

On-the-Job Pressure: Reducing Stress in the Financial Aid Office

Presented by:

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Today's Speakers



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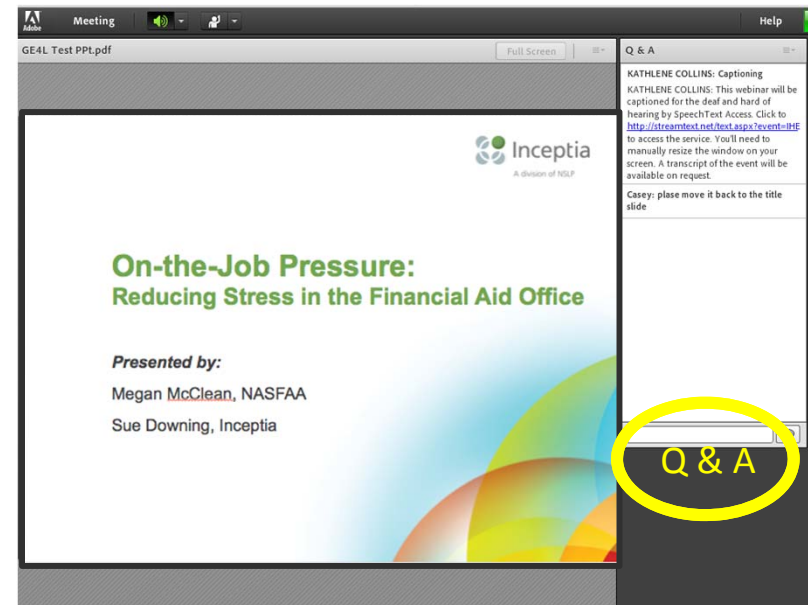


Kenneth C. Green, *moderator*

Founding Director
The Campus Computing Project
& Digital Tweed blogger @ *Inside Higher Ed*
<http://campuscomputing.net>

Before We Begin

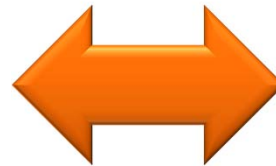
- We are using Adobe Connect. Please enter questions in the text field at the bottom of the Q&A Window. *We are monitoring the discussion and will try to bring the Q&A comments into the conversation.*
- We will not use the “raise your hand” feature.
- We are recording the webinar; the webinar archive and slides will be available later today.



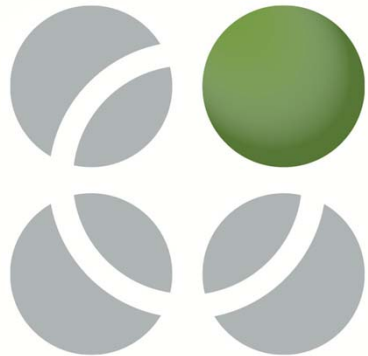
High Stress Levels in the Financial Aid Office



Students request more time



Less budget, fewer people and
greater oversight



Stress in the Financial Aid Office

A Study from Inceptia
December 2013

Methodology

The Stress in the Financial Aid Office study was conducted online between August and December 2013. Participants were Financial Aid Directors and Staff within Institutions of Higher Education. Participants were asked to provide demographic information about their institutions, however, no individual institution was identified. The report is an aggregation of the survey data.

The main objectives of the study were:

- To determine the issues that create the most stress
- To determine how often these issues occur
- To profile any differences by College Sector

Stress Index

Each respondent was asked to rate each of the 40 items for ***how much stress it causes in their office.***

Rating scale:

- 5=Extreme Stress**
- 4=Severe Stress**
- 3=Some Stress**
- 2=Not Much Stress**
- 1=No Stress**

Then each respondent was asked ***how often that amount of stress typically occurs.***

Rating scale:

- 5=Frequently**
- 4=Often**
- 3=Sometimes**
- 2=Seldom**
- 1=Never**

The two scores were combined (multiplied together) to create a “**Stress Index.**” The maximum score any item could realize was 25 (5*5). The Stress Index is an indicator of the level of Chronic Stress caused by each item.

Sample Demographics

A total of 513 individuals completed the survey.

Sector	% of Sample
Proprietary Institutions	10%
Private 4-Year Institutions	30%
Private 2-Year Institutions	2%
Public 2-Year Institutions	25%
Public 4-Year Institutions	33%

Position	% of Sample
Financial Aid Director	44%
Assistant/Associate Director	22%
Office Staff	34%

Sample Demographics

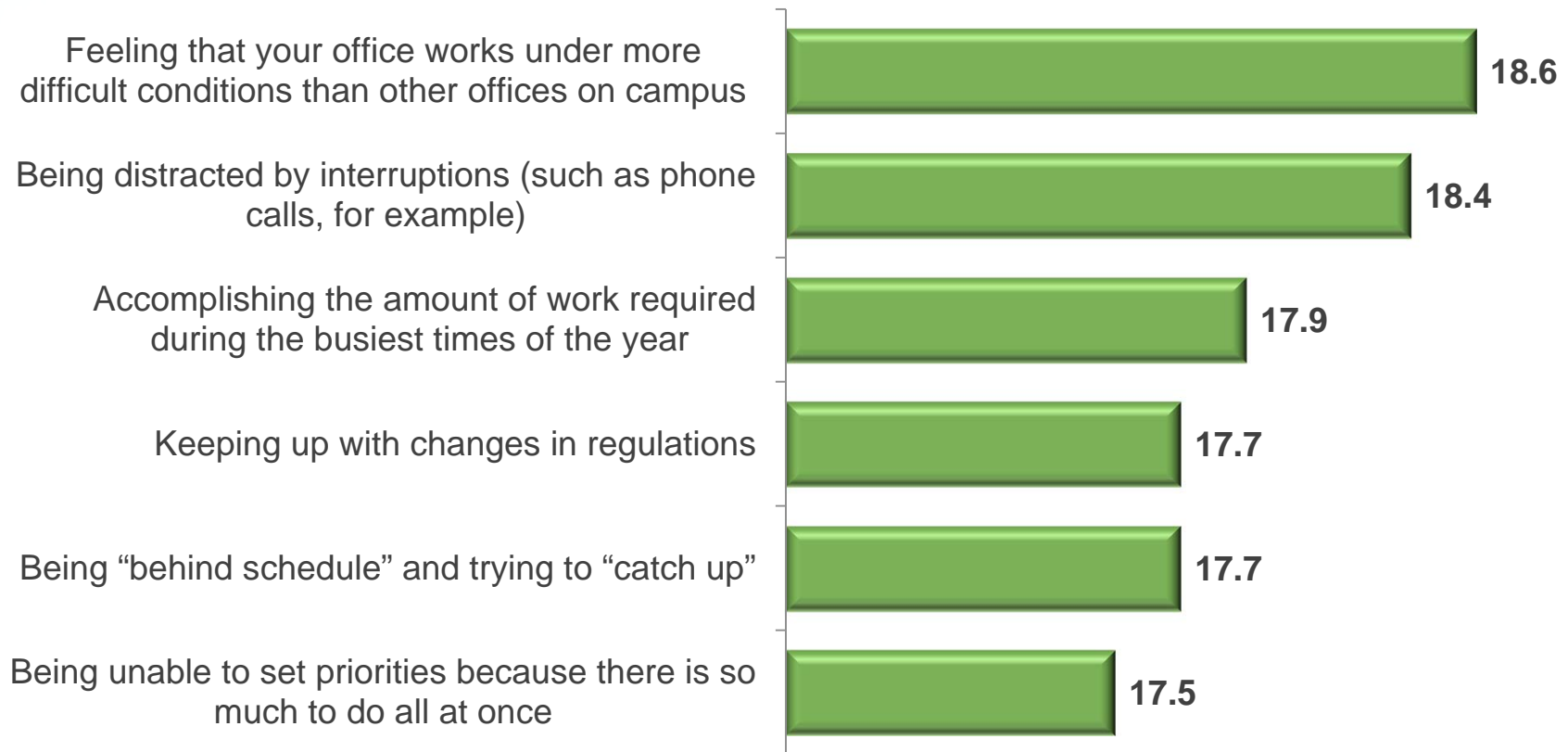
Shown below is the distribution of years on the job by position type.

Sector	Total	Financial Aid Director	Assistant Associate Director	Office Staff
3 Years or Less	12%	4%	10%	23%
3.1 to 5 Years	10%	5%	10%	18%
5.1 to 10 Years	24%	12%	31%	30%
10.1 to 20 Years	28%	31%	31%	23%
20.1 to 30 Years	21%	35%	15%	6%
30.1 Years or more	5%	10%	4%	0
Mean (average) Years	14.3	19.3	13.3	8.6

DETAILED FINDINGS

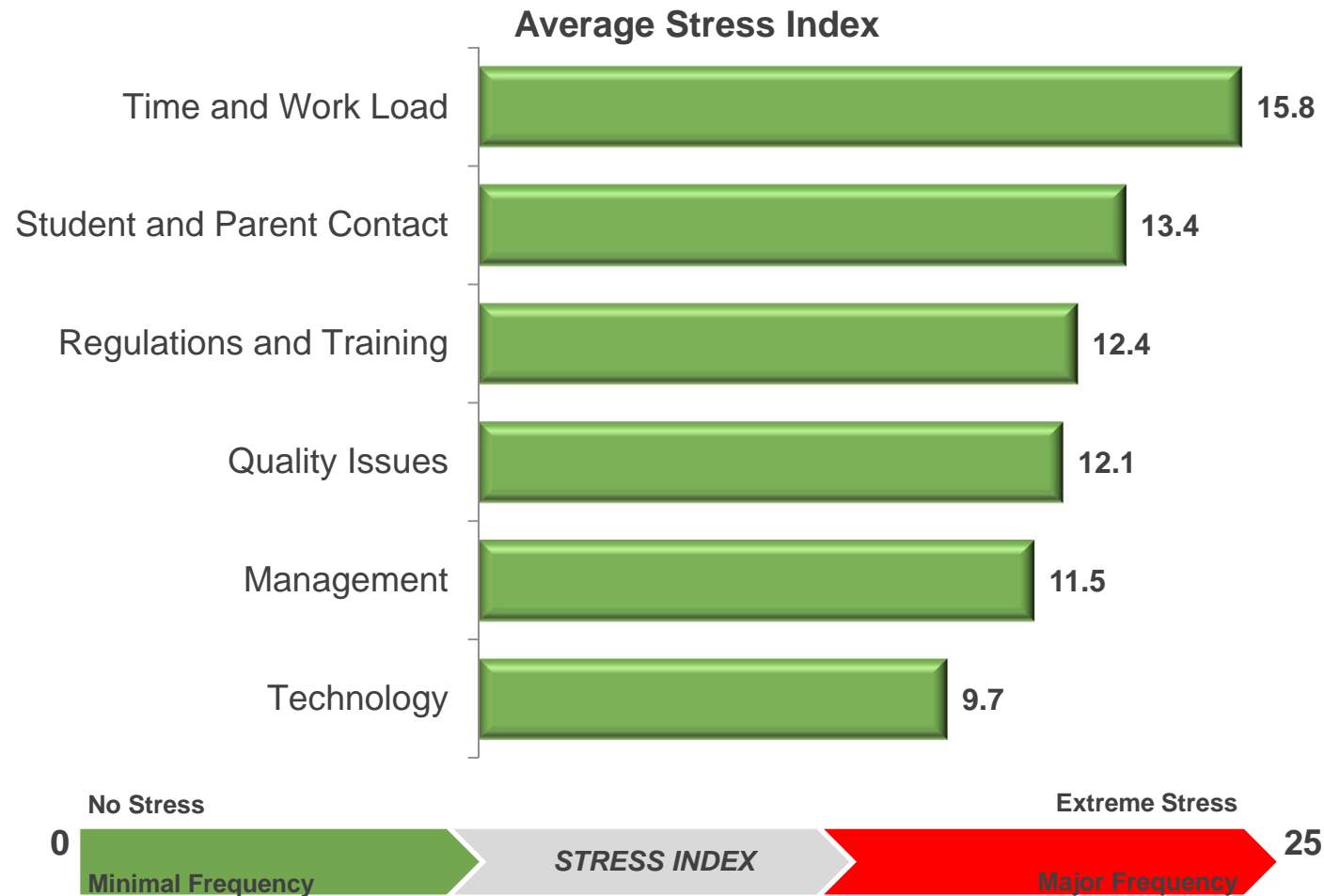
Top Individual Stressors

Average Stress Index



Stress Categories

Shown below are the average **Stress Index Scores** for each of the categories.



Stressors by College Sector

Shown are the categories of stress by type of college.

	Total	Proprietary	Private 4-Yr	Public 4-Yr	Public 2-Yr
Overall Average Stress Index	12.8	12.4	12.4	12.7	13.4
Time and Work Load Stress	15.8	15.8	15.7	15.4	16.3
Student and Parent Contact	13.4	12.7	12.7	13.5	14.6
Regulations and Training	12.4	11.3	17.8	12.6	13.0
Quality Issues	12.1	12.2	12.0	11.9	12.6
Management Issues	11.5	11.3	10.8	11.6	12.1
Technology	9.7	9.6	9.5	9.6	10.0



Stressors by Job Responsibility

Shown are the categories of stress by position of the respondent. These are the average stress index scores for each category.

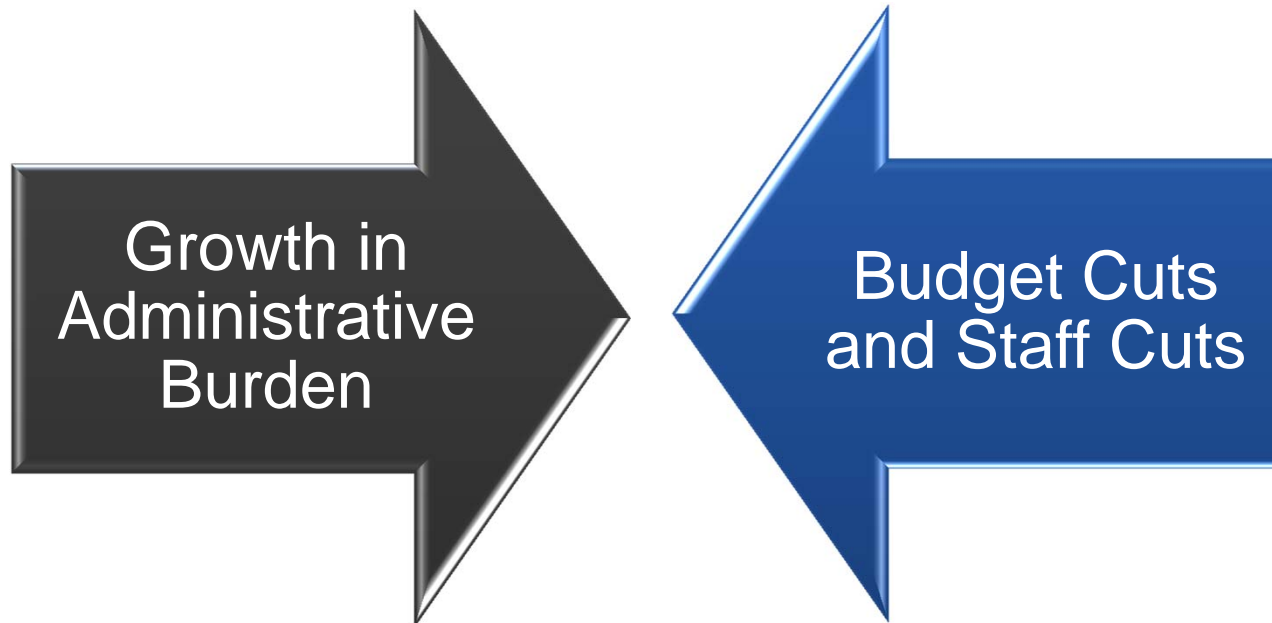
	Total Group	Financial Aid Directors	Asst./Assoc. Directors	Staff
Overall Average Stress Index	12.8	12.9	12.4	12.8
Time and Work Load	15.8	16.3	15.6	15.3
Student and Parent Contact	13.4	12.8	12.7	14.6
Quality Issues	12.1	12.5	11.6	11.8
Regulations and Training	12.4	12.9	12.0	12.0
Management	11.5	11.5	11.1	11.7
Technology	9.7	9.9	9.7	9.6



NASFAA PERSPECTIVE



Major Contributors to Stress?



NASFAA Administrative Burden Survey (2010)

- **Two-thirds** of respondents indicated a resource shortage
 - **80 percent** said shortage permanent in nature
 - **90 percent** indicated shortage impacted:
 - Face-to-face counseling
 - Outreach efforts
 - Attention to target populations

NASFAA Administrative Burden Survey (2010)

- Majority cited increased regulatory burden/compliance as cause of shortage
- Other causes:
 - More aid applicants
 - More professional judgments
 - Insufficient operating budget
 - Increase of Title IV regulations unrelated to financial aid

NASFAA Staffing Survey (2012)

- Findings from the 2012 survey suggest that financial aid offices are doing more with less when compared to results from 2006
 - Offices reported administering almost twice as much student aid dollars than they reported in 2006
 - While campuses have had slight increased spending on salaries and benefits, operating expenses have been cut more than 50 percent since 2006
 - Average office had staff size of 12 FTE

INDUSTRY PERSPECTIVE

National Trends

Average Number of FAFSA Applications*	Proprietary	Private 4-Yr	Public 4-Yr	Public 2-Yr
2008-2009	1,053	2,106	13,203	4,301
2009-2010	1,224	3,433	15,109	5,566
2010-2011	1,356	3,762	16,697	3,427
2011-2012	1,364	4,039	17,852	6,936
% Increase**	29.5%	30.0%	35.2%	61.3%

* Data from IPEDS. Average across all institutions in each sector

** Percentage change from 2008-09 to 2011-12

Work Load by Sector

FTE was calculated by asking how many full time and how many part time employees were in each office. For the calculation, each part time employee counted and .5 FTE.

Average per FTE	Proprietary	Private 4-Yr	Public 4-Yr	Public 2-Yr
FTE per FA Office	6.4 Staff	10.1 Staff	16.7 Staff	9.2 Staff
Students on Financial Aid per FTE	279	509	659	921
FAFSA Applications per FTE	773	1,607	1,913	2,637

**SO, WHAT DOES
THIS MEAN?**

Pain Point #1

- Service isn't meeting expectations
 - Students rate financial aid services as most critical to their student experience.



Pain Point #2



- While financial aid service drives overall institution performance metrics, it's not yet meeting standards.

Pain Point #3

- Students want more face time, while staff don't have the bandwidth.



Pain Point #4



- The evolving political landscape has made the role of the financial aid office even more important to institutions.

WHAT IS THE RELIEF?

An Outsourcing Solution

- Focus on your strengths
- Promote cost efficiency
- Drive greater student engagement and staff satisfaction
- Catalyst for change, campus wide

NASFAA Assistance

- www.nasfaa.org
- Compliance Toolkit:
<http://www.nasfaa.org/EntrancePDF.aspx?id=9421>
- Staffing Solutions:
http://www.nasfaa.org/mkt/support/Staffing_Solutions.aspx
- White Paper on Burden Estimates:
http://www.nasfaa.org/media/releases/New_NASFAA_White_Paper_Burdensome_Reporting_Requirements_May_Harm_Students.aspx

Resources and References

- Inceptia Research Brief:
**Stressed Out in the Financial Aid Office:
Why It's Time to Ease Your Pain**
- Inceptia Research Brief:
[Leveraging Our Greatest Resource: Students](#)

Final Thoughts

- The single greatest stressor for Financial Aid professionals is ***feeling that their office works under more difficult conditions than other offices on campus*** with a stress index of 18.6.
- This is followed by ***distractions caused by interruptions*** 18.4 and ***accomplishing what needs to be done at peak times of the year*** with an index of 17.9.
- Among the five general categories of stressors, ***Time and Work Load Stress*** has the highest stress index with an average of 15.8.
- This is followed by ***Student and Parent Contact*** stressors with an average of 13.4.
- Financial Aid Professionals in ***Public Two-Year Institutions*** have the highest overall average stress index (13.4).
- Financial Aid Directors have the highest level of stress with ***Time and Workload*** at 16.3.



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Lower default rates and enhanced student success need tangible, workable solutions.

- Analytics
- Financial Education
- Default Prevention
- Student Success
- Financial Aid Management

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