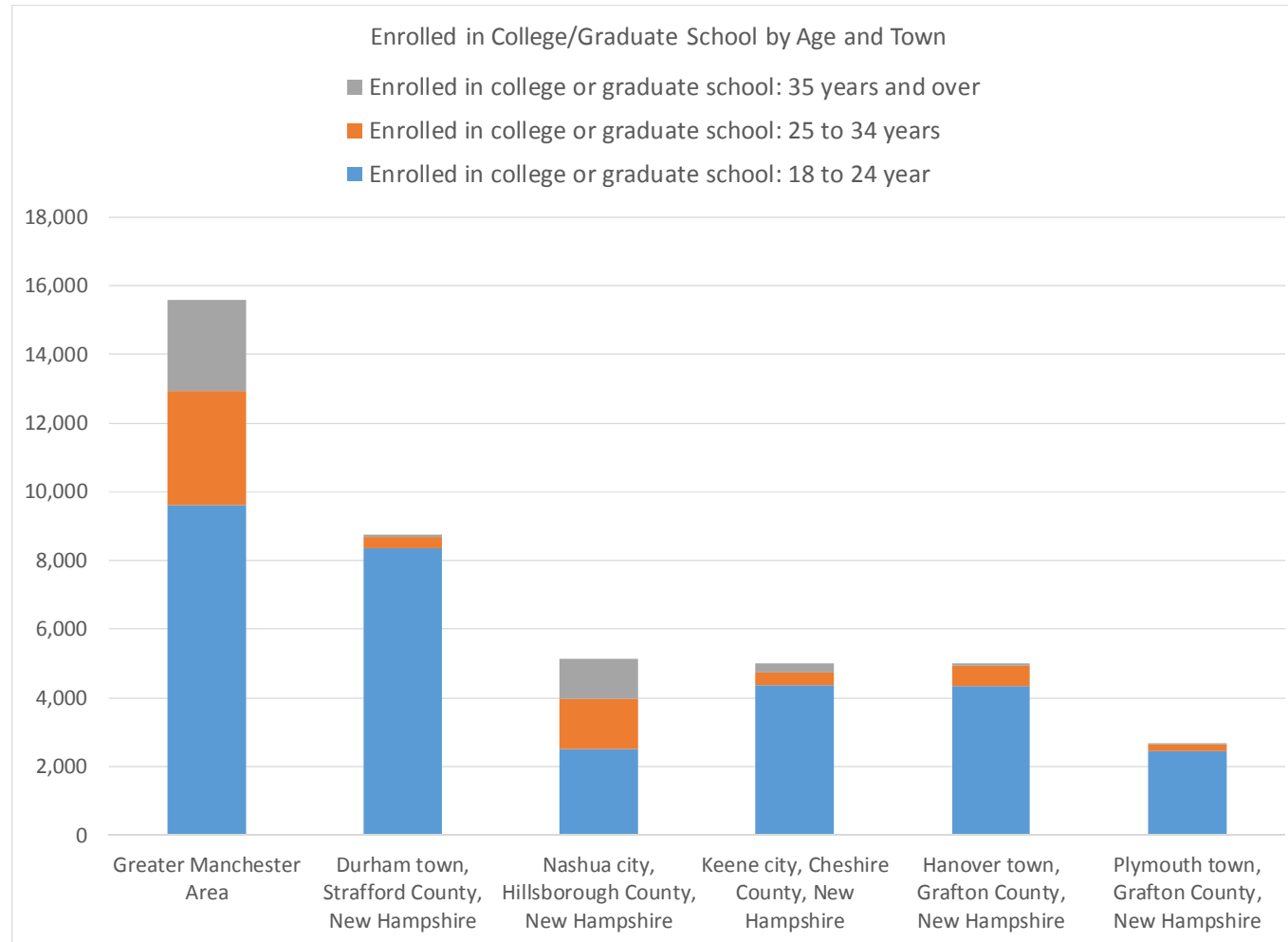
# Impact & Assessment of Post-Secondary Educational Institutions on the Manchester, NH Economy

Manchester Development Corporation  
Annual Meeting

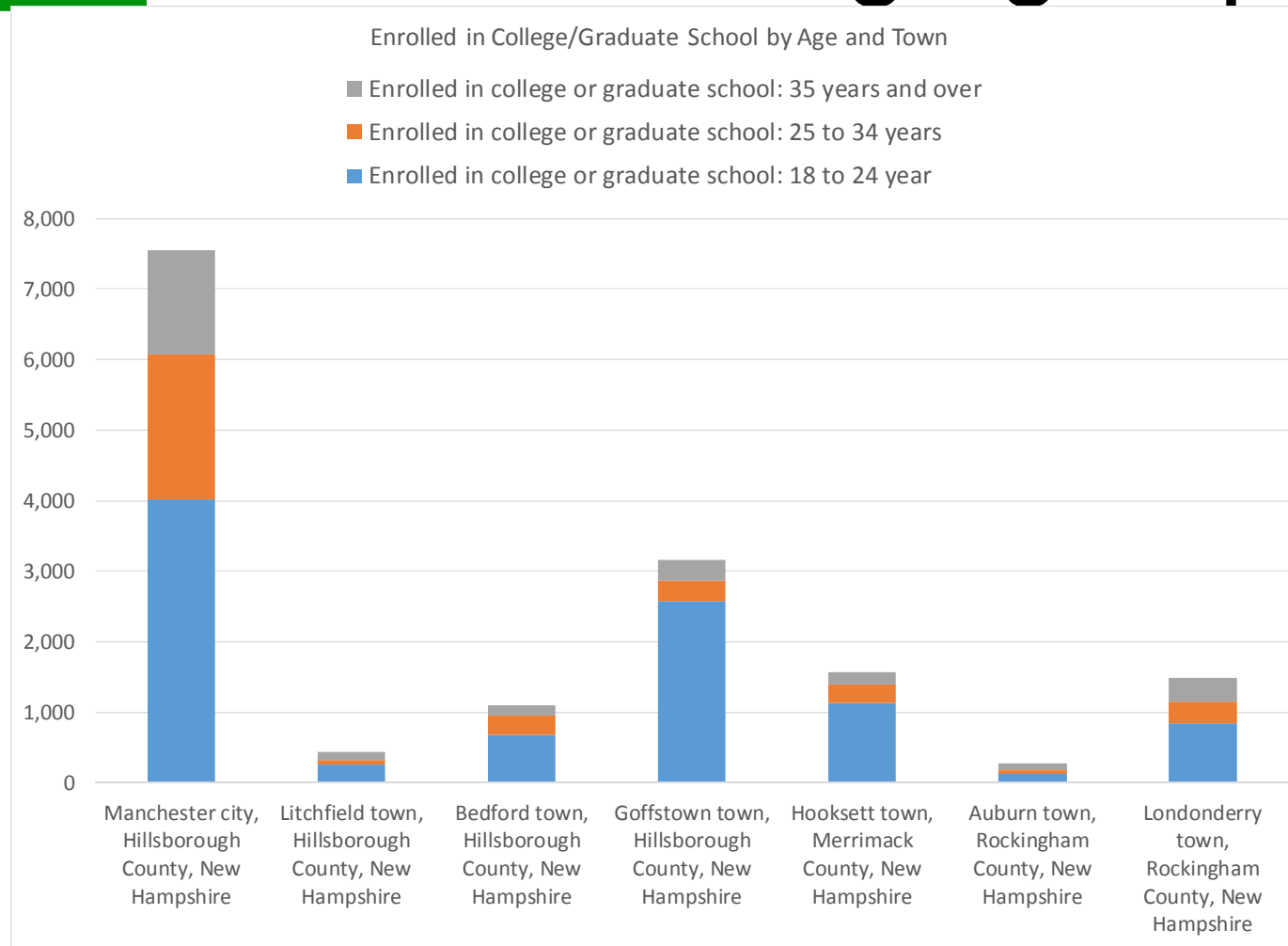
May 29, 2015

*“...to raise new ideas and improve policy debates through quality  
information and analysis on issues shaping New Hampshire’s future.”*

# Manchester is the largest NH 'college town'



# College enrollment by town and age group



## Impact of Manchester's 11 higher educational institutions on the municipal economy

- Understand why individual students choose to attend post-secondary institutions in Manchester.
- Comprehensive measure of student spending and its economic multiplier effects, with a focus on student room, board and recreation expenditures.
- Identify strategies that might encourage these students to stay in Manchester once they finish their studies.

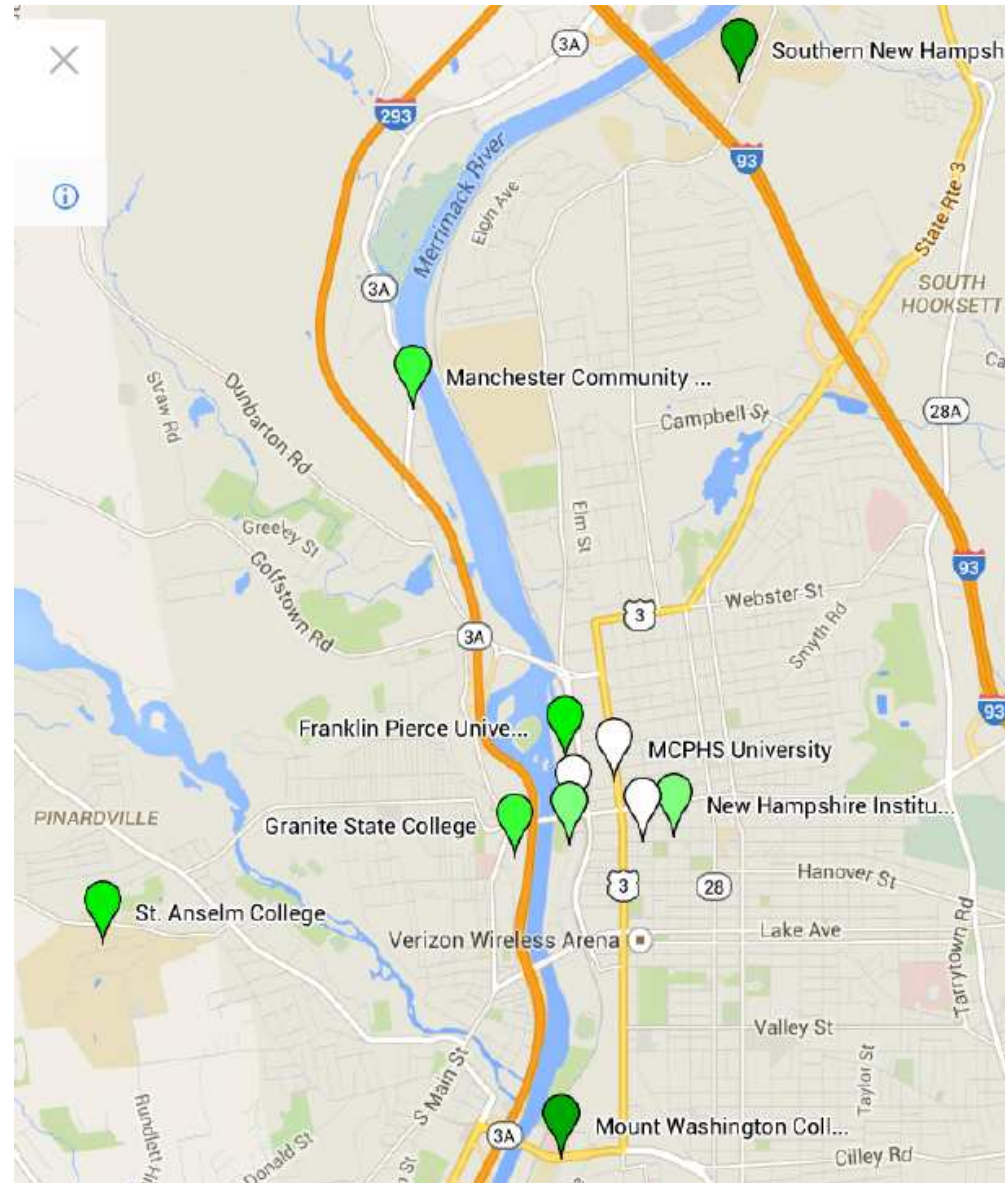
## Task 1: Why do students come to college in New Hampshire?

- For New Hampshire residents:
  - The cost of attendance,
  - the proximity to friends
  - And attributes of the school,
- For non-residents:
  - Attributes of the school.
  - A positive campus visit
  - The cost of attendance.
- Attributes of the Town rank low for both groups
- Source: Stay, Work, Play 2013 Surveys

## Task 2: Enumeration of Post-Secondary Student Impacts

- Measure what the local economy would look like in the absence of college operations – i.e. look at the net change to the economic base of a region that would not otherwise exist without the local colleges.
- The number of full and part-time students in Manchester;
- The number of students from Manchester;
- The number of students who own cars or use campus or public transportation;
- The number of students living in campus housing and the cost of board;
- The number of students not living in campus housing, where they live and rental costs.

# 11 Institutions



# Economic Footprint

## Manchester Post Secondary Education Institutions Impact, 2014

	Employment	Earnings	GDP	Output
Direct	3,000	\$133,575,258	\$195,936,748	\$315,755,787
Indirect + Induced	401	\$19,755,779	\$59,447,178	\$95,800,265
<b>Total</b>	<b>3,401</b>	<b>\$153,331,036</b>	<b>\$255,383,925</b>	<b>\$411,556,052</b>

3.5% of Manchester area employment, 2% of Manchester area GDP/Output



## Postsecondary economic impact

- Approximately 3,000 employed in postsecondary institutions in Greater Manchester, earning \$134 million in annual wages and compensation.
- Average salaries of full-time, non-medical, instructional staff equated to 9-month contracts range from \$42k (NHIA) to \$86k (UNHM).
- Supporting another 400 jobs in other industries.
- Estimate does not include a “skilled workforce” contribution, since that effect depends on how many graduates remain in the Manchester area.

## Cost of Postsecondary Institutions

- UNH Manchester and Manchester Community College exempt from local property taxes
- Private non-profits exempt except for residence halls and dining facilities.
- For profit facilities pay property taxes

## Number of students, where they live, income, spending, vehicles

- 7,600 enrolled in college or graduate school residing in Manchester, 15,700 including surrounding towns.
- Median age of enrolled college student is 22 years old
- Household and family income of college students is higher than average for all households in Manchester.
- But the median earnings per enrolled college student is \$6,000 annually (all average is \$20,000 per year).
- 1/3 of college households have at least 2 vehicles; 1/4 have 3 vehicles

## Student spending economic impact

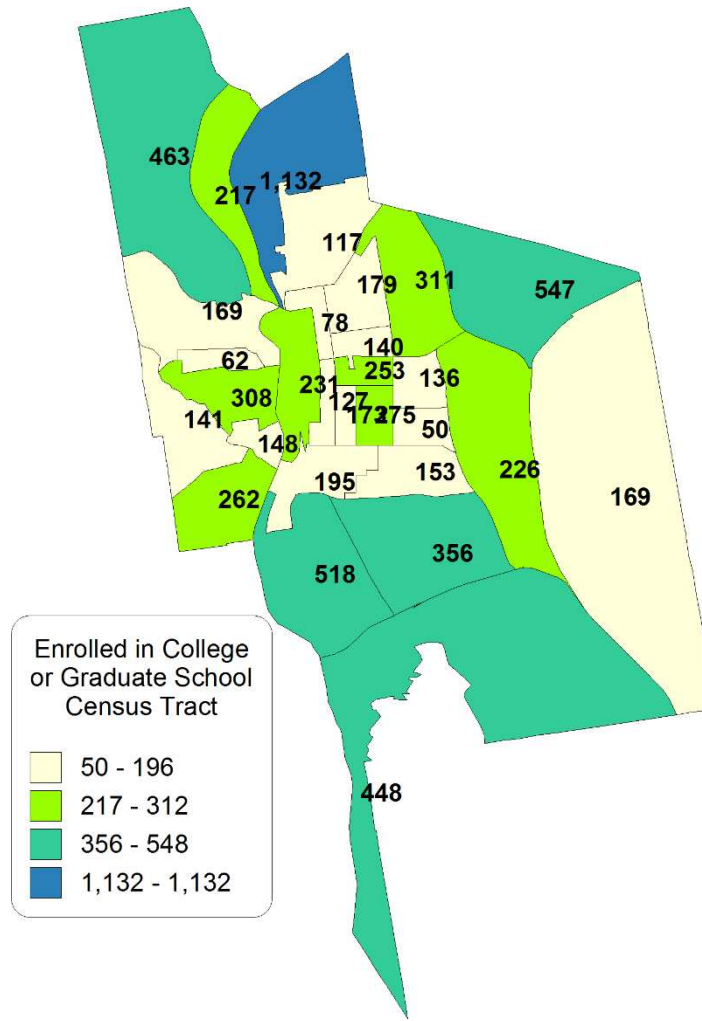
- Student spending – 15,000 college students in the greater Manchester area would represent \$81 million in local spending (assuming \$600/student/month\*9).
- Average college student spending breakdown:
  - 40% Discretionary (technology, entertainment, clothing)
  - 26% Room and board
  - 19% Tuition and fees
  - 12% Other expenses (transportation, etc.)
- 3 out of 4 students hold jobs in college (most often in food service, or as resident assistant, baby sitter, tutor).
- However employment counts for only 40% of student income (parents 45%, loans 15%)

# Students and housing\*

Manchester Area Post-Secondary Institutions		Students	Students	
<u>Institution</u>	<u>Address</u>	<u>FullTime</u>	<u>PartTime</u>	<u>Dorms</u>
Franklin Pierce University	670 North Commercial Str	350	100	0
Granite State College	195 McGregor Street	111	155	0
Hellenic American University	52 Concord Street	100	84	0
Manchester Community College	1066 Front Street	925	1,827	0
MCPHS University	1260 Elm Street	400	0	0
Mount Washington College (Hesser)	3 Sundial Avenue	1,453	831	0
New Hampshire Institute of Art	148 Concord Street	441	62	197
Southern New Hampshire University	2500 North River Road	2,915	1,439	1,997
Springfield College	500 Commercial Street	130	25	0
St. Anselm College	100 St. Anselm Drive	1,857	39	1,712
UNH Manchester	400 Commercial Street	684	405	0
		<b>9,366</b>	<b>4,967</b>	<b>3,906</b>

\*Data based on IPEDS and other secondary sources.

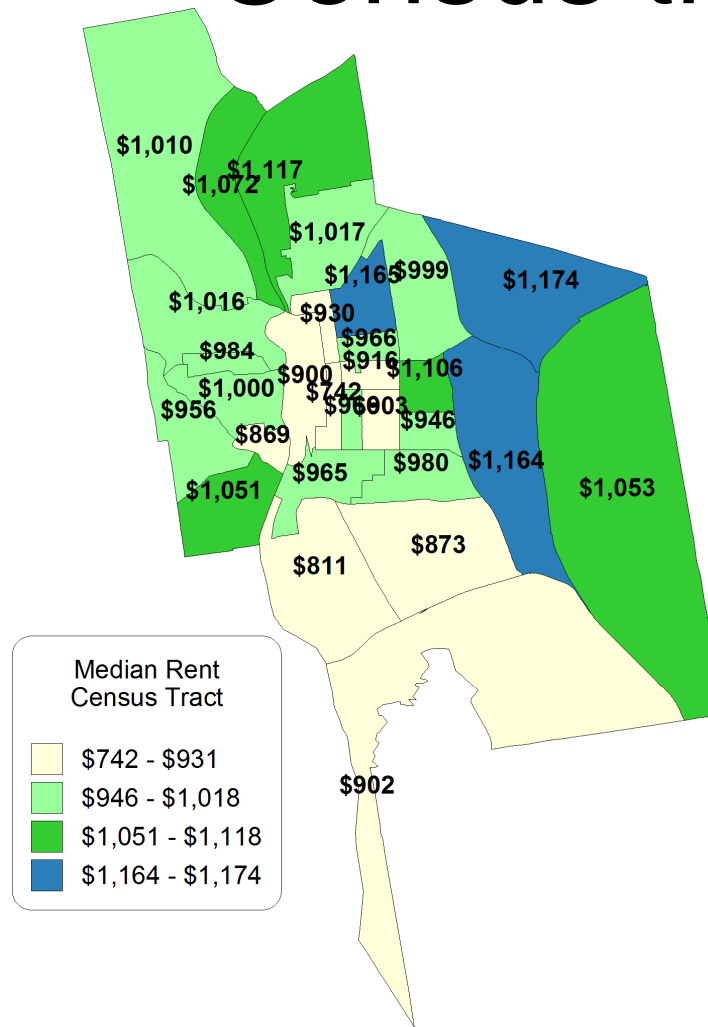
# College enrollment by Census tract



# School Year Room and Board in Manchester

<u>Name</u>	Room and Board	
	On Campus	Off Campus, not with family
Manchester Community College		\$13,176
MCPHS University	\$13,950	\$13,950
Mount Washington College (Hesser)		\$4,984
New Hampshire Institute of Art	\$10,250	\$15,000
Southern New Hampshire University	\$11,132	\$8,010
St. Anselm College	\$12,690	\$9,500
UNH Manchester		\$10,056

# Median Rent by Census tract





## Student Housing Preferences

- First-year students have the highest overall interest in traditional campus student housing, like residence halls.
- Students may be more likely to stay in the housing system if there is more attractive housing toward which to migrate (attractions are increased privacy and independence).
- Upper-division undergraduate student respondents expressed virtually no interest in traditional and semi-suite units. As a group, their highest interest was in the Two-Bedroom and Four-Bedroom Apartment units.
- Graduate students may be more price sensitive than undergraduates despite their typically higher need for privacy, particularly those who seek on-campus accommodations (SCION).

## New England states rank low in holding on to recent college graduates

### Share of Respondents Living in the Same State as BA Institution One Year After Graduation

Class of 2008		
<u>Rank</u>	<u>Institution state</u>	<u>Percent</u>
<b>38</b>	<b>Massachusetts</b>	<b>52.0</b>
<b>39</b>	<b>Maine</b>	<b>50.7</b>
<b>41</b>	<b>Connecticut</b>	<b>47.9</b>
<b>44</b>	<b>New Hampshire</b>	<b>38.4</b>
<b>45</b>	<b>Rhode Island</b>	<b>32.7</b>
<b>47</b>	<b>Vermont</b>	<b>20.0</b>

New England Public Policy Center's 2013 Policy Brief,  
" Retaining Recent College Graduates in New England:  
An Update on Current Trends"

## Why would graduates leave New Hampshire?

- Reasons for leaving include economic factors, such as the availability of jobs, compensation levels, and the cost of living; and noneconomic factors, such as proximity to family, educational opportunities, and local amenities, such as weather, culture, and recreational activities.
- Contrary to conventional wisdom, recent college graduates are leaving New England primarily for job-related reasons—not housing costs.
- Fed Bank of Boston 2013 Policy Brief

## What influences the decision to stay in New Hampshire after graduation?

- Of those graduating students who want to stay in New Hampshire the most important factors:
  - Quality of life
  - Proximity to family and friends
  - Personal safety
  - Cost of living
  - Cost of housing
  - Good place to raise a family
  - Lack of sales/income tax
  - Proximity to natural resources
- 2013 SWP survey shows much the same ranking for NH alumni and NH young professionals

## What influences the decision to leave New Hampshire after graduation?

- Of those graduating students who will leave New Hampshire the most important factors:
  - Availability of jobs in the field of study
  - Salary
  - Travel time to work.
  - Proximity to family and friends
- 2013 SWP survey shows same ranking for NH alumni and NH young professionals
- Those students not native to New Hampshire are more likely to say they definitely do not want to remain in the state after graduation.

## Retention also varies by institution

### Percent of college graduates who stay in state

Source: Payscale 2015 ROI report

<b>St. Anselm College</b>	<b>24%</b>
<b>Southern NH University</b>	<b>32%</b>
<b>UNH Manchester</b>	<b>75%</b>
<b>Manchester Community College*</b>	<b>90%</b>

\*Source CCNH surveys

Percent Stay In State: Percentage of respondents (to Payscale survey) who said that they work in the same state as the college that they attended.

## Because residence varies by type of institution

<u>Name</u>	Residence of undergraduates 2013 (%)		
	In-state	Out of State	Foreign Countries
Manchester Community College	100	0	0
MCPHS University	53	35	12
Mount Washington College (Hesser)	83	17	0
New Hampshire Institute of Art	37	63	0
Southern New Hampshire University	31	65	4
St. Anselm College	20	79	1
UNH Manchester	99	1	0

Source: IPEDS data base

## Direct Student Engagement

- Focus groups of UNHM and SNHU students
  - “What are the reasons you decided to attend a Manchester, New Hampshire college or university?”
  - “What are your immediate plans after graduating?”
  - “Do you want to remain in Manchester, New Hampshire upon graduation?”
  - “What is the most important priority in determining where you want to live?”



## Focus Group Results

- Positive campus visit, recommendations and financial aid attract students to college in Manchester
- No distractions and accepting of non-traditional students
- Most students work while in college and the majority have internships with local business or non-profits
- Even local students don't plan on staying in Manchester
  - No Jobs here, but like the area (close to mountains, sea)
- Public safety in Manchester is not a concern
  - There is a large police presence in Manchester
  - You just have to be careful where you go

## Focus Group Results (continued)

- Off-campus housing issues:
  - Scholarship might be reduced if I move off-campus
  - Some on-campus housing poor quality
  - Parking, at off-campus and commuter space on campus
  - Walkability to campus important for off-campus housing
  - Affordable, own kitchen and bathroom would be attractive
  - Common area would be attractive, gym would not
- Manchester has missed the opportunity to build a relationship with us:
  - Student discounts at downtown retail and restaurants
  - Business/school partnerships

## Task 3: Strategies for Student Retention

- Identify strategies for post-secondary student retention, based on best practices in New England and in other states.
- One way to build such ties is to expand the use of internship and cooperative learning opportunities throughout the region.
- Forty one percent (41%) of NH young professionals had an internship while in college and a majority of those who did found the internship very valuable to finding a job.

## Further Research

- Manchester Chamber event around retaining college graduates in Manchester
  - What are the ‘best practices’ currently used?
  - What works and what does not work?



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