

2020

# Higher Ambitions

The Effect of COVID-19 on How Families  
Plan for Post-secondary Education

Conducted by Ipsos

sallie  
mae®

# About this adjunct report

Sallie Mae partnered with Ipsos, a global independent market research company, to introduce a new 2020 study, *Higher Ambitions: How America Plans for Post-secondary Education*.

The study is designed to understand high school students' plans for after they graduate high school. In addition, it examines the value students and their families place on higher education, how they are preparing for post-secondary education if they plan to attend, and how they expect to pay for this post-secondary education.

Interviews were conducted with parents of high school students and high school students, online, in English, between January 8, 2020 and January 17, 2020.

As we neared publication of the report, the coronavirus/COVID-19 pandemic was surging in the United States. We considered that, as a result, students' plans for higher education and their families' expectations and confidence regarding paying for higher education may have changed.

To assess the impact of the pandemic on families' current thinking, we fielded a shorter, follow-up survey reprising several key questions to use as points of comparison, along with several new questions specific to concerns about COVID-19. This adjunct survey was conducted online in English between April 10, 2020 and April 22, 2020. The survey sample comprised a cross-section of key demographic variables of

- 500 parents of high school juniors and seniors, and
- 500 high school juniors and seniors from the continental U.S., Alaska and Hawaii

Details on methodology, including sampling, weighting, and credibility intervals, are included in the technical notes.

To read the main report, *Higher Ambitions: How America Plans for Post-secondary Education*, go to [salliemae.com/howamericaplans](https://salliemae.com/howamericaplans).

# Discussion of findings

While high school juniors and seniors and their families are concerned about the COVID-19 pandemic, most families see the associated uncertainty as short-lived. Long-term views about pursuing a post-secondary education, attitudes towards the value of education, and assumptions about paying for college haven't changed.

The immediate economic effect on families is of particular importance, but it's not stopping students from pursuing the dream of higher education. They continue to plan, though they may have to maneuver differently than previously expected.

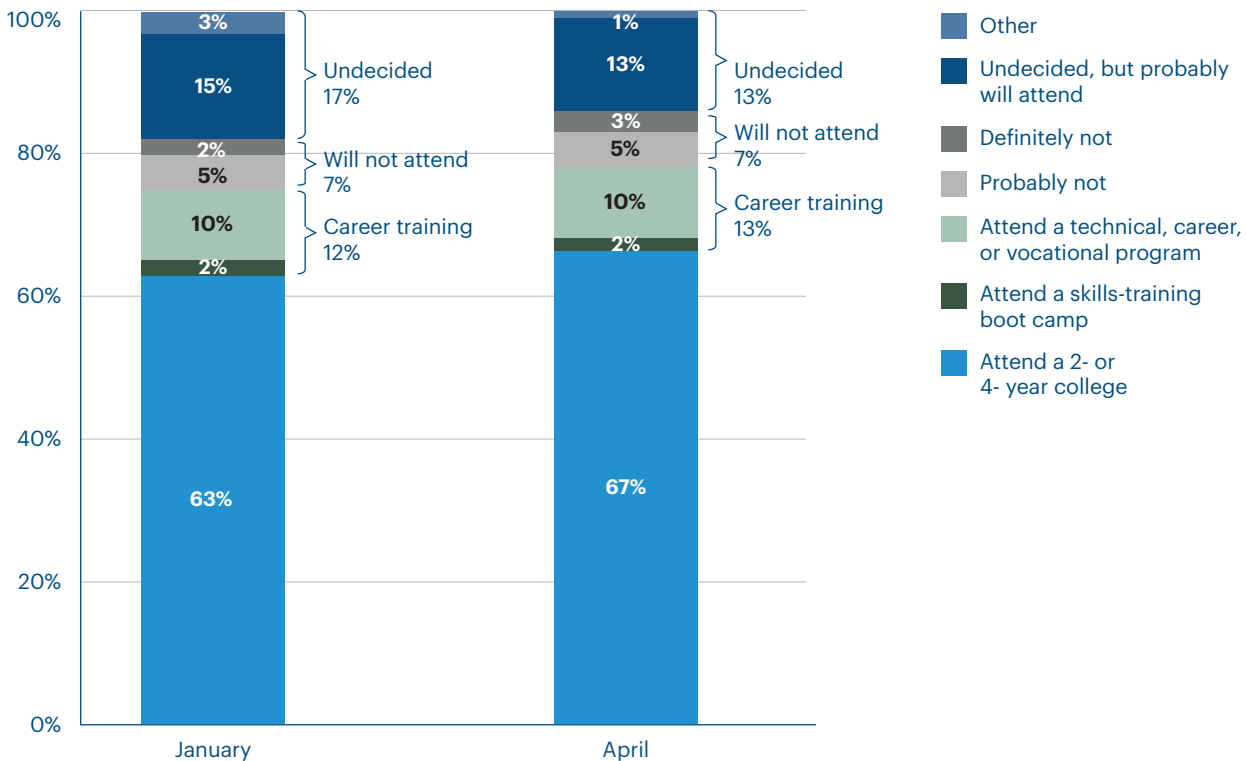
## Higher proportions of families report being prepared

Comparing the April data to January data, distinct increases are seen in families' decision-making about post-high school plans and their preparedness for paying for higher education.

As students are closer to leaving high school, 80 percent of families report the student is planning on post-secondary education, compared with 75 percent in January, with fewer being "undecided" about their plans.

**Figure 1. Higher Education Plans**

Q. What do you [student] plan to do directly after high school?



- Juniors who are undecided dropped from 20% in January to 13% in April, while undecided seniors dropped from 15% to 14%.
- Those who have decided not to pursue higher education remain unchanged from January to April, 8% of seniors and 6% of juniors.
- Some seniors shift their post-secondary choice toward two- and four-year colleges (68% in April vs 63% in January) and away from career training (10% in April vs 14% in January).
- Among juniors who switched from undecided to decided, more of them say they're interested in career training (16% in April vs 11% in January) than two- and four-year colleges (66% in April vs 64% in January).

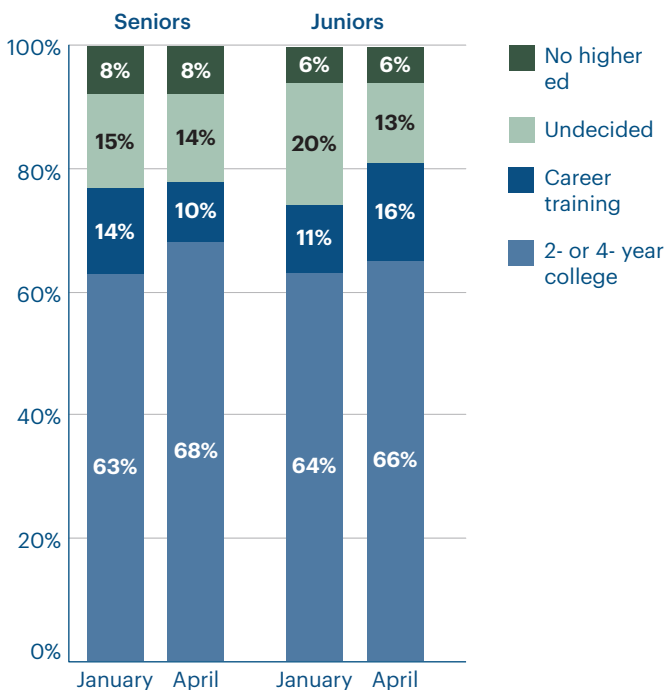
More seniors have filed the Free Application for Federal Student Aid (FAFSA) in April compared to January (61% vs 44%).

More families of both seniors and juniors report having a plan to pay for higher education in April compared to January (67% vs 61%). Seventy-one percent of seniors' families report having a plan to pay in April compared to 66 percent in January. More juniors' families also have a plan to pay, 61 percent, up from 55 percent in January.

More families also report having savings for higher education. Fifty-six percent of families in April have set aside some savings compared to 51 percent in January, with the increase driven by families of seniors. Among seniors, 58 percent report having savings in April compared to 52 percent in January, while among juniors it is about the same (53% vs 51%, respectively).

**Figure 2. Senior and Junior Plans, from January to April**

Q. Summary of responses to: What do you [student] plan to do directly after high school?

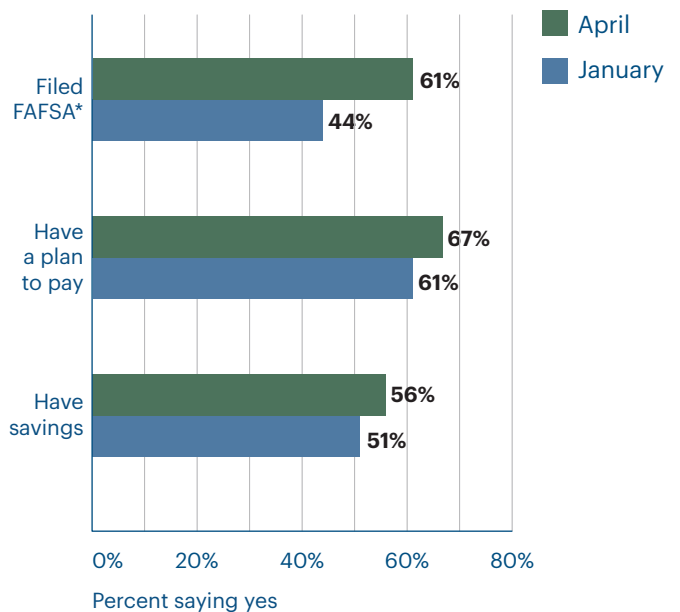


**Figure 3. Taking Steps to Pay for Higher Education**

Q. Have you or your family filed the FAFSA for 2020-2021? FAFSA stands for the Free Application for Federal Student Aid? Yes/No/Not sure

Q. Do you have a plan for how to pay for [student's] education after high school? Yes/No/Not sure

Q. Do you or your family have money set aside for education after high school? Yes/No/Not sure



\*seniors only

# Long-term attitudes toward higher education haven't changed

Despite concern about COVID-19 and the resulting quarantine putting a “hold” on many families’ immediate next steps, fundamental attitudes about the value of higher education, big-picture plans for how to pay for higher education, and confidence levels about the student’s ultimate success haven’t changed.

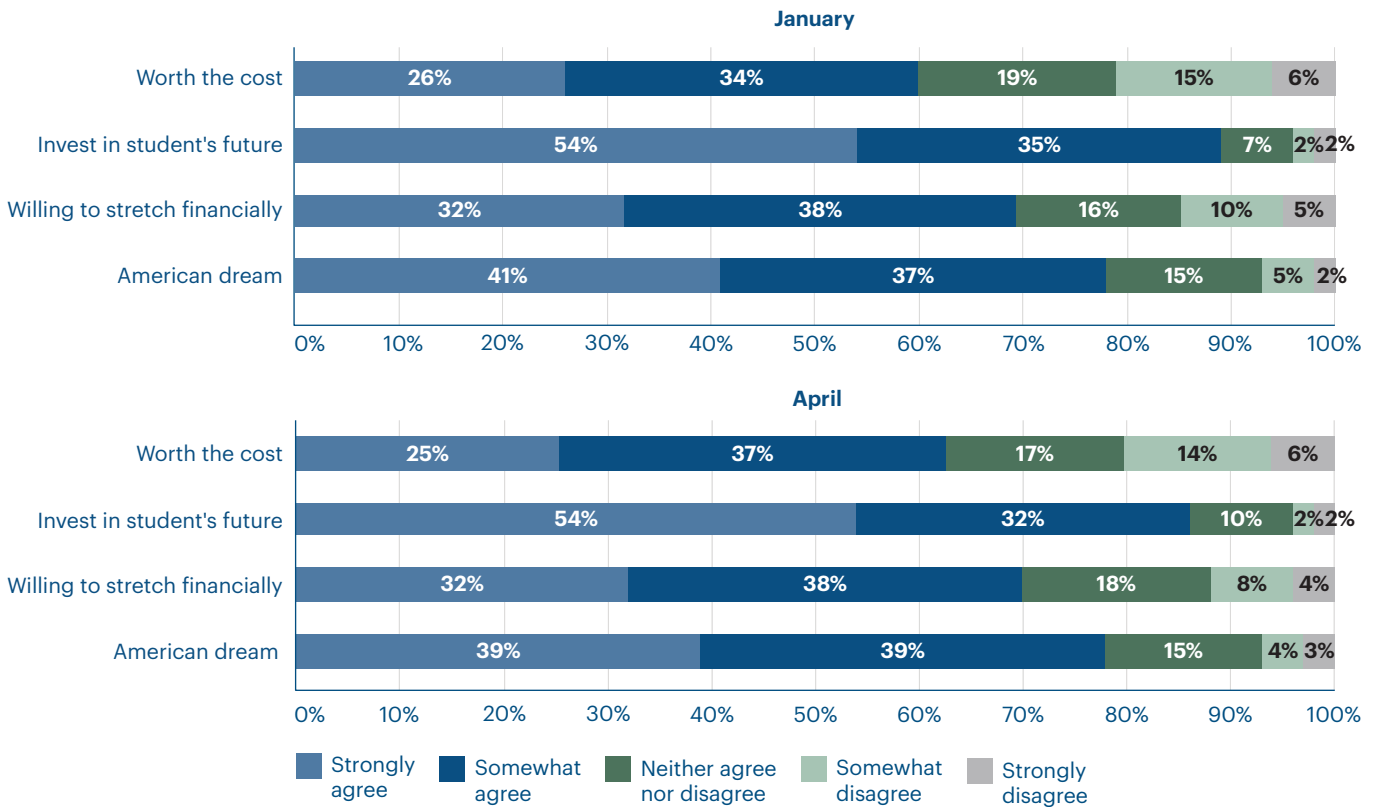
Attitudes toward the value of higher education remain consistent across January and April.

- 86% of families in April agree higher education is an investment in the student, a similar proportion to January (89%).
- 78% of families in both waves agree higher education is part of the American Dream.
- 70% of families in April are willing to stretch themselves financially to obtain opportunity for the student, similar to January (69%).
- 62% of families in April agree college is worth the cost, similar to January (60%).

**Figure 4. Agreement with Attitudes about Higher Education**

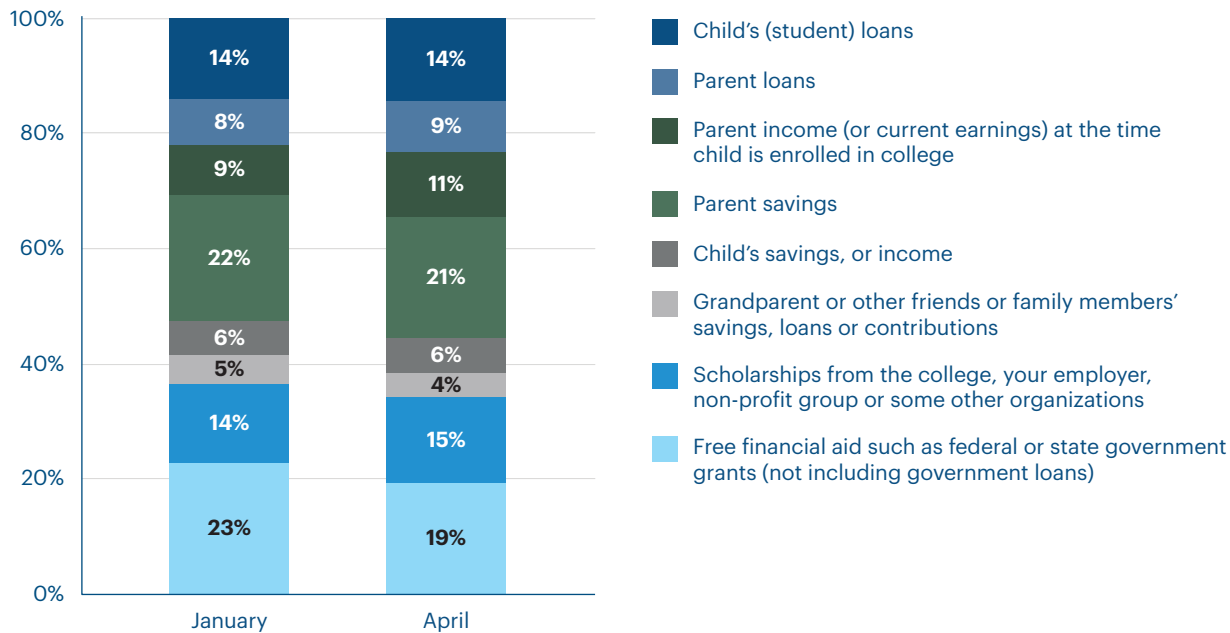
Q. Thinking generally about education after high school, please indicate whether you agree or disagree with the following statements.

- a. College is worth the cost.
- b. College is an investment in my/my child’s future.
- c. I am willing to stretch myself financially to obtain the best opportunity for my/my child’s future.
- d. A college education is part of the American Dream.



### Figure 5. Proportion of Higher Education Costs to Be Paid from Each Source

Q. What percentage of the total education costs for your oldest child in high school will come from, or do you expect to come from, the following sources?



The proportion of sources families expect to use to pay for college are remarkably similar across January and April. The assumptions about reliance on income and savings are particularly indicative of the separation of the long-term view from the immediate situation given the worry families feel about the loss of savings value and potential job loss.

Parent income and savings are expected to pay nearly one-third of costs: 32 percent in April vs 31 percent in January. Student income and savings will cover another 6 percent (both waves) and grandparent or other family contributions are expected to contribute 4 percent in April vs 5 percent in January.

Families expect just over one-third of costs to come from free financial aid: April families anticipate 34 percent of costs to be paid from scholarships and grants, similar to 37 percent of January families. Loans are expected to pay close to one-quarter of costs: student loans will cover 14 percent of costs in both waves, and parent loans 9 percent in April vs 8 percent in January.

Families haven't changed their opinion on who should be responsible to pay for higher education: 70 percent in April say parents have some responsibility vs 72 percent in January; 64 percent say students have some responsibility vs 63 percent in January; and 36 percent say the government has some responsibility for paying for college vs 34 percent in January.

Confidence levels between the January and April populations are not significantly different. While consumers are experiencing anxiety in the near term, they seem not to be projecting additional fear or worry on long-term outcomes, including academic success and post-education job prospects. Overall, paying for higher education confidence is similar across waves but some confidence is lost among families who have a plan to pay.

- Academic success: 69% of families in April are confident the student will be admitted to his/her preferred school vs 67% in January, and 79% are confident the student will successfully complete his/her program vs 78% in January.
- Job prospects: 68% are confident the student will receive an education to support his/her career goals that is worth the time and money spent vs 69% in January, and 68% are confident the student will get a job after completing his/her education vs 71% in January.

Fewer families—less than half—feel confident about paying for higher education compared to academic success and job prospects. The proportion of the overall respondents who are confident in April, however, is consistent with January.

- 46% of families feel confident in their ability to meet the costs of higher education in April, similar to 45% in January, and 45% in both waves feel confident in how they will pay for higher education.

Among families who created a plan to pay for higher education, there is a significant change in confidence regarding paying for higher education, though they remain much more confident than families without a plan. One explanation for their drop in confidence could be

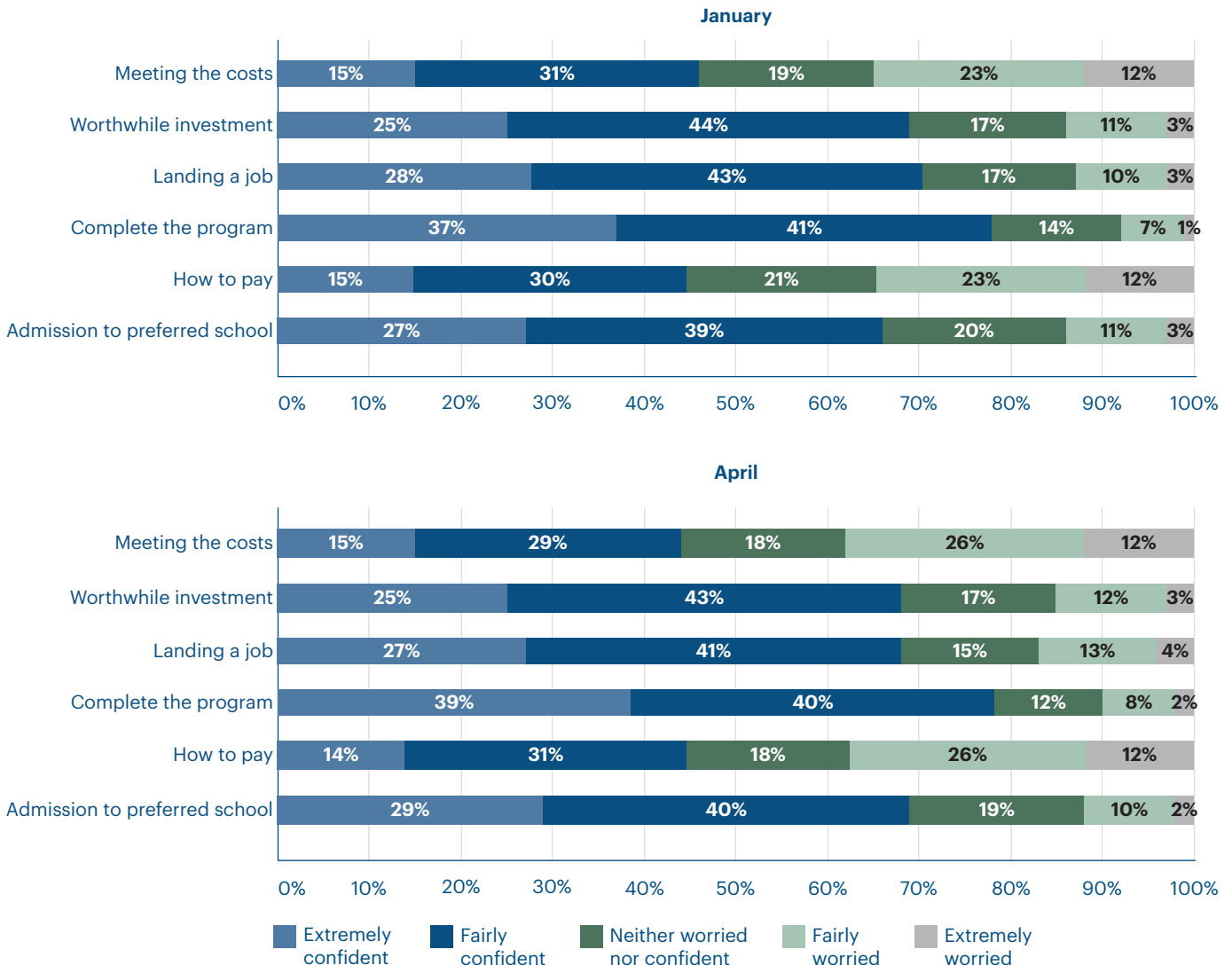
that they're afraid they can't fully implement their original plan. Planners are more likely to have set aside savings, thus may worry about the value of those savings declining, disrupting their plan.

- Among families with a plan to pay, 57% are confident in their ability to meet the costs of college, down from 64% in January, and 58% are confident about how they will pay for higher education, down from 63% in January.

### Figure 6. Confidence and Worry

Q. How confident or worried are you about each of the following?

- a. Your family's ability to meet the costs of your/your child's education after high school
- b. You/your child getting career training that is worth the time and money spent furthering your/his/her education after high school
- c. You/your child getting a job after completing your/his/her advanced education
- d. You/your child successfully completing your/his/her post-high school program
- e. How you'll pay for attending the school of your/your child's choice
- f. You/your child getting accepted into the school of your/his/her choice



# Online learning

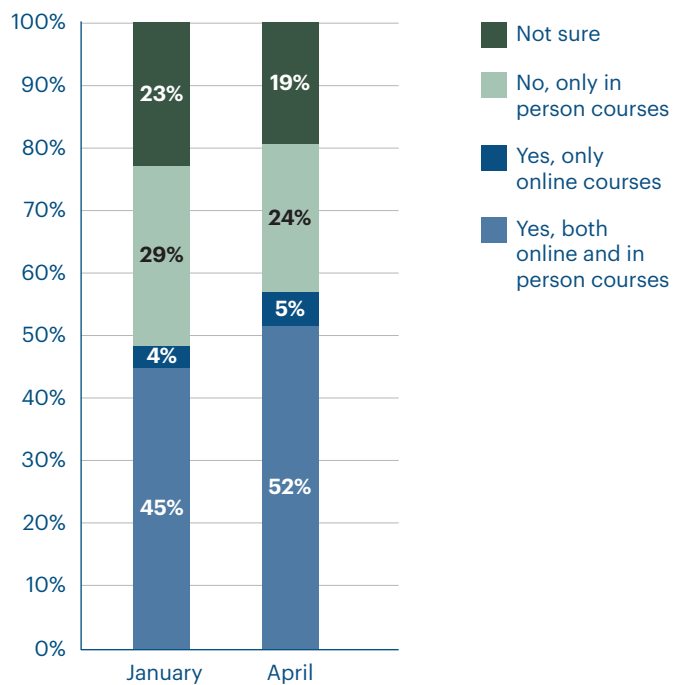
One thing that has made an impact on families during the quarantine is virtual classrooms or online learning. More families now expect the student to take online classes as part of their higher education learning, but not as all of their learning.

- 52% of families in April vs 45% in January say they expect the student to take a combination of online and in-person classes.
- 5% say they expect to take only online courses compared to 4% in January.
- Parents are driving this shift in perspective: only 43% of parents in January expected their child to take any online classes compared to 59% in April. About 55% of students in both waves expect to take online classes.
- Students in April who plan to attend a two- or four-year college are more likely to expect to take a combination of online classes and in-person classes than students planning on career training (56% vs 47%, respectively) and slightly less likely to expect to take online classes exclusively (4% vs 6%, respectively).

More than 8 in 10 families (81%) believe online only courses should cost less than in-person classes. Parents are more likely to feel this way than students (84% vs 78%, respectively). Families with a student planning to attend a two- or four-year college are more likely to agree than those with a student planning on a career training program (83% vs 77%, respectively).

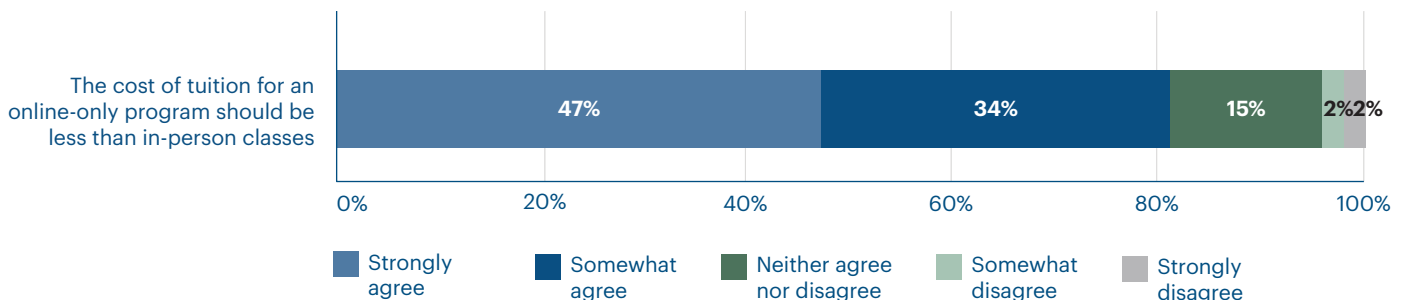
**Figure 7. Expect to Take Classes Online**

Q. Does [student] plan to take any online courses when he/she continues his/her education after high school?



**Figure 8. Agreement with Cost Reduction for Online Classes**

Q. Thinking generally about education after high school, please indicate whether you agree or disagree with this statement





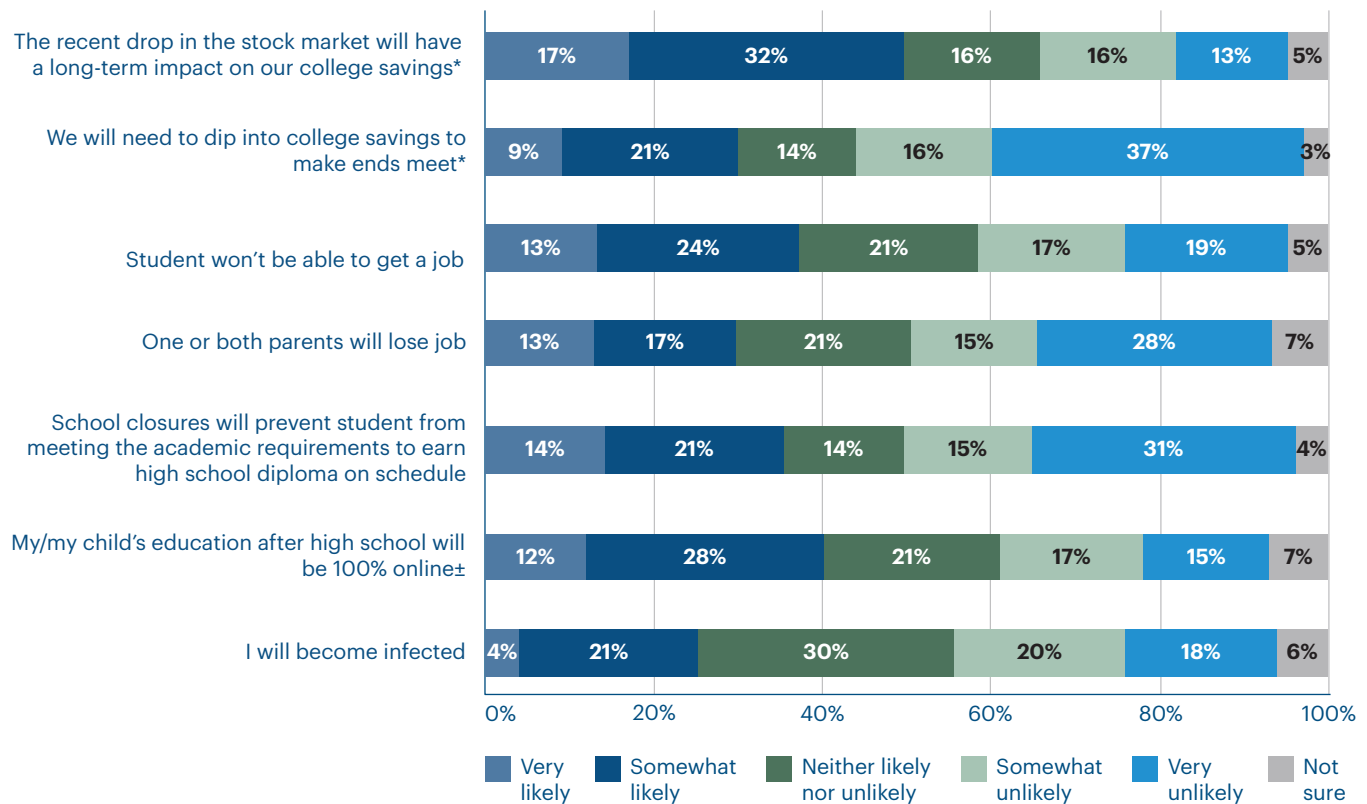
# COVID-19 outbreak concerns

Naturally, the vast majority of high school families are concerned about the COVID-19 pandemic, with only 4 percent saying they are not concerned at all. Four in ten are very concerned (43%), while more than half are just moderately concerned (30%) or slightly concerned (22%). Parents are more worried (very and moderately) than students, 78 percent compared to 68 percent.

Families are more likely to believe the COVID-19 outbreak will affect their economic position or the student’s learning than to believe it will affect their health.

**Figure 9. Likely the Following Will Happen**

Q. How likely do you think it is that any of the following will happen because of the coronavirus/COVID-19 outbreak?



\*among families who report having education savings

± among families in which the student is planning on higher education or is undecided

Half of families with college savings (50%) expect the value of those savings to decrease because of the downturn in the financial market. Nearly one-third of families with savings (30%) think it likely they will need to spend those savings intended for higher education on other household priorities to make ends meet during this crisis.

About two-thirds of families don't worry about the likelihood of the student struggling to find a job or that one or both parents will lose their job. More families believe the student will have difficulty finding a job than believe the parents will lose their jobs (37% vs 30%, respectively). Students worry more than parents about both the student's and parent's job prospects.

- 44% of students compared to 30% of parents believe it likely students will not be able to get a job.
- Families in which the student is undecided about higher education or has decided not to attend are more likely than those pursuing higher education to think it likely the student won't be able to find a job (43% vs 35%, respectively).
- 34% of students compared to 25% of parents believe it likely one or both parents will lose their job.

Regarding concerns related to the student's education, one-third of families (35%) think it likely the high school closures will prevent the student from meeting the academic requirements to earn a high school diploma on schedule.

- Families of high school juniors are equally likely to believe this as high school seniors (36% vs 35%, respectively).
- About half of undecideds think this is likely (49%), significantly more than other groups: those not pursuing higher education (44%), those planning on career training (37%), and those planning to attend a two- or four-year college (32%).

Forty percent of families say it is likely that education after high school will be 100% online (i.e. will not return to traditional brick-and-mortar schools). Families of seniors are more likely to say this than juniors (44% vs 34%).

Fewer families are worried about the health impact of COVID-19 compared to those who see economic and learning impacts. One-quarter of families (25%) believe they are likely to be infected, with more parents than students believing this (29% vs 22%).

## Effect on post-high school plans

The COVID-19 pandemic is introducing some confusion and uncertainty for high school families about how and when high school and college learning will take place, but two-thirds of families (66%) say the COVID-19 pandemic hasn't impacted post-high school plans.

Those who are undecided about post-secondary education are more likely to say it has had an effect than those planning to enroll and those planning not to go (46%, vs 31% and 36%, respectively).

Low-income families are more likely to say it affects them than mid- or high-income families (40%, vs 34% and 29%, respectively).

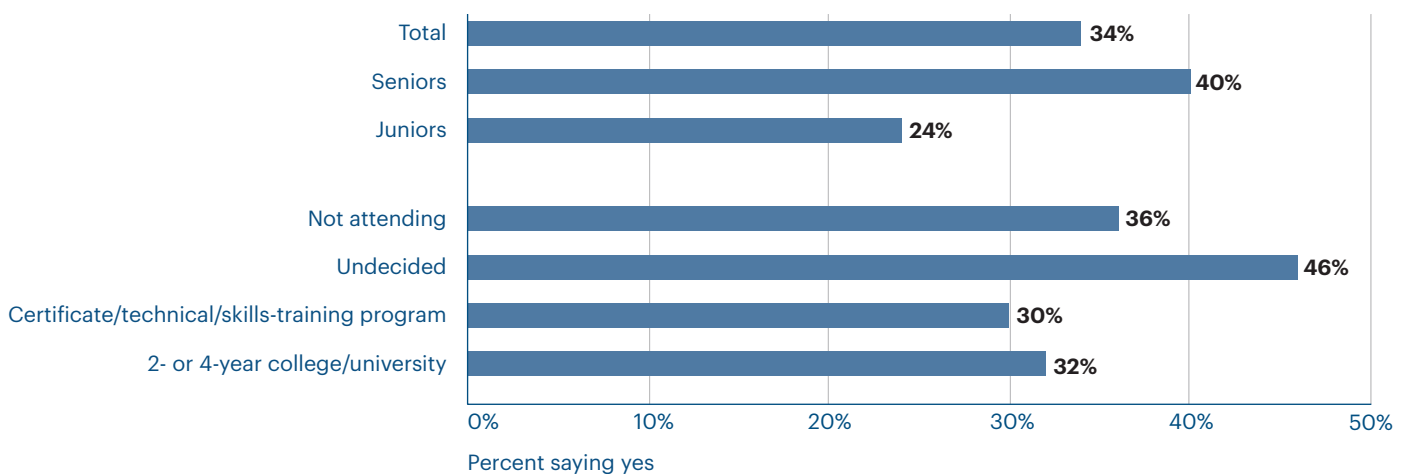
Only one in 10 of families who say the virus has had an impact on their planning, however, report making a different decision for post-secondary education based on COVID-19, including postponing attendance or choosing a different school.

**“My child had planned on going away to school. Instead she will stay home and go to college locally.”**

Parent of high school senior

### Figure 10. COVID-19 Has Affected Plans for Life after High School

Q. Have the recent events regarding coronavirus/COVID-19 affected [the student's] plan for what [student] will do directly after high school? Yes/No/Not sure



More than 6 in 10 of those who say the pandemic has affected their plans are stymied, unable to make their next decision about post-secondary education due to the effects of the quarantine. Obstacles affecting their path to a decision include

- Standardized placement tests being delayed
- Inability to tour campuses in person
- No access to an advisor to help guide them
- Canceled internships, summer programs, and summer classes
- Not sure whether seniors will earn full credit and obtain diplomas as scheduled
- Not sure whether higher education institutions will be open in the fall

**“He hasn’t been able to meet with the coaches or tour the campuses to make a decision.”**

Parent of high school senior

**“I am not able to get one-on-one help with college documents or the next steps needed to take for college...I’m a first-generation student.”**

High school senior

**“Since this pandemic, everything is on hold.”**

Parent of high school senior

About one in ten of those impacted cite financial implications during this economic downturn as impacting their ability to make decisions.

In addition to concern about employment, income, and savings value, other financial unknowns include

- Whether students will earn dual enrollment credits or Advanced Placement course credits for classes they were enrolled in during spring semester
- Whether sports scholarships will be awarded due to inability to play the complete spring season
- Inability to fulfill requirements—such as community service—needed to qualify for certain scholarships
- Students’ inability to work and save money to contribute to their education

**“She is losing college credit for her high school concurrent classes. She is unable to prepare for the AP exams to receive college credit.”**

Parent of high school senior

**“I [had] planned on working and saving then going to college in the fall.”**

High school senior

One in ten of families who say the virus is affecting their plans report COVID-19 and the quarantine is taking a toll on the student’s mental health. A number of seniors are saddened at missing out on the rituals associated with finishing high school such as graduation, prom, sports banquets, and awards nights; other students feel fear about leaving home and getting sick at school; a few have lost their optimism and express despondency about the future.

**“I’m scared to go to school and be in a large group of people.”**

High school senior

**“I feel depressed and don’t want to even get my hopes up on my next steps in life.”**

High school junior

## How COVID-19 affects students' steps to preparing for higher education

Half of families (50%) who plan to pursue higher education or are undecided say the COVID-19 situation has affected the steps they are taking to prepare for higher education. Seniors are more likely to say they've been impacted than juniors (55% vs 42%).

Families of students planning on career training education after high school are less likely to say it affects their preparations than those planning on a two- or four-year college and those who are undecided (43%, vs 50% and 56%, respectively).

Two-thirds of families whose preparations for higher education have been affected report delays in their ability to take next steps due to the quarantine. The most cited issues are

- Inability to meet face-to-face with campus personnel or visit campuses
- Limited communication with college officials, unable to get questions answered promptly
- Unable to take admissions tests, such as SAT and ACT
- Unable to participate in a variety of activities that might make the student a more attractive admissions candidate

**“We're unable to see schools, unable to really talk to people, all items are delayed including financial aid.”**

Parent of high school senior

One-fifth of students who say their next steps have been affected cite the transition to online learning due to high school closures as a cause; most feel it has been a less effective learning mode for them. Particular issues include

- Juniors feel they have a knowledge gap and are less prepared academically
- Juniors are afraid they may have to repeat their junior year due to the amount of time high schools have been closed
- Students enrolled in typical “hands on” classes feel they're missing a critical piece of their education
- Seniors feeling less prepared to succeed in college

**“I am struggling to learn and take tests this way. I feel like it's hindering my future already.”**

High school junior

**“The last quarter of high school was really focusing on college readiness—writing for college level papers, preparing for placement exams, etc. Even though there are things going on online, nothing can compare to what she would have received in school.”**

Parent of high school senior

For most families who say they've been impacted, the dominant reaction to the pandemic and resulting quarantine is feeling frustration or worry that their planned next steps are “on hold.” About one in 20, however, say they are taking advantage of this period to improve their opportunities. These students say they are using the extra time to

- Explore career options
- Research and apply for scholarships
- Research the best online schools
- Prepare for standardized tests

**“I have become a better goal setter and planner, and have worked on my time-organization skills.”**

High school senior

**“I've had more time to apply for scholarships.”**

High school senior

## Undecideds

A similar proportion of those who are undecided in January and April identified uncertainty of career and financial constraints as reasons for not being sure about higher education at this time.

In April, one-third of undecideds said COVID-19 contributed to their reasons for being undecided and fewer said it was the student's ability to handle the academics.

- The top reason given is that students are unsure of what type of career they want, therefore they don't know what education requirements they'll need (January, 39% and April, 43%).
- 35% in April say the COVID-19 situation is contributing to them being unsure.
- Affordability is a consistent issue: 28% in January and 25% in April say they don't know how they would pay for it.
- Fewer in April say the student's ability to manage academically is the reason: 21% say the student is not ready for the pressure compared to 28% in January, and 17% say the student needs a break from the classroom compared to 22% in January.

## Conclusion

The COVID-19 pandemic has raised finance, health, and work concerns for families, but it has not affected families' long-term attitudes toward higher education. Most families have not changed their plan to attend, their confidence levels for paying for post-secondary education remain high, and more report being prepared for higher education since the health emergency was declared. In fact, when families project how they will pay for all years of college, their expectations for the proportion of contributions that will come from family income and savings remains the same in April as it was in January.

While the pandemic has not changed families' plans whether to pursue higher learning, it has affected how they are preparing for post-secondary education. Social distancing mandates have meant that some preparation steps—such as counseling, school contact, and test taking—have been put on hold. Some students are taking advantage of the period to take additional steps, such as exploring career options, applying for scholarships, researching online schools, and preparing for standardized tests. At the same time, the quarantine has raised families' familiarity and experience with virtual classrooms and online learning, and as a result, online classes are increasingly becoming an expected component of higher education learning.

Despite these changes, students are continuing to follow their path. Some students may have made different decisions about which school they'll attend, but as many seniors now as during January indicate they are planning to attend post-secondary school in the fall. Amidst the immediate unknowns, families haven't questioned their fundamental belief in the value of higher education.

# Technical notes

## Target population

Ipsos conducted the *Higher Ambitions: The Effect of COVID-19 on How Families Plan for Post-secondary Education* survey online, in English, between Friday, April 10, 2020 and Wednesday, April 22, 2020. Ipsos interviewed 500 parents with a high school junior or senior child and 500 current junior and senior high school students from the continental U.S., Alaska and Hawaii. The students under age 18 were recruited by requesting their participation from their parents.

## Sample design

The sample for this study was randomly drawn from Ipsos' online panel, partner online panel sources, and "river" sampling and does not rely on a population frame in the traditional sense. Ipsos uses fixed sample targets, unique to the study, in drawing sample. After a sample has been obtained, Ipsos calibrates respondent characteristics to be representative of the U.S. Population using standard procedures such as raking-ratio adjustments. The source of these population targets is 2013 American Community Survey data. The sample drawn for this study reflects fixed sample targets on demographics.

## Weighting

To correct for adjustments to sample targets during fielding, the survey was weighted using a statistical technique called rim-weighting to align the respondent demographics with the current U.S. population. All of the demographic profiles used in the weights were sourced from the 2013 American Community Survey (ACS).

## Credibility interval

Statistical margins of error are not applicable to online polls. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error. Where figures do not sum to 100, this is due to the effects of rounding. The precision of Ipsos online polls is measured using a credibility interval. In this case, the study has a credibility interval of plus or minus 3.8 percentage points for all respondents. Ipsos calculates a design effect (DEFF) for each study based on the variation of the weights, following the formula of Kish (1965). This study had a credibility interval adjusted for design effect of the following (n=1000, DEFF=1.5, adjusted Confidence Interval=5). The study also has a credibility interval plus or minus 5.4 percentage points for parents and plus or minus 5.4 percentage points for students.