

Nursing Data Review, Academic Year 2005-2006

EXECUTIVE SUMMARY

As Applications Fall Off “Applicant Discouragement” Is Suspected Cause

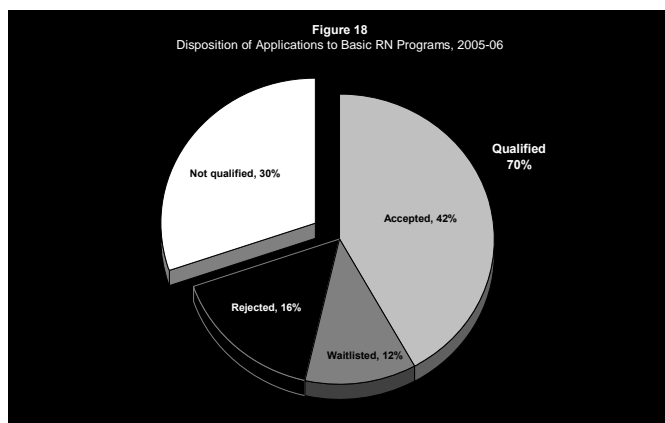
Applications, Institutional Selectivity, and Yield Rates. Applications to prelicensure RN programs dropped notably between 2005, when applications peaked at over 347,000, and 2006. Schools received slightly fewer than 317,000 applications in the 2006 school year, representing a drop of 8.7 percent. Applications were down across all types of prelicensure RN programs: Although at over 13 percent, diploma programs experienced the greatest loss, baccalaureate programs saw a similar reduction with applications down by 12.4 percent from almost 114,000 in 2005 to less than 100,000 in 2006. Associate degree programs had notable but smaller reductions in applications, down 6.4 percent to 203,000 from 217,000 in 2005.

Unmet Demand for Placement in Programs Persists

Despite the reduced number of applications, many factors indicate that opportunities to obtain a nursing education are still in short supply. Eighty-eight thousand (88,000) qualified applications – or one out of every three qualified applications submitted to nursing education programs this year – were rejected due to lack of capacity. Moreover, the level of selectivity of prelicensure nursing programs, while down from last year’s peak, continues to dramatically exceed that of US undergraduate programs nationwide.

Selectivity. The most commonly used measure of demand in higher education is the “selectivity rate” – commonly known as the acceptance rate – which is the percentage of all applicants who are accepted into a school or program. In 2006 Harvard earned the designation of the nation’s most selective college with a selectivity rate of nine percent and generally, undergraduate colleges are considered “highly selective” if they offer admission to less than half of their applicants. Whereas only about one-third (35 percent) of US four-year colleges fell into the highly selective category, more than one-half (54 percent) of prelicensure nursing programs earned that designation in 2006. And while the vast majority (over 90 percent) of undergraduate colleges are “less selective,” (accepting more than one-half of their applicants), only 42 percent of nursing programs fall into that category.

Overall, baccalaureate programs accept qualified applications at a much higher rate than do their associate degree counterparts. In 2006, baccalaureate programs accepted over 71 percent of all qualified prelicensure applications, and diploma programs accepted 74 percent, compared to only 54.4 percent accepted by associate degree programs. Compared with 2005, the percentage of qualified applications not accepted to baccalaureate programs was up slightly in 2006, while the percentage turned away from associate degree programs was down relative to the previous academic year.



Yield. The yield rate offers another indicator of demand for spots in academic programs. Defined as the percentage of accepted applicants who go on to enroll, a high yield rate might indicate the popularity of a particular program relative to others, or can signal a dearth of alternative venues for pursuing a course of educational studies. Consistent with this year's drop in applications, after three consecutive years of extraordinarily high yield rates exceeding 90 percent, the average yield rate of all prelicensure RN programs fell in 2006 to just over 80 percent. Specifically, yield rates were highest among associate degree programs, where 86 percent of accepted applicants went on to enroll. At baccalaureate and diploma programs, on average, three out of four accepted applicants entered those schools.

While down slightly from 2005, the yield rate for prelicensure nursing programs is still exceptionally high relative to that found among undergraduate colleges nationally. For instance, in 2006 Harvard's yield rate of 79 percent was the highest in the nation, whereas the *average* yield rate among prelicensure nursing programs last year was 80 percent. Specifically, at 86 percent, yield rates among associate degree programs were the highest of the various types of prelicensure nursing programs, while at baccalaureate and diploma programs three out of four accepted applicants went on to enroll.

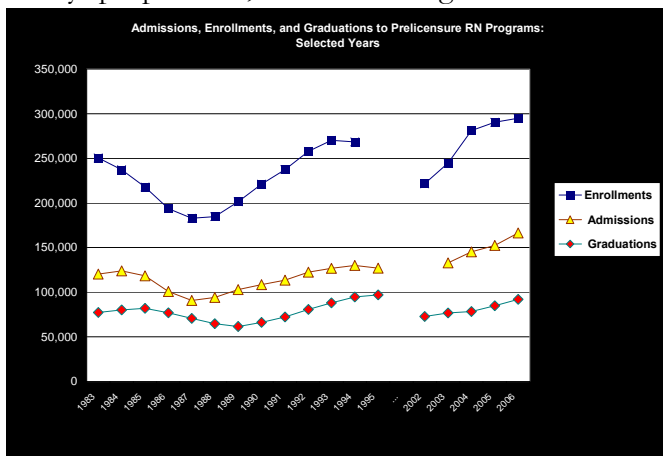
Admissions Rise But Rate of Enrollment Growth Continues to Fall

Nursing Workforce Supply Trends. The nation added 150 additional prelicensure RN programs between 2005 and 2006, a significant expansion. Moreover, the new programs were not simply added by institutions with established nursing schools. Rather, the overall number of American institutions offering nursing programs expanded by 6.4 percent over the past year.

Perhaps reflecting this expanded capacity, annual admissions rose by 5 percent to 166,442 in 2005-06. Increases were seen across program types, with baccalaureate program admissions up 12 percent, diploma programs up 9 percent, and associate degree program admissions gaining 8 percent between 2005 and 2006.

Although annual admissions increased in healthy proportions, the rate of growth of overall enrollments fell off significantly between 2005 and 2006. After growing almost 15 percent between 2003 and 2004, enrollment growth declined to only three percent in 2005, and fell to just half that level – 1.5 percent – in 2006.

The falling growth rate in enrollments was seen across all types of RN programs. Baccalaureate enrollments grew by only 4.2 percent in 2006 compared with 6.2 percent in 2005 – a decline of 33 percent. And enrollments in associate degree programs were effectively unchanged from last year, registering a fractional 0.3 percent drop to 150,277 in



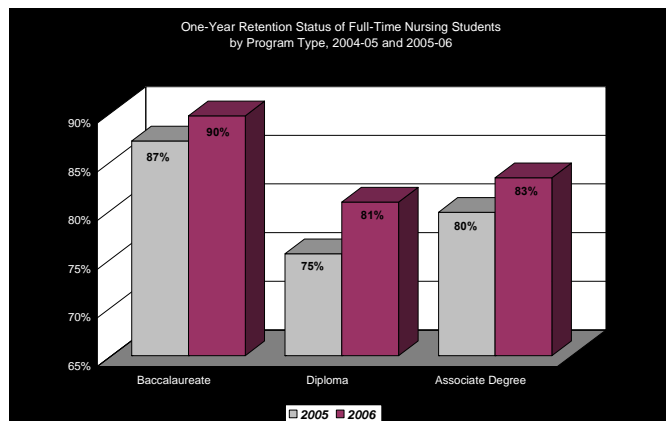
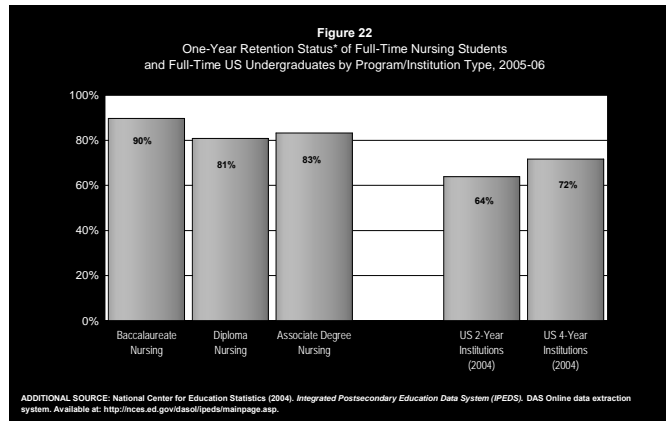
2006 – a negative growth rate of almost 2 percent. Diploma enrollments fell by 2.6 percent to slightly under 12,000 in 2006.

Graduations. In keeping with long-term trends, fully 59 percent of all new graduates eligible to enter the nursing workforce this year in the United States were prepared in two-year associate degree programs, whereas slightly over one-third (38 percent) graduated from baccalaureate nursing programs, and eight percent graduated from diploma programs. Overall graduations from prelicensure programs grew by 8.5 percent to just under 85,000 in 2006. Graduations from baccalaureate programs grew by almost twenty percent, whereas the number of associate degrees conferred grew by only 3 percent, and graduations from diploma programs actually fell by 3 percent.

Student Retention. First year retention rates in nursing – i.e., the percentage of students who remain enrolled or have graduated one year after their initial enrollment – exceed those in found in US postsecondary institutions by a healthy margin. Nine out of every ten students who had enrolled in baccalaureate nursing programs in 2005 remained enrolled or graduated by 2006, compared with a first-year retention rate of only 72 percent at four-year US undergraduate institutions.

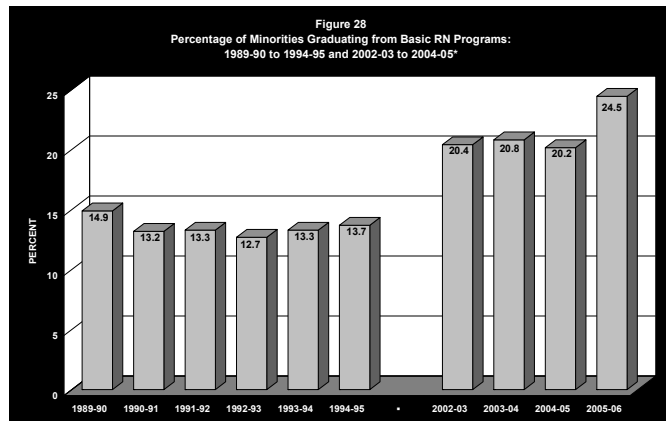
And associate degree nursing programs had a first-year retention rate of 83 percent, comparing very favorably with that of US two-year institutions which retained under two-thirds (64 percent) of their first-year students at last count in 2004.

Moreover, the one-year retention status of first-year full-time nursing students showed a very healthy increase this year across all types of prelicensure RN programs. Between 2005 and 2006, the average first-year retention rate increased three percent among both baccalaureate and associate degree programs, while first-year retention in diploma programs jumped a prodigious six percent, from 75 percent in 2004-05 to 81 percent in the 2005-06 academic year.



Minority Graduations Jump to 25 Percent

Student Demographics. This year's Annual Survey yields both positive and negative findings regarding characteristics of graduates from US nursing programs. On a very positive note, after three consecutive years in which the proportion of minorities entering the RN workforce stagnated at approximately 20 percent, the fraction of minority graduates jumped to 24.5 percent in 2006. This increase in minority graduations was distributed across all racial-ethnic categories, each of which exhibited fractional growth between 2005 and 2006. (Asians, African-Americans, and Hispanics each gained roughly an additional one percent share of graduates, while American Indians gained .3 percent.)



This represents an extremely auspicious turn of events from two key standpoints. First, given the need to maximize the sheer numbers of recruits into the profession it is crucial that future candidates be drawn from the broadest possible swath of the working population. Second, research increasingly links minority health disparities to a lack of cultural competence on the part of health care providers, who often differ from their patients with respect to racial-ethnic background. This concern has been particularly acute within the RN workforce where the percentage of minorities has been slow to increase, and only exceeded 10 percent in the last decade (HRSA, 2004). Thus, if this year's jump in minority graduations were to mark a permanent trend, it would be a welcome one indeed.

On another positive note, after falling off during the dot com boom, the percentage of men graduating from basic RN programs has exhibited a small but steady growth trend over the past three years, with men reaching just over 12.1 percent of graduates in 2006. Baccalaureate programs had the smallest proportion of men in 2006 with males representing just over one in ten graduates. Associate degree and diploma programs, with 13 percent and 15 percent of graduates respectively, had slightly greater percentages of men.

Despite the good news, the age of new graduates represents an area of concern. Fully 43 percent of all prelicensure nursing graduates were over the age of 30 in 2006 and one in six (16 percent) were over the age of 40. While age breakdowns for new college graduates were not available in 2006, we do know that fewer than one in four (24 percent) of students *enrolled* in US postsecondary institutions were over age 30 in 2006, and that only 11 percent were over the age of 40. By contrast, the relatively advanced age of new nursing graduates is worrisome as it indicates that, despite growth in the volume of new workforce entrants in nursing, the average RN's overall length of employment in nursing will be foreshortened considerably by her delayed entrance into the profession.

