

Profit Education for Black American Students

Educação com Fins Lucrativo para estudantes Negros Americanos

Educación con fines de lucro para Estudiantes Afroamericanos

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Abstract: This study examined the insertion of black American students, especially those of low socioeconomic status, in for-profit schools. The study used two theoretical categories, credentialism and cultural capital, in order to analyze the factors that influence the enrollment of students in the for-profit sector of higher education. The sample consisted of 20 students from 10 educational institutions in southern California, USA. Four main themes were captured: convenience, lack of cultural capital, credentialism and student satisfaction with the institution. The results of this study showed that most of these students were dissatisfied with their experiences in for-profit schools. Among the reasons for dissatisfaction were issues related to the lack of effective training to enable students to enter the job market, lack of confidence in the practice of their profession, the high cost of tuition that leads to large debts after graduation and feelings of loss of time and money. The study's recommendations include: (a) the need to enable students to have more knowledge about for-profit schools and different educational paths; and (b) the need for insertion and inspection of the state in schools for profit, in order to offer excellence in teaching.

Keywords: For-profit school. American black student. Cultural capital.

Resumo: Este estudo examinou a inserção de alunos negros americanos, especialmente os de baixo nível socioeconômico, em escolas com fins lucrativos. O estudo utilizou duas categorias teóricas, credencialismo e capital cultural, com o objetivo de analisar os fatores que influenciam a matrícula de alunos no setor com fins lucrativos do ensino superior. A amostra foi composta por 20 alunos de 10 instituições de ensino no sul da Califórnia, EUA. Quatro temas principais foram capturados: conveniência, falta de capital cultural, credencialismo e satisfação do aluno com a instituição. Os resultados deste estudo mostraram que a maior parte desses estudantes estavam insatisfeitos com suas experiências em escolas com fins lucrativos. Entre os motivos de insatisfação estavam questões relacionadas à falta de treinamento efetivo para capacitar a entrada dos estudantes no mercado de trabalho, falta de confiança na prática de sua profissão, o alto custo de ensino que leva a grandes dívidas após

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a graduação e sentimentos de perda de tempo e dinheiro. As recomendações do estudo incluem: (a) a necessidade de capacitar os alunos a ter mais conhecimento sobre escolas com fins lucrativos e diferentes caminhos educacionais; e (b) a necessidade de inserção e fiscalização do estado nas escolas com fins lucrativos para oferecer excelência no ensino.

Palavras-chave: Escola com fins lucrativos. Estudante negro americano. Capital cultural.

Resumen: *Este estudio examinó la inserción de estudiantes afroamericanos, especialmente aquellos de nivel socioeconómico bajo, en escuelas con fines de lucro. El estudio utilizó dos categorías teóricas, credencialismo y capital cultural, con el fin de analizar los factores que influyen en la matrícula de estudiantes en el sector lucrativo de la educación superior. La muestra estuvo compuesta por 20 estudiantes de 10 instituciones educativas del sur de California, EE. UU. Se capturaron cuatro temas principales: conveniencia, falta de capital cultural, credencialismo y satisfacción de los estudiantes con la institución. Los resultados de este estudio mostraron que la mayoría de estos estudiantes estaban insatisfechos con sus experiencias en las escuelas con fines de lucro. Entre los motivos de insatisfacción se encuentran cuestiones relacionadas con la falta de una formación eficaz que permita a los estudiantes ingresar al mercado laboral, la falta de confianza en el ejercicio de su profesión, el alto costo de la docencia que genera grandes deudas después de la graduación y sentimientos de pérdida de tiempo y dinero. Las recomendaciones del estudio incluyen: (a) la necesidad de permitir que los estudiantes tengan más conocimiento sobre las escuelas con fines de lucro y los diferentes caminos educativos; y (b) la necesidad de la inserción y fiscalización del Estado en las escuelas con fines de lucro, para ofrecer excelencia en la enseñanza.*

Palabras clave: Escuela con fines de lucro. Estudiante negro estadounidense. Capital cultural.

Recebido em 14 de setembro de 2020

Aceito em 14 de março de 2021

1 INTRODUCTION

Private for-profit institutions have become an increasingly visible part of the American higher education system. Today, they have the most diverse programs and the highest percentage of nontraditional students, and a great proportion of their total revenue is from the federal student loan program. But researchers have pointed out that students attending for-profit institutions end up with high unemployment rates, lower earnings after graduation compared to students from nonprofit institutions, and high rates of student loan default (DEMING; GOLDIN; KATZ, 2012; HAGELSKAMP; SCHLEIFER; DISTASI, 2014). Large nationwide institutions such as University of Phoenix, DeVry University, and National University are leading examples of for-profit colleges. The for-profit sector is very diverse; it offers everything from

online certificates to graduate degrees. Also, for-profits vary in terms of the degree they offer, the market in which they are specialized, and their pedagogical approach. As Hagelskamp, Schleifer and Distasi (2014, p. 4) described: The for-profit sector has seen a large increase in student enrollment, from serving about 4.7 percent of undergraduate students in the 2000–2001 academic years to about 13.3 percent in the 2010–2011 academic year, reaching 14 percent in 2010–2011 academic years. Moreover, supporters of the for-profit sector have claimed that for-profit institutions are innovators in American higher education due to factors such as the expansion of online classes, flexible schedules that accommodate nontraditional and older students, and a focus on vocational programs. On the other hand, critics have pointed out that for-profit schools have very expensive programs, which force students to take large amounts of loans, receive questionable degrees, and have a high rate of student loan default (HAGELSKAMP; SCHLEIFER; DISTASI, 2014).

The purpose of this study was to examine from the perspectives of students who attended for-profit colleges, specifically: (a) what factors compel vulnerable populations to enroll in expensive profit-seeking institutions, and (b) how the impact of credentialism and the lack of cultural capital shape the enrollment of lower-socioeconomic students in for-profit institutions. Specifically, the study aimed to explain the impact of credentialism and lack of cultural capital as factors capable of shaping educational opportunities.

The research question for this study was: How do the lack of cultural capital and the demand for academic credentials dictate educational opportunities and the enrollment of vulnerable students' populations at for-profit schools? This study examined how students evaluated their experience at for-profit institutions and the reasons that made them stay in these institutions. This study was approached from the perspective of two theoretical frameworks: credentialism and cultural capital.

2 PHILOSOPHICAL OVERVIEW: HIGHER ED AND LOWER ED

2.1 WHAT IS LOWER ED?

Cottom (2017) described Lower Ed as the gap between the promises of higher education that historically have been proclaimed as the great equalizer (Horace Mann, 1848) to the actual opportunities open to individuals, especially those from lower-socioeconomic backgrounds. Cottom (2017), similar to Lambert (2014), argued that education in the United States has shifted from being a public good to a personal benefit. Education as a collective good

once was thought as benefiting the entire society. Investing in the education of individuals, especially those less fortunate, was once seen as an investment in the well-being of the entire country. Perceived now as a personal good, it has become the student's sole responsibility to pay for it. Therefore, Cottom maintained that while education has shifted from public good to individual privilege, the narrative has not changed: education is overwhelmingly seen as "good and moral" and the great equalizer even when it may no longer be playing that role. Cottom (2017, p. 10) pointed out that "Economists W. Norton Grubb and Marvin Lazerson call this the education gospel: our faith in education as moral, personally edifying, collectively beneficial, and a worthwhile investment no matter the cost, either individual or societal." Citing Grubb and Lazerson, Cottom noted that the gospel perspective of education serves the interest of the market. Education is deemed good due to its potential to lead people to well-paying jobs. Grubb and Lazerson argued that very often we do not talk about education in terms of good jobs, but about educating the masses for good citizenship and to help the public good. That is the main contradiction of the education gospel. What is ideologically proclaimed is not done in practice. Based on the education gospel, there is a great demand for people to make financial sacrifices in the process of pursuing higher or postsecondary education. Students and their families are more and more encouraged to take high loans and sacrifice their finances to pursue higher education. These demands are justified by the creed that education pays off. In other words, there is a significant return of investment in the form of higher wages for those with more credentials. Grubb and Lazerson (apud COTTOM, 2017) brilliantly argued that there is a large gap between the education gospel (what is overwhelmingly told to believe about education) and the options and opportunities supposedly available to people, especially those from lower-socioeconomic status. Both Cottom (2017) and Lambert (2014) claimed that education continues to be seen as a public good, but has been treated as a personal benefit. As Lambert pointed out, in the last years we have seen a significant decrease of state and federal investment in higher education, resulting in dramatically rising tuition. Shifting 11 education costs from state and federal government to students and their families have resulted in higher student debt, longer time to complete a degree, and lower completion rates.

Lower Ed is characterized as the market high valorization or demand of credentials characterized by changes in the job market and the inequality of access which have forced thousands of low-income and racial-ethnic groups to enroll at for-profit colleges in order to maintain employment in a highly competitive and unequal society. Cottom (2017, p. 11) defined Lower Ed as:

The subsector of high-risk post-secondary schools and colleges that are part of the same system as the most elite institutions. In fact, Lower Ed can exist precisely because elite Higher Ed does. The latter legitimizes the education gospel while the former absorbs all manner of vulnerable groups

who believe in it: single mothers, downsized workers, veterans, people of color, and people transitioning from welfare to work.

Cottom asserted that Lower Ed is comprised of groups of postsecondary institutions whose business practices are deep-rooted in taking advantage of the social inequalities perpetuated in American society in the form of race, class, gender, and education. More importantly, Lower Ed is the great demand for credentialism and the hegemonic belief in education as the great equalizer. This belief we hold tends to be blind to all forms of social inequalities in society, including market, economic, social, and political inequalities. Lower Ed exists because of the gaps and inequalities that exist in Higher Ed. Low-socioeconomic status students with few educational opportunities, living in a society that heavily demands credentials as the essential means to obtain employment, end up borrowing large sums of money to attend highly expensive profit-seeking institutions. These students are motivated by the hegemonic belief that investment in education is always the right investment; this belief, combined with the need to obtain 12 credentials to guarantee employment in the new and very competitive market economy, makes these students highly vulnerable. While for-profit schools have existed in the United States for a long time, this sector of postsecondary education experienced large expansion around the year 2000 when Wall Street investors saw postsecondary education as a great arena for profit. Shareholders make profit margins by taking advantage of the educational inequalities that are created at K-12 schools and exacerbated at the postsecondary level. In summary, Cottom (2017) argued that she does not know individuals who see for-profit colleges and universities as efficient schools or who look forward to sending their own sons and daughters to attend these institutions. The students who participated in the Cottom study maintained that they would not send their own children to attend their schools.

2.2 HISTORICAL BACKGROUND OF THE FOR-PROFIT SECTOR

Scholars have pointed out that the modern for-profit college in the United States can be traced back to the 19th century. In 1850, 20 institutions of this type existed, and by 1890, 250 for-profit institutions were serving a population of 81,000 students (BENNETT; LUCCHESI; VEDDER, 2010). Some of these institutions are still in business; examples include Strayer University and Rider University. However, the most significant growth in the for-profit sector came in the mid-20th century due to the increase of federal financial assistance for students. Under the GI Bill, for-profit schools became eligible to enroll students who received federal financial aid. Furthermore, the reauthorization of the Higher Education Act in 1972 allowed

tuition subsidies, such as the Pell Grant, to be used by students at for-profit institutions, which greatly accelerated the growth of the for-profit sector.

Furthermore, with the introduction of federal student aid to the for-profit sector also came scandals and frauds. Schools were created with the pure purpose of taking advantage of students receiving federal aid. As a result, the federal government performed investigations and combated illegitimate business transactions. By the 1990s, the for-profit sector was closely regulated by the federal government to prevent abuses. The for-profit sector in the United States has experienced a significant growth in the past two decades (BENNETT; LUCCHESI; VEDDER, 2010). As Bennett, Lucchesi and Vedder (2010, p. 10) explained:

In 1986, these institutions enrolled just over 300,000 students, while by 2008 enrollment had climbed to nearly 18 million. The growth of the sector has significantly outpaced the growth of traditional nonprofit institutions and the higher education industry as a whole. From 1986 to 2008, the for-profit sector grew at an average annualized rate of 8.4%, 14 while public universities and private nonprofit institutions grew at 1.6% and 1.4% per year, respectively, for the same 22 years period.

Supporters of for-profit institutions have argued that the sector's successful growth represents a demand for this kind of service. Addressing the characteristics of the students in the for-profit sector, supporters have also claimed that for-profit colleges provide educational opportunities for students underserved by traditional higher education institutions (BENNETT; LUCCHESI; VEDDER, 2010; COTTOM, 2013; MILLORA, 2010).

Private for-profit institutions have become an increasingly visible part of the U.S. higher education system. During the academic year of 2010-2011, the sector enrolled 12% of all students in postsecondary education, about 2.4 million students (NATIONAL CONFERENCE OF STATE LEGISLATURES, 2012 apud HAGELSKAMP; SCHLEIFER; DISTASI, 2014). Today, they offer the most diverse programs, are one of the fastest-growing businesses, and attract a high fraction of nontraditional and lower-socioeconomic status students. Additionally, for-profit schools obtain a great proportion of their total revenue from federal student loans and grants. Large nationwide institutions such as University of Phoenix, DeVry University, and National University are part of the for-profit sector. This sector is very diverse; it consists of less than 2-year schools, 2-year institutions, and 4-year universities. For-profit colleges provide students with credentials in areas such as healthcare, business, cosmetology, and information technology. Also, for-profit schools vary in terms of the degrees they offer, the markets in which they are specialized, and their pedagogical approach. As Hagelskamp, Schleifer and Distasi (2014, p. 4) described: "The for-profit sector has seen a steep increase in student enrollment, from serving about 4.7 percent of undergraduate students in the 2000-2001 academic year to about

13.3 percent in the 2010–2011 academic year, reaching 14 percent in 2010–2011 academic year.” Supporters of the for-profit sector have claimed that for-profit institutions are innovators in American higher education because of their expansion of online classes, flexible schedules that accommodate nontraditional students, and focus on vocational programs.

On the other hand, critics have pointed out that for-profit schools have very expensive programs, force students to take large amounts of loans, and are challenged in the credibility of their credentials (HAGELSKAMP; SCHLEIFER; DISTASI, 2014). Researchers have pointed out that students attending for-profit institutions end up with high unemployment rates, lower earnings after graduation, and higher rates of student loan default, compared to students from non-profit institutions (DEMING; GOLDIN; KATZ, 2012; HAGELSKAMP; SCHLEIFER; DISTASI, 2014). Moreover, for-profit institutions on average are more expensive than public and private nonprofit institutions at almost all levels (COTTOM, 2013). They rely heavily on federal student loans and target vulnerable populations such as single parents, older students, minorities, and GI veterans (2011). As Cottom (2013, p. 3) pointed out:

Although only one in 20 students who attend degree-granting institutions attend for-profit, 1 in 10 black students, 1 in 14 Latino students, and 1 in 14 first generation college students are enrolled at for-profit colleges. Low-income female students from every racial/ethnic group are nearly three times as likely to attend for-profit as their higher income female counterparts.

In her analysis, Cottom (2013) posed an important question: Why should we care about the 1.5 million students who are enrolled in for-profit colleges in the United States? To begin answering this question, we should observe that the for-profit sector has experienced massive growth due to its business model of collecting federal student aid and largely enrolling lower-socioeconomic students. Although individuals attending for-profit institutions make up only 10% of American students in higher education, they receive 25% of all federal Pell Grants and represent 50% of student loan default (HERSHBEIN; HOLLENBECK, 2015).

Addressing the differences between for-profit and nonprofit institutions, Cottom (2013, p. 3) explained that “While all colleges have increasingly participated in revenue-generating behaviors, for-profit colleges are defined by a tax status that allows them to extract profit from the organization and distribute that profit to shareholders and/or owners.” In other words, for-profit institutions are in the educational market to own money, while most traditional nonprofit institutions are defined as providing a public benefit entitled as serving students’ interests by helping them to achieve college success. For-profit colleges are tax-free, are eligible for some state grants, and can receive large amounts of federal student loan money. As scholars have pointed out, financial aid and grants are the lifeblood of for-profit schools (HAGELSKAMP; SCHLEIFER; DISTASI, 2010).

2.3 WHO ARE THE STUDENTS ATTENDING FOR-PROFIT SCHOOLS

For-profit students are predominately of lower-socioeconomic status, women, and older. The sector focuses heavily on adults and nontraditional students who would generally not be admitted to traditional public or private nonprofit colleges (COTTOM, 2013; DEMING; GOLDIN; KATZ, 2013; MILLORA, 2010; STEINERMAN; VOLSHTEYN; MCGARRETT, 2011). Deming, Goldin and Katz (2012, p. 9) pointed out that:

African Americans account for 13 percent of all students in higher education, but they are 22 percent of those in the for-profit sector. Hispanics are 15 percent of those in the for-profit sector, yet 11.5 percent of all students. Women are 65 percent of those in the for-profit sector. For-profit students are older, about 65 percent are 25 years and older, whereas just 31 percent of those at four-year public colleges are and 40 percent of those at two-year colleges are.

In sum, unlike students attending community colleges, for-profit constituencies tend to include single parents, students with lower family incomes, and students pursuing the General Equivalency Degree (GED). For-profit schools successfully retain these students in their first year and motivate them to complete short programs and obtain A.A.-level certificates (DEMING; GOLDIN; KATZ, 2012). Among for-profit students in the Beginning Postsecondary Students (BPS) data, 55% are in certificate programs and just 11% are enrolled in a B.A. program. Similarly, among all for-profit students in the IPEDS, certificates are 54% of all completions or degrees conferred and Associate's are 22.5% (U.S. DEPARTMENT OF EDUCATION, 2010 apud DEMING; GOLDIN; KATZ, 2012).

Furthermore, students attending for-profit colleges rely heavily on financial aid to pay for very expensive programs and have high rates of student loan default, compared to students of other institutions of higher education. Scholars have noted that even though the for-profit sector enrolled a small number of undergraduate students, these institutions received 25% of total federal student aid funds in 2009-2010, and their students reached 47% of federal student loan default by 2011 (DEMING; GOLDIN; KATZ, 2012, 2013; HAGELSKAMP; SCHLEIFER; DISTASI, 2014).

Some scholars have claimed that For-Profit Colleges and Universities (FPCUs) promise more than they actually deliver. The profit-driven aspect of the sector puts significant pressure on FPCU managers to deliver great reports of the service that the sector provides. However, reality shows that for-profit schools overwhelmingly spend more money on recruitment than they do on improving teaching and learning. Angulo (2016, p. 139) claimed that:

On average, the thirty leading FPCUs in 2009 spent 17 percent of their budget on instruction and 42 percent on getting students to enroll and making payments to investors. For-profit have shown time and again their preference for spending on advertising and dividends over instruction.

Angulo (2016) maintained that these business practices reflect more the sector emphasis on profit and less of what we usually think of as higher education in the United States. Scholars have pointed out that postsecondary education, when structured to serve the public good, is an expensive endeavor. For Angulo, FPCUs' lack of investment in their students' well-being while at the same time producing large sums of profit for their shareholders reflects the sector's inability to serve vulnerable student populations. Angulo, similar to Senator Tom Harkin, has 24 been skeptical about the ability of publicly traded corporations to deliver a public good such as education since their main focus is to make profit. Angulo implied that to serve the academic and otherwise challenge students who compose the majority of the students at for-profit schools, there is a need for more academic investment. As Angulo (2016, p. 140) commented:

Retention programs, remedial courses, loan reduction initiatives, mental health services, and the promotion of financial literacy all have a relevant purpose at nonprofits, given their mission, but they conflict with central goal of FPCUs. Programs eat into profits. This is why the University of Phoenix decided to abandon almost its associate's entire degree offering in 2015.

For-profits have weakened the standards of some professions such as medicine and law. Organizations representing these fields have made public statements regarding for-profit inability to maintain the professional standards of these professions. Medicine and law had trouble with for-profit schools due to the sector's lack of academic rigor. There were complaints regarding the sector condoning student plagiarism, poor attendance, and administrative pressure on faculty academic decisions. In summary, there were also complaints about the sector's lack of transparency and compliance with the law.

2.5 DEGREES OF DECEPTION

Kevin M. Connell, in the book *Degrees of Deception: America's For-profit Higher Education Fraud*, noted that in 2008, the U.S. Congress passed an amendment to the Higher Education Act (HEA) with the objective to reduce students' default on loans. The new loan

regulations established that “colleges will be required to demonstrate that no more than 30% of students default on Federal student loans within 3 years of entering repayment on their loans.” (CONNELL, 2016, p. 61). Since federal student loans account for 86% of all revenue at for-profit schools (ANGULO, 2016; BRENNEMAN; PUSSER; TURNER, 2006; CONNELL, 2016; COTTOM, 2017), FPCUs did their best to keep their eligibility to receive federal tax dollars. Corinthian Colleges, Inc., before closing its doors in May 2015, had 78 institutions and one of the highest rates of student loan default—above 30%. “Among all the students leaving Corinthian-owned schools from 2005–8, over 73,000 defaulted, climbing to a pinnacle of 36.1 percent in 2008.” (CONNELL, 2016, p. 61). Trying to comply with the new HEA provisions, in 2014, Corinthian claimed to have reduced student default to half. “Corinthian reported that it was able to lower its total default rate to 28.8 percent, a decrease of 7.3 percent from its 2008 rate, avoiding the 30 percent ceiling by just 1.2 percent.” (CONNELL, 2016, p. 61). Despite some strategies to comply with the new law and maintain eligibility to receive federal loan, for-profit schools remain the sector of American postsecondary education with the highest rate of student default in 3 years after graduation. The use of forbearance or deferment of loans was another strategy of the FPCUs to comply with federal regulations on students’ default. Connell (2016, p. 62) explained about forbearance and deferment:

A deferment is a period during which repayment of the principal (total sum of money borrowed plus any interest that has been capitalized/interest that has been added to the principal balance) and interest of the loan is temporarily delayed.... Forbearance is a period during which the borrower continues to pay off the principal but is temporarily relieved of interest payments. However, additional interest still accrues on the interest that is not paid off each month, leading to an end result of compounding interest.

To pretend to conform to HEA regulations, some for-profit schools put students who failed on the payment of their loan into deferment or forbearance during the 3-year period that HEA with its new regulation was monitoring student default. By putting students into forbearance or deferment, for-profit schools made sure that college default appeared to be below the 30% required by the new federal law. It is necessary to clarify that while a student has his or her loan on forbearance or deferment, the interest accrued during the period of 3 years adds thousands of dollars to the original loan—a charge that could be easily avoided if the institution had allowed students to readjust the repayment plan. Pauline Abernathy, vice president of Institute for College Access and Success, explained that pushing students into forbearance or deferment many times just increases the probability that they will default on their loans but now with a higher balance. Abernathy asserted that the strategy of delaying payment on student loans helps for-profit institutions but harms students. Due to the high default rate in the sector, some for-profit schools have started to hire third-

party default management firms. At least 12 for-profit institutions have made contracts with the General Revenue Corporation (GRC), a subsidiary of Sallie Mae. GRC makes phone calls to defaulting students, advising them to solve their loan problem by putting their account on forbearance or deferment. As Connell (2016, p. 63) pointed out:

Figures from 2009 exhibit that, of the student profiles that were managed by GRC, an average of 76 percent were forbearances or deferments, while only 24 percent were repayments.... Between 2009 and 2010, there was a drop of nearly 7 percent in student repayment profiles, from 24.6 percent in 2009 down to 18 percent in 2010. This 7 percent of students was simply transferred from repayment plans to deferment, which rose to 30.5 percent in 2010, up from 23.4 percent in 2009.

Scholars have noted that for-profit schools such as Corinthian and ITT Tech paid considerable amounts of money to third-party default vendors (CONNELL, 2016). Due to the nature of the business, third-party vendors had all the incentive to put as many students as possible into deferment or forbearance without taking into consideration students' financial well-being. The main focus of these institutions was to prevent students from defaulting on their loans during the 3-year period monitored by HEA. Once the 3-year window ended, the student account was no longer counted in that default period and it ceased to be a priority and a problem for the institution. The U.S. Department of Education also pointed out that the students who have received payment postponements usually end up defaulting on their loan after the period of deferment or forbearance is up. In addition, aside from hiring third-party default management firms, some for-profit colleges have established their own programs to reduce their default rates. Corinthian Colleges were among the American higher education institutions with the highest default rate. Connell (2016, p. 64) stated that, "Of the 65,485 Corinthian students who began repayment on their loans in 2008, 12,671 defaulted within two years, while another 23,623 defaulted within three years." The state of California cut Corinthian's eligibility to receive student grant programs, a move that forced Corinthian to close 14 of their Everest campuses and two Wyotech and two Heald campuses in California.

2.6 COST TO STUDENTS

Connell (2016) showed that students who put their loans in deferment and forbearance for a period of 3 years ended up paying about 30% more in addition to their original loan debts. Connell (2016, p. 65) maintained that:

The average Vatterott student leaves school with roughly \$11,000 in debts. Figures from the Department of Education reveal that these students, if convinced to enter into forbearance, will end up owing \$3,100 in addition to the \$11,000 principal over the course of the next ten years. Similarly, a graduate from Chancellor who originally bears an average \$18,267 in principal debt ends up paying an additional \$5,146 following a three-year forbearance period.

Unfortunately, the situation described above is familiar to many students attending for-profit schools across the country. Connell gave the example of Erick Schmitt, a former student at Kaplan College. While testifying to the HELP committee on June 7, 2011, Schmitt made the following statement:

I owe \$45,000 in student loans without a permanent job to pay those bills. Only very rarely in the past seven years since completing my associates I have been able to make any payments at all, and the debt continues to pile up. The loans from my associate degree went into default late last year. The loans from my bachelor's degree are in deferment, but I have no idea how I will manage after my deferment time runs out. Because of the deferment and forbearances, the interest has added more than 10 percent on top of the original balance, and in this battle, it seems even time is against me. (CONNELL, 2016, p. 65-66).

Schmitt was enrolled in a nonaccredited paralegal studies program at Kaplan College. The reality is that Schmitt will probably face financial difficulties to pay off the principal of his loans, plus the 10% interest that has accumulated while his loan was on forbearance. As a result, students get more harmed than helped when they agree to defer or forbear on their loans.

Connell (2016), Angulo (2016), and Cottom (2017) have agreed that students in the for-profit sector pay significantly higher tuition, compared to that charged at most public and private institutions. Connell maintained that financially dependent students, the population that makes up the majority of students enrolled in the for-profit sector, end up with a high amount of loans to repay. Connell (2016, p. 66) asserted that:

This translates to private colleges being, on average, 25 percent cheaper than a for-profit education and public schools offering a staggering 39 percent cheaper rate than their for-profit counterparts. While many students enrolled in for-profit bachelor's degree programs do not graduate, many of the 57 percent who do owe sums of \$30,000 or more. Conversely, only 25 percent of graduates in the private nonprofit sector and 12 percent from the public sector were obligated to borrow that amount at the time.

Looking at these data from a financial outlook without considering the quality of instruction and the market value of a for-profit degree, it becomes clear that students at for-profit schools are at a great disadvantage, compared to their counterparts in other sectors of American postsecondary education. In 2011, ITT Tech reported that a Bachelor of Business Administration at their institution had an estimated cost of \$93,624, including the cost of tuition, fees, and interest. Researchers have argued that with this cost, students who exhaust their Pell Grants and federal Stafford Loans are still unable to pay for that ITT Bachelor's degree. When all is said and done, an ITT degree is about 30% more expensive than the average cost at a not-for-profit institution in the higher education industry.

3 THEORETICAL FRAMEWORK

3.1 CREDENTIALISM

The credential inflation that occurred during the 20th century was the result of the expansion of postsecondary educational opportunities in many developed nations post-World II (1939-1945) (DARITY, 2008). As a result, jobs that once were filled by individuals with only high school diplomas have started to be filled by individuals with Bachelor's degrees. In addition, the expansion of the service industry and the decrease of manufacturing jobs caused large competition for white-collar jobs. Individuals looking for employment had to obtain more formal training to compete for jobs in the service industry. Scholars have pointed out that "It is therefore arguable whether the shift from a predominantly manufacturing to a 'service' or even 'knowledge-based' economy has brought with it imperative of higher levels of formal educational attainment for the mass of the labor force." (THOMSON GALE, 2008). In this context, we can conclude that the large number of workers competing for white-collar jobs feel obliged to pursue higher levels of education such as Bachelor's and Master's degrees in order to maintain employability. A Bachelor's, Master's or Doctoral degree symbolizes a safety net against unemployment rather than a quest for higher learning. As a result, it is very common to have many workers complaining about being overqualified for their position and also feeling that they do not use the intellectual skills they so eagerly attained in their higher education training.

Credentialism is often criticized as a way to perpetuate social inequality through the reinforcement of class and status distinctions. Those who defend credentialism have argued that credentialization is an inevitable phenomenon of the contemporary division of labor. Credentialization is necessary to guarantee that the right person goes to the right position.

By taking a deep look at the phenomenon of credentialism, one can conclude that both opponents and defenders certainly make their points, but some scholars have pointed out that credentialism can often obscure the reality of social inequality. To address issues related to access and equity, there is a need to create more job opportunities instead of setting up barriers to opportunity.

3.2 CULTURAL CAPITAL

Why do educational opportunities vary significantly between different types of students? Scholars have often looked at educational achievement informed by Pierre Bourdieu's (1977 apud MCDONOUGH, 1997) theory of cultural capital. Cultural capital is defined as cultural knowledge and life opportunities that middle- and upper-class families transmit to their children, which help them to perpetuate their class values.

Bourdieu's cultural capital theory has been very influential in sociological as well as educational research that focuses on showing the impact of class status on the achievement of educational success. McDonough (1997) used cultural capital theory in her study of the impact of social class on college choice. McDonough's studies showed how social, cultural, and organizational contexts shape high school students' college choice. More importantly, her study showed the large role that values—personal, family, and community beliefs and practices—play in shaping students' decisions about where to go to college.

Furthermore, even though all social classes have some set of cultural capital, scholars have pointed out that the most socially and economically established forms of cultural capital are those obtained by the middle and upper classes. Cultural capital can also be seen as types of knowledge and ways of living that the elites cherish but are not necessarily taught at schools. Cultural capital is a set of values and knowledge that can be used in order for one to achieve important and competitive resources in society, such as a college education. In most cases, middle- and upper-class parents transmit cultural capital by informing their children of the importance of acquiring a college education, and its eventual conversion into occupational gains and possible financial security. DiMaggio (1982 apud MCDONOUGH, 1997, p. 9) claimed that "cultural capital not only mediates the relationship between family background and school outcomes, but it also may have its greatest impact on educational attainment through affecting the quality of college attended."

Bourdieu's theory of cultural capital was used as a framework to explain the lack of cultural capital that shape students' enrollment in for-profit schools. Cottom (2012, p. 6) argued that there is a significant correlation between educational backgrounds and social

status. She explained that where one attends elementary, middle, and high school has a lot to do with social processes regarding housing practices, social group formation, competition for limited good schools, as well as classicism and racism. Those social processes and school experiences serve to determine what vision of college experience one can think they can have. In addition, Cottom (2012, p. 6) argued, “the ‘choice’ to attend a for-profit college becomes more than a rational, individual choice. Instead, these findings point toward a more complicated social process of becoming an ideal student for for-profit colleges than rational choice theories can fully explain.” In conclusion, cultural capital or lack of that plays a significant part in students’ decision to enroll at for-profit schools.

3.3 METHODOLOGY

As part of this qualitative research method, 20 semi-structured face-to-face interviews with open-ended questions were performed. I chose to perform face-to-face interviews because interviewing is the ideal data collection type for research that aims to explore, describe, and explain people’s perceptions of a situation or problem. Krathwohl (2009 apud CRESWELL, 2014, p. 296) described interviewing as “The major means of tapping thought processes to gain knowledge of a person’s perceptions, feelings or emotions, or to study complex individual or social behavior.” Also, the qualitative method was chosen because most of the studies that examined the outcome of students in the for-profit sector focused on quantitative analysis. In most of these studies, the researchers investigated students’ graduation rates, employment after graduation, and rate of student loan default, and sometimes compared those data with data of nonprofit institutions. While those studies are very important, it is also important to add to the literature on the for-profit sector with a study that captures students’ own perspectives of their experience at for-profit schools. By using the qualitative method rather than the quantitative method, the intent was to provide a comprehensive understanding of individual students’ experiences in the for-profit sector.

3.4 INSTRUMENTATION

The semi-structured, face-to-face interviews consisted of two parts. First, demographic background questions consisted of enquiries to collect information on participants’ gender, age, race and/or ethnicity, marital status, income, and education level. This section was aimed to provide a full portrait of the students participating in the study. The second

part consisted of the actual interview questions aimed to answer the study's research question. The interviews lasted an average length of 50 to 60 minutes. Some interviews were performed at local for-profit schools and others at community colleges with students who were currently attending a community college but had previously attended a for-profit institution. After I contacted the participants through snowballing as well as face-to-face invitation, participants suggested their best day and time of availability. The interviews were enjoyable and participants were enthusiastic to share their experiences at for-profit schools.

3.4.1 Sample

A purposive and snowball sampling was used to conduct the study. The sample size consisted of 20 students. Fourteen participants had graduated from a for-profit school. Three were currently enrolled, and three had started programs but did not finish them. The participants were recruited at the institution where I taught; flyers of the study were posted at two community colleges asking interested individuals to participate. Several participants were community college students who had previously attended a for-profit school. In addition, other participants were recruited through snowball sampling. Individuals shared flyers of the research invitation in order to put me in contact with their friends and peers. Participants were from 10 different for-profit schools in Southern California. The 10 for-profit institutions were as follows: University of Phoenix (UOP), Summit Career College (SCC), Argosy University, Westwood College, United Educational Institute (UEI), Platt College, North West College (NWC), American Career College (ACC), San Joaquin Valley College (SJVC), and New School of Architecture and Design (NSAD). This variety of institutions served to represent the diversity of the for-profit sector. All of these institutions have significant presence in Southern California and nationwide. The goal was to have a diverse representation of students as well as of the institutions that comprise the for-profit sector.

3.4.2 Data Collection

Twenty students from 10 different for-profit schools in Southern California were asked open-ended research questions to capture how they evaluated their experience at for-profit institutions. The data gathered through interview transcriptions were first coded using Saldana's (2011) method of descriptive coding method. During the stage of analysis, the interview questions were used to summarize participants' responses. After reading the raw

data, the most important aspects of the interviews were captured in short phrases. Different colors were used to distinguish the responses to different questions. Some tables were utilized to facilitate this process. In the second cycle coding, the data array from the first cycle of coding was organized through the process of pattern coding (SALDANA, 2011), with the objective of identifying categories, emergent themes, and explanations. Seven categories were emergent. These categories were created by fitting together the short phrases of the first cycle coding one with another to develop a coherent synthesis of the data corpus (SALDANA, 2011). Some codes were merged together due to their similarities and some were eliminated. The categories that stood out in the second cycle coding were as follows: (a) convenience, (b) lack of cultural capital, (c) need for credential, (d) disappointment, (e) expensive tuition and doubtful degree, (f) wasting time and money, and (g) non-recommendation of the institution. Finally, after another close review using pattern codes (Saldana, 2011), the data were reduced from seven categories into four major themes that were used to explain the study's findings.

3.4.3 Summary of Findings

The findings in this study showed that conveniences at for-profit schools such as open enrollment, flexible class schedules, online classes, institution proximity to student's home, and place of work attracted students to enroll in for-profit schools on their quest for academic credentials. Participants described feeling pressured that by only having some type of credentials they would be able to find a job or improve their job situation. For youth between the ages of 18 and 22, the pressure started after high school graduation. Some of these students said they only had three options: (a) find a job, (b) enroll in the military, and (c) further their education at a college or trade school. Most of these youth began attending for-profit schools with limited knowledge and low or no expectation about the institution. Some interviewees had little knowledge about how to navigate a postsecondary institution. Additionally, for working adults who were age 25-40, the pressure was concentrated on improving one's job situation, maintaining employment, and/or opening new opportunities for better and more lucrative jobs.

Moreover, the demand for credentials to find jobs or maintain employability serves as a profound pressure on students. This pressure makes students overlook tuition costs and quality of education at for-profit schools. As a result, many leave for-profit schools with high debt, ineffective training, and dissatisfaction with the overall experience. Of the 20 students who participated in this study, 10 did not recommend the institutions they attended to other students, 6 recommended but with some reservation, and only 4 recommended.

3.5 DISCUSSION

This study aimed to answer the following research question: How do the lack of cultural capital and demand for academic credentials dictate educational opportunities and the enrollment of vulnerable student populations at for-profit schools? In addressing this research question, it became evident that major for-profit institutions such as the University of Phoenix have developed an educational model that targets student populations who are less likely to attend traditional institutions. Based on evidence provided by the participants in this study, the pressure felt by many students to obtain credentials led many of them to enroll at for-profit schools with later knowledge about the institutions. As Participant #15 commented, "I didn't know a lot about for-profit school, I know that for-profit make money and they want to have as many students as possible." (verbal information). Many students had little expectations about the education or training they received and did not know how much the credential or degree would cost them. The pressure led many students to think that the most important objective was to get thorough school quickly in order to get a job. As reported by Participant #16, "It wasn't because the school was great, but it was because the classes fit with my schedule and it was faster than going to a community college. I worked full-time and I have three kids." (verbal information). Some participants mentioned that their school promised they would get a job after course completion. Institutions also spoke of participants making wages after completion of degree that were not realistic. Participant #15, a young African American who studied Pharmacy at North West College (NWC), claimed that institution personnel promised he would find a job as a pharmacist making \$18.00 per hour, but in reality, he was hired at \$11.00 per hour. Participant #15 declared, "I have been working at Wal Mart Pharmacy for four years, and I make more than \$11.00 per hour, but I do not make \$18.00 per hour." (verbal information). Moreover, the demand for credentials combined with promise of employment led students to enroll in expensive programs at for-profit institutions and question the quality of the education. When asked about the quality of education received at NWC, Participant #15 acknowledged:

I feel they only helped me to know the terminologies. They didn't teach me how to deal with insurance, customer satisfaction, doctor's office and hospital. From 100%, they prepared me about 75% to go to the workplace. There were a lot of things that I was supposed to know but I didn't know when I got to the workplace. (verbal information).

Of the 20 students interviewed, 16 took federal financial aid to pay their tuition. When asked if tuition costs matched the quality of education, most interviewed said that tuition was too expensive, others said that the tuition did not match the quality of education, and one participant described feeling as if the institution took advantage of her. The following table presents students' reflections on the cost of tuition.

Board 1 – Students' Reflection on the Cost of Tuition

Number of Interviewed	Responses
5 participants	Tuition was too expensive.
6 participants	Tuition did not match quality of education.
3 participants	Tuition was expensive but worth paying.
1 participant	Felt institution took advantage of her.
3 participants	Tuition matched the quality of education.
2 participants	Tuition were expensive but worth paying.
1 participant	Too much hassle regarding the price of the for-profit sector.

Source: the author.

Furthermore, interviewees also spoke of dissatisfaction with quality of classes and the lack of essential training in their courses. The lack of technical training in courses such as Nursing, Pharmacy, Law Enforcement, Medical Assistance, and Computer Sciences led students to feel unqualified and insecure to enter the workplace. Many participants spoke of learning more at work than at school. Participant #16, a 25-year-old Latina student who attended Summit Career College (SCC) for a certificate in Vocational Nursing, reported feeling nervous about looking for a job due to lack of clinical skills. She stated that:

I was disappointed with the clinical aspect of the course. The course lacked structured hands-on, clinical activity outside the classroom. The clinical aspect of a Nursing program is very important, so a student can get confident about being a Nurse. The quality of the education was lacking in many areas. SCC lost the contract with the clinic; so, instead of doing clinical work, I was in the classroom watching videos. (verbal information).

Lack of technical training was one of the major aspects that students described missing in their experience at for-profit schools. Some students felt they had not learned anything; others felt attending the institution was a waste of time and money. The first of the two following tables shows how students felt over the quality of their classes, while the second represents how students felt about entering the workplace after attending a for-profit institution.

Board 2 - Quality of Classes

Number of Interviewed	Responses
5 Participants	Satisfied with classes
5 Participants	Somewhat satisfied
8 Participants	Unsatisfied
3 Participants	Did not answer the question

Source: the author.

Board 3 - Student Felt Ready to Enter the Workplace

Number of Interviewed	Responses
8 Participants	Felt lack of training
1 Participant	Personal insecurity
2 Participants	Yes, and no, due to lack of training
3 Participants	Felt ready for the workplace
6 Participants	This question was not applicable for them because they still attending institution

Source: the author.

In summary, the quality of instruction at some for-profit institutions was reflected in students feeling that they lacked effective training to enter the workplace. Ineffective training deeply impacted some students, causing them to change careers and in some cases return to school for better training. As a result, several students are now attending a community college. Due to the pressure to obtain credentials, working-class students take on large loans and enroll in expensive for-profit institutions. Several of these students reported having dissatisfied experiences at their for-profit schools. Unfortunately, many students have enrolled at traditional institutions, especially community colleges, after accumulating large sums of loans in the for-profit sector. The combination of lacking cultural capital, guidance, and knowledge of postsecondary education, as well as the need to find a job all shaped these students' decision to matriculate at for-profit schools. Career-oriented adults who hold full-time employment and family obligations are those who report having more satisfaction in the for-profit sector. For those students, conveniences such as flexible schedules, online classes, and open enrollment made it possible for them to reconcile school with the demands of their personal lives. As Participant #16 stated, "It wasn't because the school was great, but it was because the classes fit with my schedule and it was faster than going to a community college, I worked full-time and I have three kids." (verbal information).

The majority of older students did not recommend for-profit schools to younger students. Career-oriented adults suggested that young students should attend traditional schools because at these institutions, they would have more satisfying experiences. The

next table shows the number of for-profit students who recommended the institutions they attended to their counterparts.

Board 4 - Do you Recommend this Institution to other Students?

Number of interviewed	Responses
4 Participants	Recommend institution
6 Participants	Recommend institution but have some reservations
10 Participants	Don't recommend institution

Source: the author.

As shown in the table above, of the 20 interviewed, 4 participants recommended the institutions, 5 recommended but had reservations, and 11 participants did not recommend their institutions. Participants who did not recommend their institutions highlighted the following problems: (a) lack of good training, (b) expensive tuition, (c) high loan to repay, and (d) lack of learning. Several participants suggested that attending a community college would be a better option due to better quality of instruction and less expensive tuition.

4 CONCLUSION

This study set out to explore from students' own perspectives the factors that shape the enrollment of vulnerable populations at expensive for-profit schools, and the impact of credentialism and lack of cultural capital as forces that shape educational opportunities. After a thorough analysis of the data gathered from 20 student interviews, it became evident that the demand for credentials in order to find employment serves as a profound pressure on students, dictating their enrollment at profit-seeking institutions. These students are enrolled at for-profit schools due to conveniences such as open and fast enrollment, flexible schedule of classes, quick completion of certificates and/or degrees, and promises of employment. Some students liked the experience of attending a for-profit institution and described that without the flexible class schedules, year-round enrollment, and easy access to institution, they would not be able to attend school. However, a significant number of students were dissatisfied with their experiences in the for-profit sector. Among these issues was dissatisfaction related to lack of good instruction and technical training, high tuition prices, large amounts of loans to be repaid, and feelings of wasting their time with dubious degrees. In view of these findings, it becomes evident that students need to be better guided in order to make informed decisions about their educational paths. Additionally, students need to know up front how much the

certificate or degree they are seeking will cost them, how much debt they will accumulate, and what quality of education they will receive. Students need to be able to compare and contrast the pros and cons of attending for-profit schools. On the other hand, the state and federal government needs to make institutions in the for-profit sector accountable for their apparent lack of excellence in instruction and training and high tuition costs. As argued in some studies (ANGULO, 2016; HENTSCHE; LEGHUGA; TIERNEY, 2010), for-profit schools that get involved in questionable business practices and have not achieved excellence in instruction and teaching should not be able to participate in the federal financial program.

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