

ARTICLE

The Hidden Cost of Student Attrition

See how student departures affect tuition revenue and what better retention could recover.



● INTRODUCTION

Every enrollment carries more weight

With budgets under pressure at many institutions, every enrollment and every staff hour carries more weight. Many schools already have initiatives underway to improve persistence and make the most of staff time, but the full financial impact of these challenges isn't always easy to quantify.

And without a clear sense of what they cost, it's hard to make the case for the resources needed to address them. We wanted to take a closer look at three in particular:

THREE HIDDEN COSTS

- 1 Student attrition:** students who leave before finishing their degree THIS ARTICLE
- 2 Missed transfer enrollment:** prospective transfer students who may go elsewhere when they can't see how their credits will count
- 3 Staff capacity:** advisor and registrar time spent on recurring manual work

In this article, we'll cover student attrition. To put this into context for your campus, check out the [Campus Opportunity Calculator](#), which estimates the tuition at risk from attrition at your institution.

● THE COST

The financial impact of a student who leaves

Of course, any student who leaves is more than a budget line. They came to campus with a goal and didn't get to reach it. But for the school, there are financial costs, and some reach well beyond tuition:

- **Tuition:** A student who leaves early can take every remaining term of potential tuition with them, not just the next one.
- **Public outcomes and rankings:** Retention and graduation rates are published on College Scorecard and feed U.S. News rankings. Accreditors review student outcomes too, so persistently low retention can draw attention.
- **Performance-based funding:** Some states tie part of public funding to student progression and completion.
- **Recruiting to replace:** Making up lost enrollment can mean more recruiting spend, especially at schools already stretching to hit enrollment targets.
- **Debt without a degree:** Students who leave with loans and no credential face higher repayment risk, and institutional cohort default rates affect Title IV eligibility.

43.1M

This isn't an isolated problem. About 43.1 million people have stopped out of college without a credential. Some may finish their degree later as returning or transfer students, but many never do.

NATIONAL STUDENT CLEARINGHOUSE RESEARCH CENTER

● THE OPPORTUNITY

Where schools can step in

Not every departure is preventable, and students may leave for personal reasons that advising alone can't always address. But some attrition can be prevented, and the next step is catching the barriers behind it while a fix is still possible. Some examples of preventable barriers:

- A missed prerequisite that pushes a required course back a term
- A change of major that leaves a student unsure how far it sets them back
- Grades that slip without an advisor noticing in time

Academic barriers often build quietly over several terms, so the earlier a school can see them, the more room there is to help. These barriers are harder to catch when student information is spread across disconnected systems and advisors don't have the time to reach out first.

Tyton Partners found proactive outreach is the most impactful advising practice, yet only about half of institutions run it at scale.

6%

Among advisors with the heaviest caseloads, just 6% meet with all of their students each year, and more than a third of advisors reach fewer than half of their students.

TYTON PARTNERS, DRIVING TOWARD A DEGREE 2026

THE OPPORTUNITY

Spot academic barriers earlier and give staff the information and time to act before a student decides not to return.

● ACROSS CAMPUS

What attrition means for your role

Attrition is often seen as something for advising or enrollment teams to handle, but every role on campus is affected by it and has a part to play in improving retention. That's a good thing, since it means more of campus can work toward the same goal. Here are some of the ways attrition can affect you:

ROLE	WHAT ATTRITION MEANS FOR YOU
Provosts and institutional leaders	<ul style="list-style-type: none"> Retention and graduation rates feed rankings, accreditation reviews, performance-based funding, and board reports. Each student who leaves can affect projected tuition revenue, which makes attrition a budget question as much as an academic one. Provosts decide where limited resources go and whether every office supporting students works from one shared plan.
CIOs	<ul style="list-style-type: none"> The signals that a student is falling behind often already exist across the SIS, the LMS, the degree audit, and advising notes. When that information stays disconnected, it's harder for teams to recognize emerging risks early enough to act. Connecting it can help the campus spot risk sooner and get more value from technology the school already owns.
Advisors	<ul style="list-style-type: none"> Advisors are often the first to notice when a student starts drifting, as long as they have the time and information to see it. When caseloads leave little room for outreach, the students who don't ask for help are the easiest to miss. The staff capacity article looks at where advisors' time goes and what pulls it away from students.
Registrars	<ul style="list-style-type: none"> Requirement issues and manual processes can create delays students don't see coming, sometimes surfacing as late as the graduation application. Each extra term adds cost for the student and another point where they might stop out. Clear, accurate requirements help students make informed decisions and give staff time to fix problems before they affect graduation.

● ESTIMATE IT

How to estimate attrition's financial impact at your school

Stellic built the Campus Opportunity Calculator so institutions can estimate the tuition at risk from attrition and what better retention could recover. It's pre-filled for about 2,400 public and private nonprofit colleges using public IPEDS provisional release data, and every input can be edited.

What the calculator looks at

- **Students who leave**, both after the first year and in later years
- **Net tuition per student**, after scholarships and discounts
- **Years a returning student typically stays**, based on graduation and retention rates

How it works

The calculator estimates the tuition that students who leave might have brought in over the years they would otherwise have stayed. The result is a low-to-high range of tuition at risk, not the full cost of attrition or revenue a school is guaranteed to recover. Two-year colleges can count only students who stop out without a credential, since transferring is a successful outcome for many of their students.

For a deeper walkthrough of the math, see [how we calculate attrition](#).

What you'll see

- The potential cost: estimated tuition at risk from one entering class
- How your retention compares with similar institutions
- The potential recovery if first-year retention rose by up to 5 points
- The assumptions and math behind every result

The improvement scenarios draw on randomized studies of proactive outreach and coaching, which found gains of roughly 2 to 5 percentage points in continued enrollment ([Bettinger and Baker, 2014](#); [Page, Lee, and Gehlbach, 2020](#)). Treat the results as a starting point for planning.

● NEXT STEP

See what better retention could be worth at your school

Even a one-point gain in retention means more students finishing what they started. Seeing your number makes it easier to decide where to invest in student support.

CAMPUS OPPORTUNITY CALCULATOR

Calculate your student attrition opportunity

Pre-filled with your school's public data. Adjust any input to match your campus.

Calculate your opportunity →

stellio.com/resources/campus-opportunity-calculator

SEE HOW SCHOOLS ARE APPROACHING ALL THREE

The Campus Opportunity Guide

[READ THE GUIDE →](#)

SOURCES

1. National Student Clearinghouse Research Center, *Some College, No Credential* (2025). nscresearchcenter.org
2. Tyton Partners, *Driving Toward a Degree 2026*. tytonpartners.com
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