



Intercollegiate Athletics in the NAIA

February 2019

A Report from the NAIA National Office

PREFACE

In October 2018, the Council of Independent Colleges (CIC) published a report called "Taking the Field: Intercollegiate Athletics on CIC Campuses" which highlighted the impact of intercollegiate athletics at CIC member institutions. In the report, data from CIC's NAIA members were combined with data from other, non-NCAA institutions. Consequently, it was not possible to draw any NAIA-specific conclusions from the CIC's report.

Purposes of this NAIA follow-up report to the initial CIC "Taking the Field" report:

1. This report provides data similar to information presented in the CIC "Taking the Field" report, but formatted in a way that permits information specific to NAIA institutions, and where possible, in comparison to other (e.g., NCAA) participating CIC institutions.
2. This paper also serves to establish what can be described as "baseline" data prior to the collection and analysis of more complete data sets related to student-athlete enrollment, athletics participation and net financial returns made possible through the NAIA's Return on Athletics™ (ROA) initiative. This accumulation of aggregate data for NAIA student-athletes will permit institutional analyses and comparisons not often available to smaller colleges and universities.

Information presented here corresponds in format and sequence to presentation of data in the CIC "Taking the Field" report. Data presented in the CIC report pertain in broad measure to two topics: sports sponsorship and student-athlete participation.

INTRODUCTION

EADA data and the year-end report have provided the NAIA with a high-level, collective view of athletic trends for our member institutions. These data, in combination with anecdotal evidence, have generally provided enough validation for collegiate athletics when higher education's landscape was promising. Unfortunately, that landscape has changed in the last decade.

The higher education market has become increasingly competitive and many colleges are considering less traditional strategies to drive enrollment and increase retention. The reason is simple. Enrollment and retention drive revenue. Without students, an institution simply can't survive.

According to the National Center for Educational Statistics, the annual growth rate of 5.6% that occurred from 1963 to 1980 has slowed to a projected 1.25% growth for 2010 to 2021. For small schools that rely heavily on enrollment as a revenue source, this statistic is particularly alarming. A 2015 Moody's Investor Service Report predicted that closure rates of small colleges and universities will triple in coming years.

Athletics has demonstrated its value as a major contributor to enrollment management throughout higher education. Research has shown that athletics is one of the top three considerations, along with academics and campus-related influences, in impacting the enrollment choice of small-college student-

athletes. (Goss, Jubenville, & Orejan, 2006) However, as noted in Sport Marketing Quarterly (Stinson, 2012), there is little empirical data in regards to institutional returns associated with athletic program investments. Most benefits cited are intangible and psychological branding benefits related to the positive effect athletics can have on the college environment.

One reason for the scarcity of empirical analyses is that many institutions lack holistic panel data. Those that collect data are often limited specifically to athletics department performance, which is not useful in understanding how athletics impacts broader strategic contributions.

The need for this level of athletics insight prompted the development of Return on Athletics™ (ROA), the NAIA's proprietary approach to the management of collegiate athletics. By having institutions submit student-level data, ROA analytics tools can identify ways schools can better utilize athletics to drive enrollment, increase student success, and improve financial viability.

ROA data expands upon the previously gathered data by taking into account varying tuition costs (in-state, out-of-state, online, graduate) and student-level data including:

- tuition classification
- athletic, academic, and need-based aid
- work study
- room and board classifications
- sport
- varsity or junior varsity
- enrollment date
- graduated
- last term enrolled

Through ROA, the NAIA is gathering this information from a cross-section of our member institutions. These data are critical in that they provide an accurate assessment regarding the effect athletics has on enrollment, retention, and finances for smaller schools with similar characteristics. This focused effort on smaller colleges and universities is the first of its kind and will provide the foundation of the NAIA's value going forward.

Last fall, 40 institutions submitted two years of ROA data (2016-17 and 2017-18) for all student-athletes. Findings from these data will be shared at the 2019 NAIA National Convention in April.

DATA

The NCAA data shared in this report is consistent with information in the CIC Report and includes the 461 NCAA schools that are CIC members. Of the 461 NCAA members, 45 are Division I, 130 are Division II, and 286 are Division III. There are 122 NAIA/CIC members and 16 CIC member institutions categorized as "other".

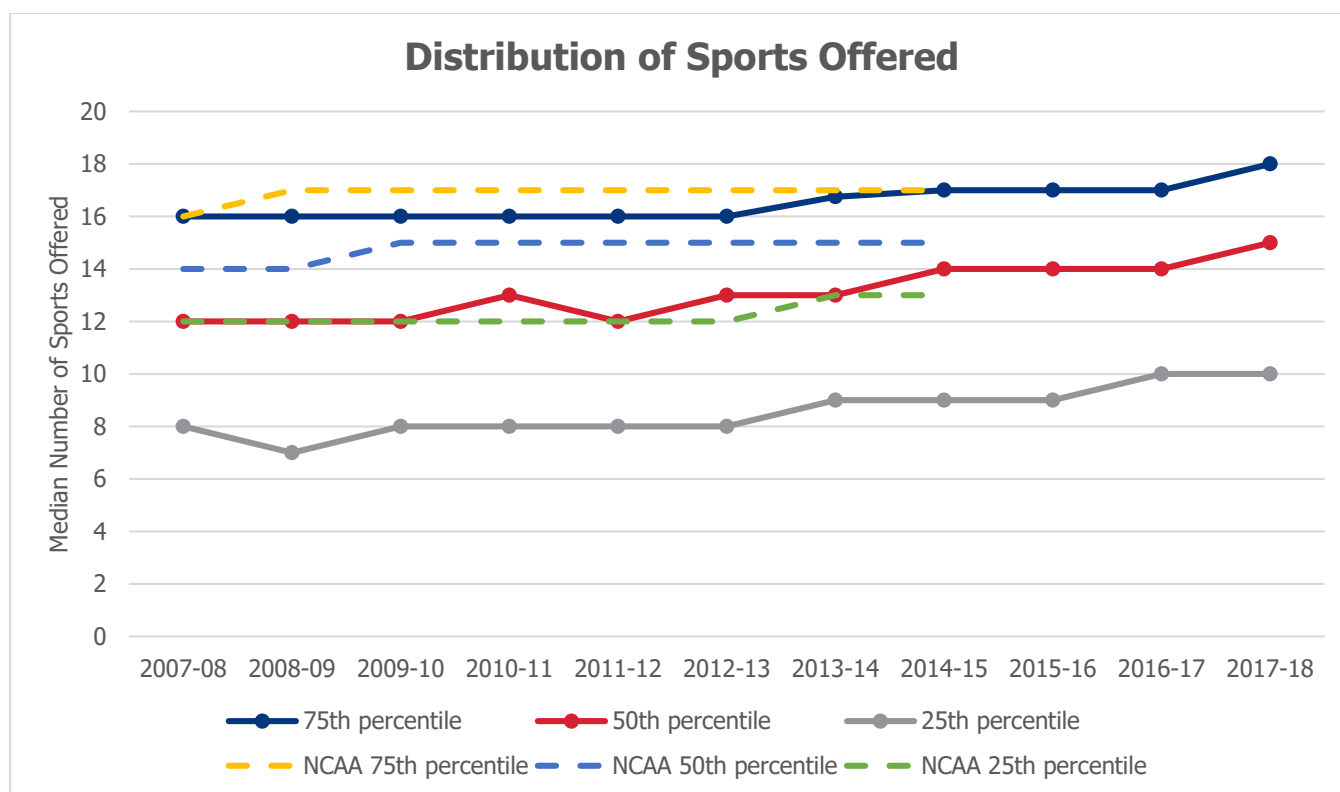
The data in the NAIA's report includes all NAIA institutions over a 10-year span. The 15 most relevant data tables from the CIC's report have been replicated with NAIA-specific data. Of the 15 tables, 11

compare the NAIA to the 461 NCAA/CIC member institutions. The remaining four tables compare the NAIA with all CIC member data, which includes the 122 NAIA/CIC members.

The NAIA data included in this report were taken from both the EADA and the NAIA's annual year-end report, which is submitted by each NAIA member institution.

SPORTS SPONSORSHIP

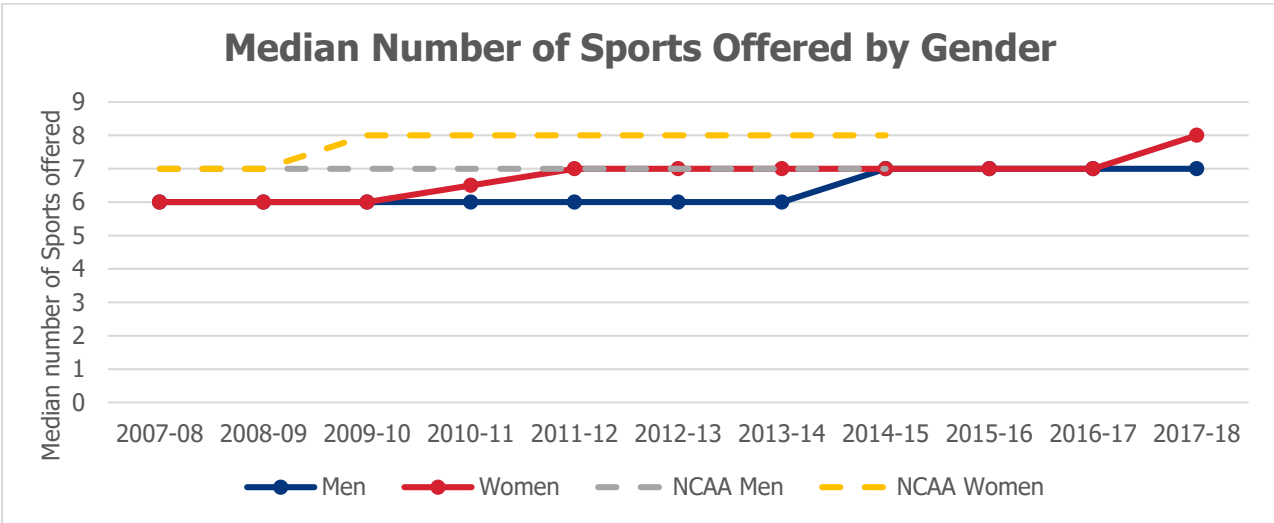
Figure 1 (Corresponds to Figure 1 in CIC Report)



This table tracks the growth of sport offerings (based on median numbers of sports offered) over a 10-year period. While data show sports sponsorship on the rise across all institutions, sponsorship among NAIA institutions has grown at a faster pace, particularly in recent years. This may reflect the increasing focus among NAIA institutions on athletics as an effective tool in enrollment management.

	NAIA		NCAA	
Percentile	2008	2015	2008	2015
75 th	16	17	16	17
50 th	12	14	14	15
25 th	8	9	12	13

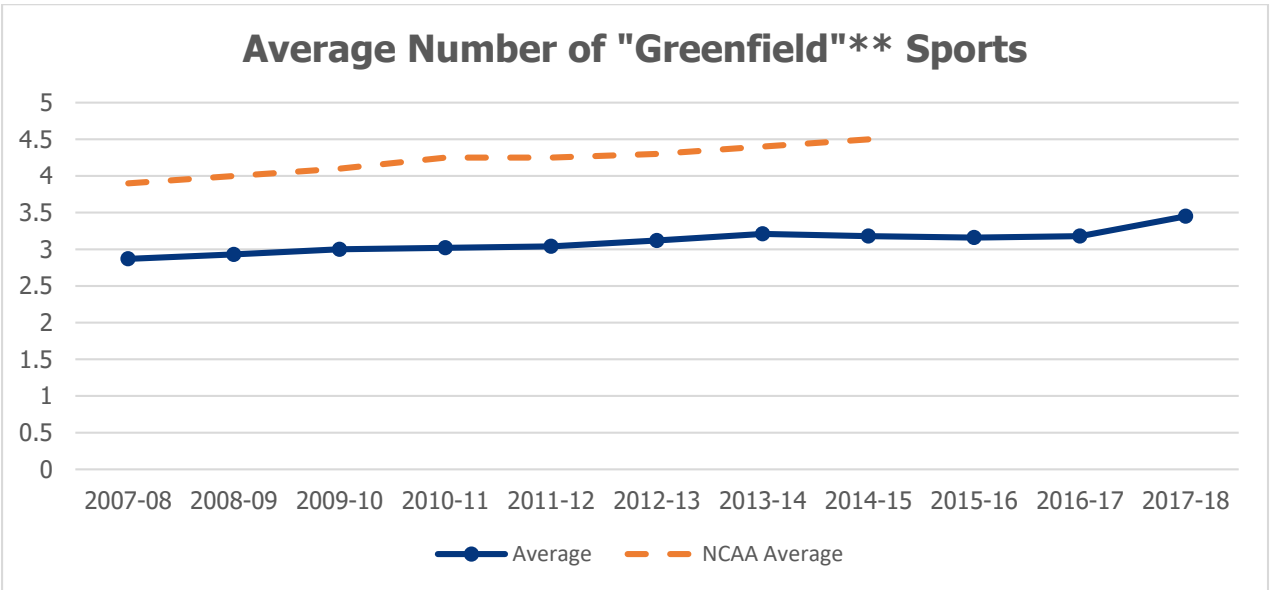
Figure 2 (Corresponds to Figure 2 in CIC Report)



This chart uses the same data, filtered on the basis of gender. Sports sponsorship has increased for both men and women at NAIA institutions, with the most marked increase in women's sports. Sport sponsorship for men is unchanged for NCAA institutions in this study.

	NAIA		NCAA	
	2008	2015	2008	2015
Men's	6	7	7	7
Women's	6	7	7	8

Figure 3 (Corresponds to Figure 4 in CIC Report)



***Women's and men's golf, lacrosse, and soccer; women's field hockey

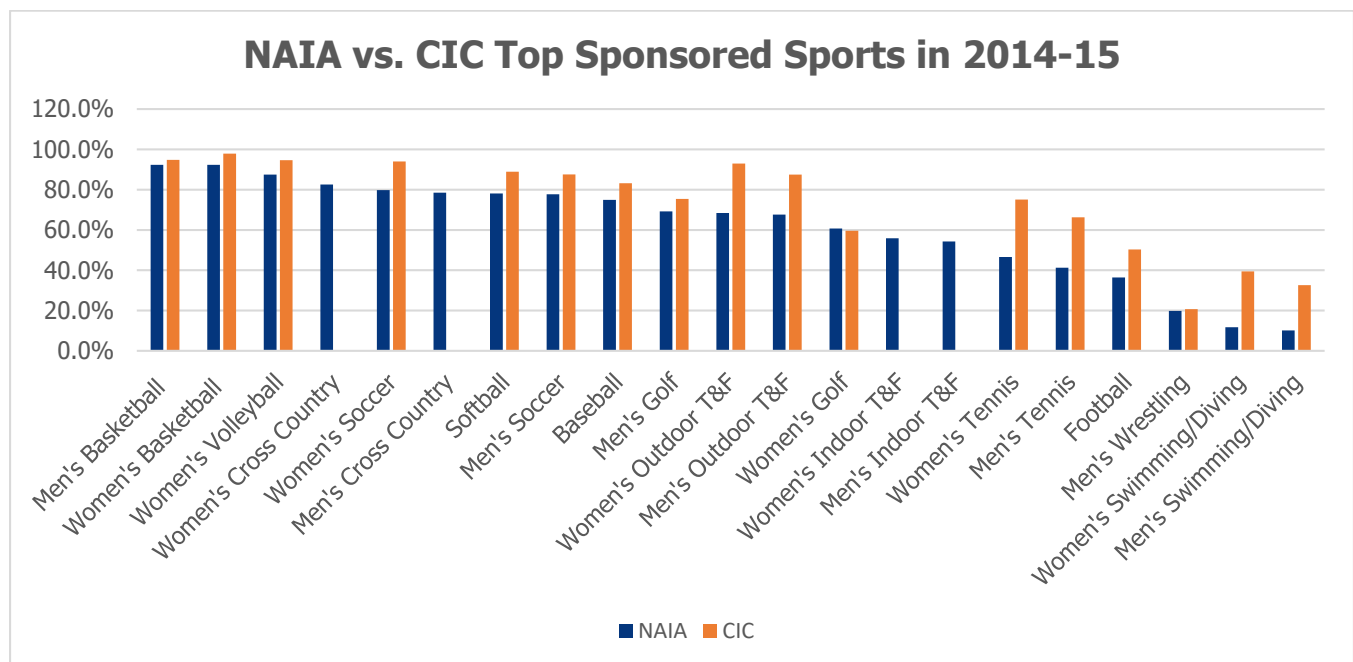
Figure 3 introduces the term “greenfield” sports, which was coined by the authors of the CIC Report and refers to sports associated with higher levels of parental resources. According to “Taking the Field”, greenfield sports include women’s and men’s golf, women’s and men’s lacrosse, women’s and men’s soccer and women’s field hockey.

According to the CIC report’s authors, *“Participation in these sports in the pre-college years, whether through high school teams or traveling teams, can be expensive. Students wishing to continue playing these sports competitively at the collegiate level will most likely be from wealthier families. Attracting these students may be important to an institution’s overall financial health.”* (page 15)

Greenfield sports sponsorship among NAIA institutions has not increased at the same rate as other institutions reflected in the CIC study. The NAIA ROA data initiative can examine this phenomenon in greater detail, evaluating, for example, the extent to which specific factors (e.g., regional high school participation rates) may influence decisions to invest in greenfield sports, and further, how investment in greenfield sports may affect broader access to higher education and academic success for students served by NAIA institutions.

	2008	2015	% Change
NAIA	2.9	3.2	+10%
NCAA	3.9	4.5	+15%

Figure 4 (Corresponds to Figure 5 in CIC Report)



This graph focuses on sports most widely sponsored among all institutions in this study. NAIA sponsorship aligns closely with overall CIC sponsorship in most sports, which is not surprising, given that NAIA institutions also are included in the CIC data. Differences in cross country and track can be attributed to different approaches to data-collection: the NAIA collects cross country and track data

separately; the NCAA combines the two for sports-sponsorship purposes. Sports in which differences appear to be pronounced: men's and women's tennis, men's and women's swimming/diving, and (to a lesser extent) women's soccer.

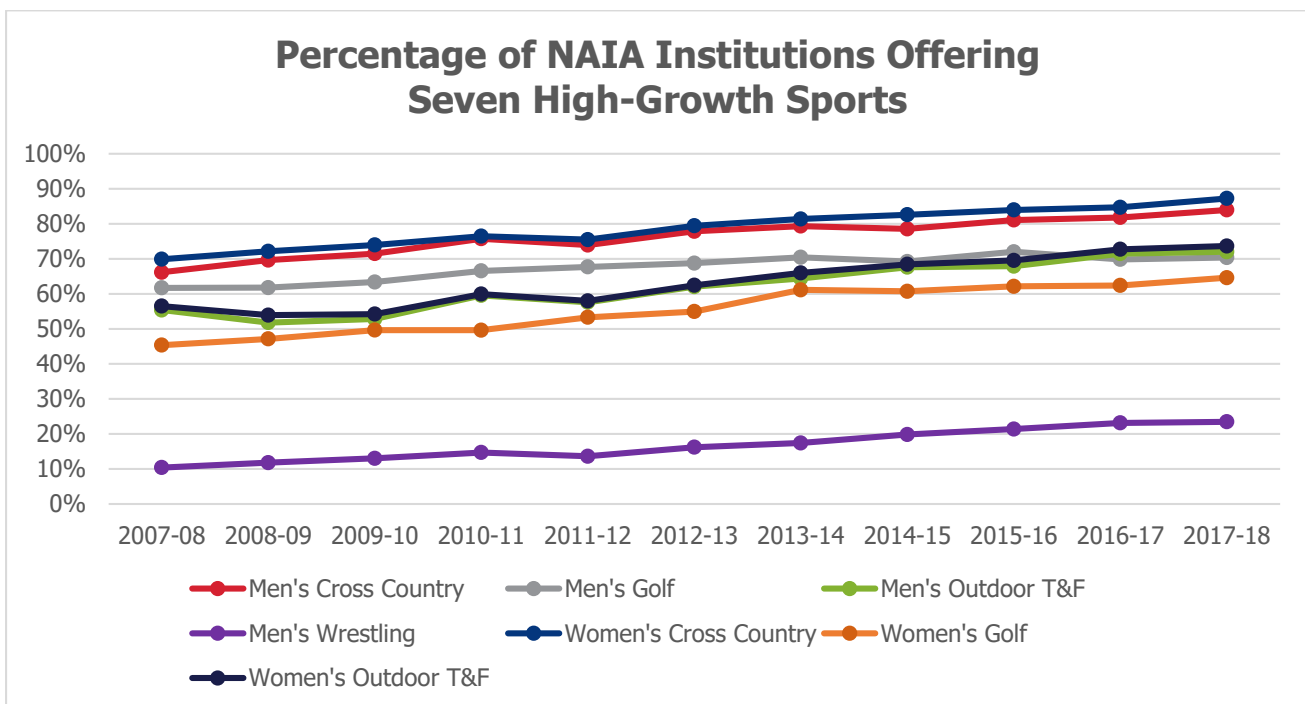
Comparison of Top Six Sports

	NAIA	All CIC	% Difference
Men's Basketball	92.3%	94.8%	2.5%
Women's Basketball	92.3%	97.9%	5.6%
Women's Volleyball	87.4%	94.6%	7.2%
Women's Soccer	79.8%	94%	14.2%
Softball	78.1%	88.9%	10.8%
Men's Soccer	77.7%	87.6%	9.9%

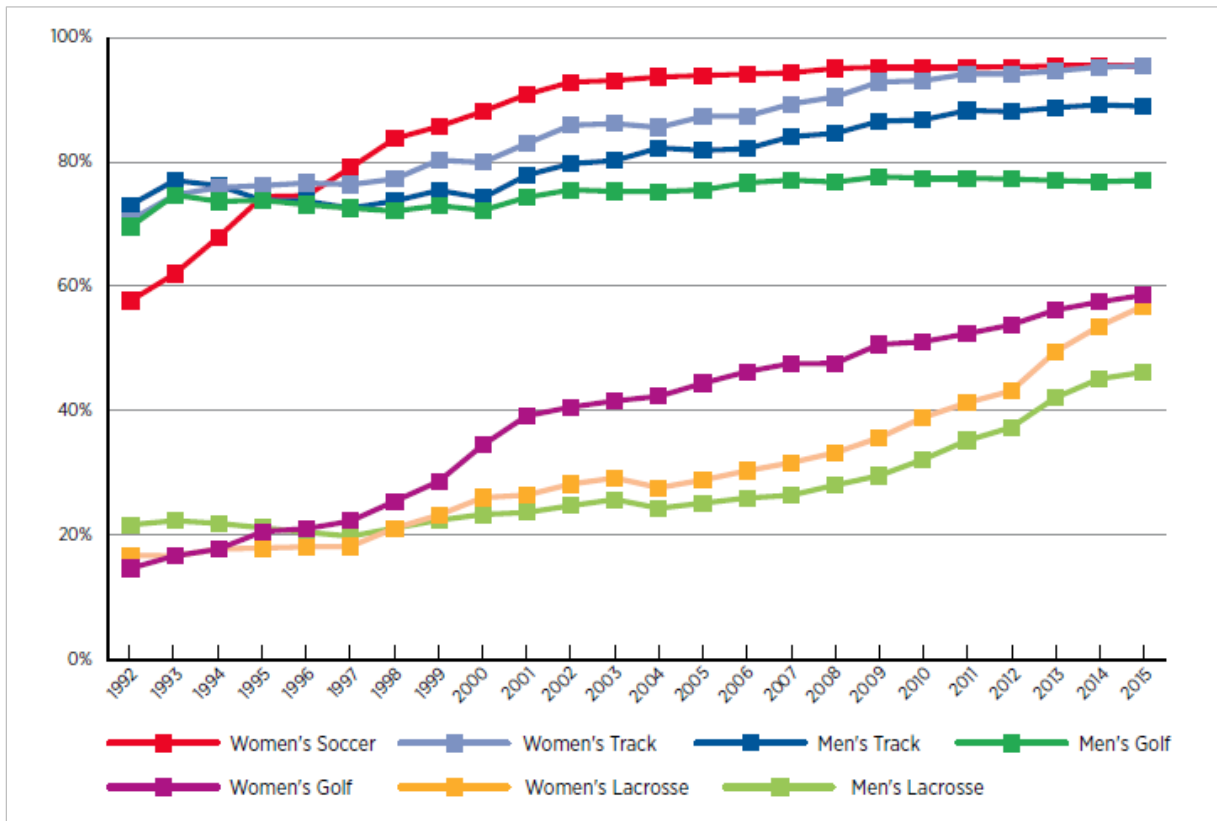
Significant differences (+/-20%) between all CIC schools and NAIA schools:

	NAIA	All CIC	% Difference
Women's Tennis	47%	75%	28%
Women's Swim & Dive	12%	39%	27%
Men's Tennis	41%	66%	24%
Men's Swim & Dive	10%	33%	23%

Figure 5 (Corresponds to Figure 6 in CIC Report)



Percentage of CIC Institutions Offering Seven High-Growth Sports (NCAA)*



These two tables compare high-growth NAIA sports with high-growth sports among all participating CIC institutions. Among the more traditionally popular sports, the absence of women's soccer as a high-growth sport in the NAIA is notable. Among sports with lower sponsorship profiles, NAIA data reflect the resurgence of wrestling, while CIC institutions on the whole show the increasing popularity of men's and women's lacrosse. Lacrosse is currently sponsored in the NAIA at the invitational level, a precursor to national championship recognition.

	NAIA		NCAA	
	2008	2015	2008	2015
Women's Soccer	75%	80%	95%	96%
Women's Track & Field	57%	68%	92%	96%
Men's Track & Field	55%	64%	85%	89%
Men's Golf	57%	68%	77%	78%
Women's Golf	45%	61%	47%	59%
Women's Lacrosse	N/A	N/A	33%	57%
Men's Lacrosse	N/A	N/A	28%	47%
Women's Cross Country	70%	83%	Unknown	Unknown
Men's Cross Country	66%	79%	Unknown	Unknown
Men's Wrestling	10%	20%	19%	20%

Figure 6 (Corresponds to Figure 7 in CIC Report)

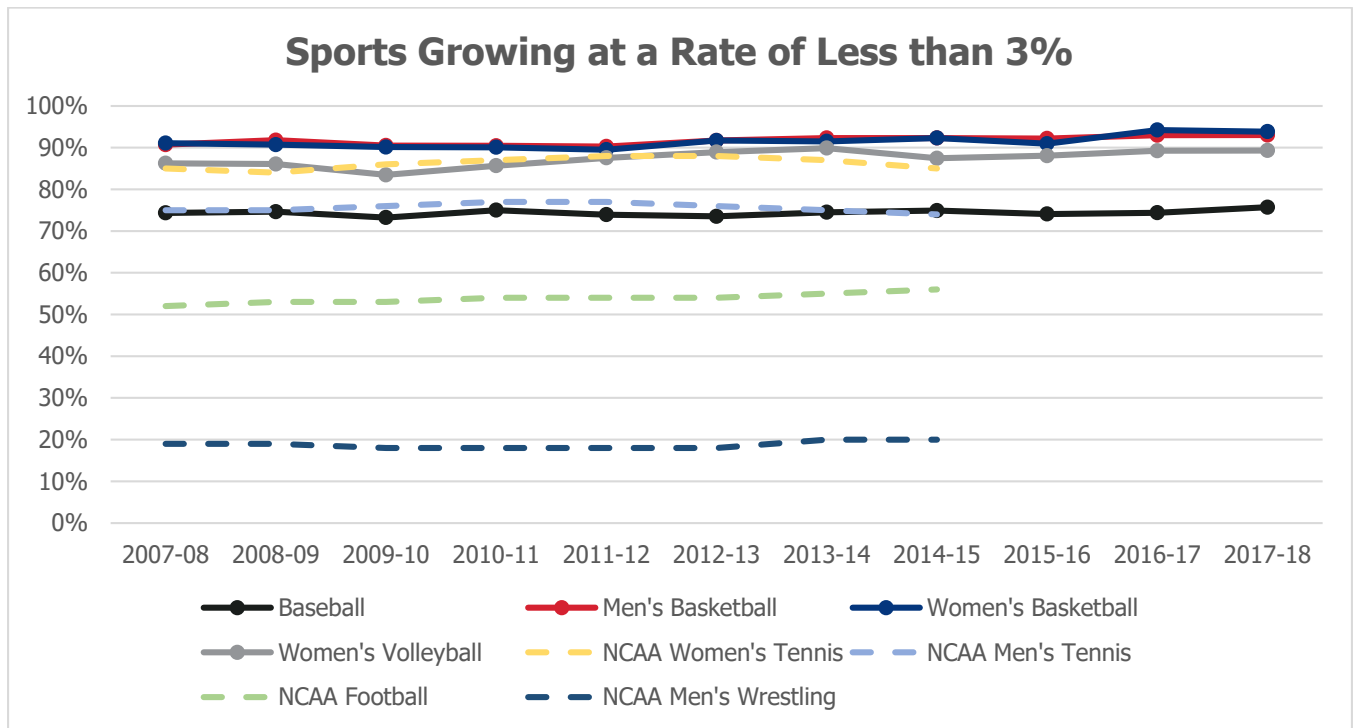


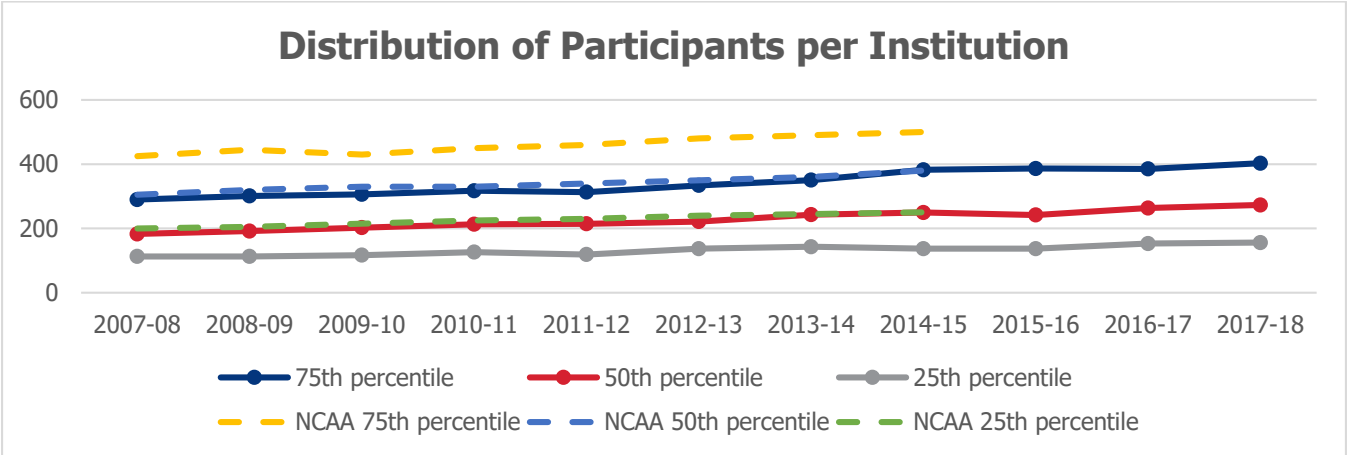
Figure 6 highlights sports growing at a slower rate. Not surprisingly – and particularly among NAIA sports – those already among the most popular sports in intercollegiate athletics have little room for sponsorship growth. Football and wrestling, for different reasons, present challenges particular to these sports.

	NAIA	
	2008	2015
Women's Basketball	85%	85%
Men's Basketball	76%	75%
Women's Volleyball	52%	54%
Baseball	19%	21%

	NCAA	
	2008	2015
Women's Tennis	85%	85%
Men's Tennis	76%	75%
Football	52%	54%
Men's Wrestling	19%	21%

PARTICIPATION

Figure 7 (Corresponds to Figure 8 in CIC Report)



This graph directs our attention to student-athletes’ participation, as opposed to sports sponsorship. While the data show increases across all institutions, NAIA gains in general (as a percentage) reflect a more dynamic picture. However, these numbers alone are difficult to interpret because the numbers of participating student-athletes are not shown as a percentage of the overall student population.

Percentile	NAIA			NCAA		
	2008	2015	% Change	2008	2015	% Change
75 th	290	385	+32.7%	425	500	+17.6%
50 th	183	250	+36.6%	305	380	+24.5%
25 th	113	137	+21.2%	200	250	+25%

Figure 8 (Corresponds to Figure 9 in CIC Report)

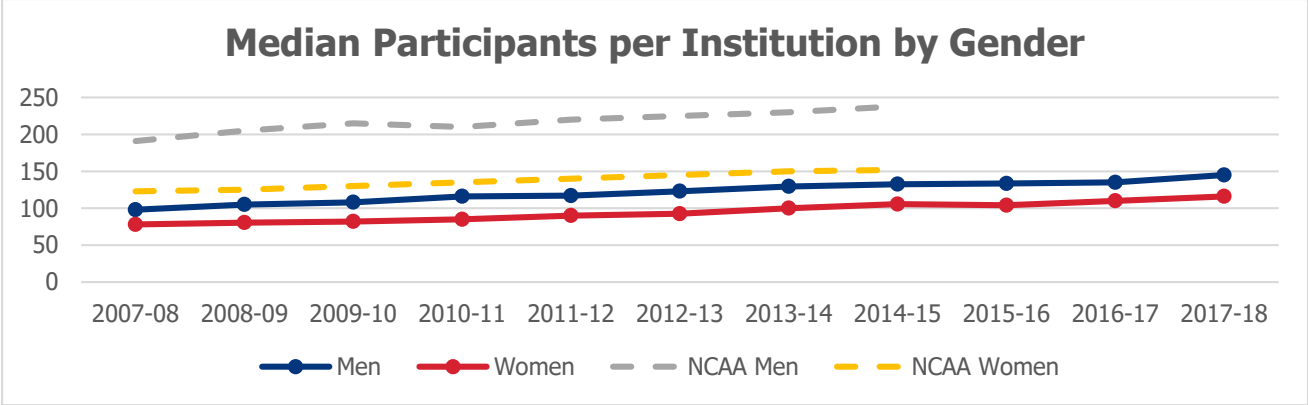
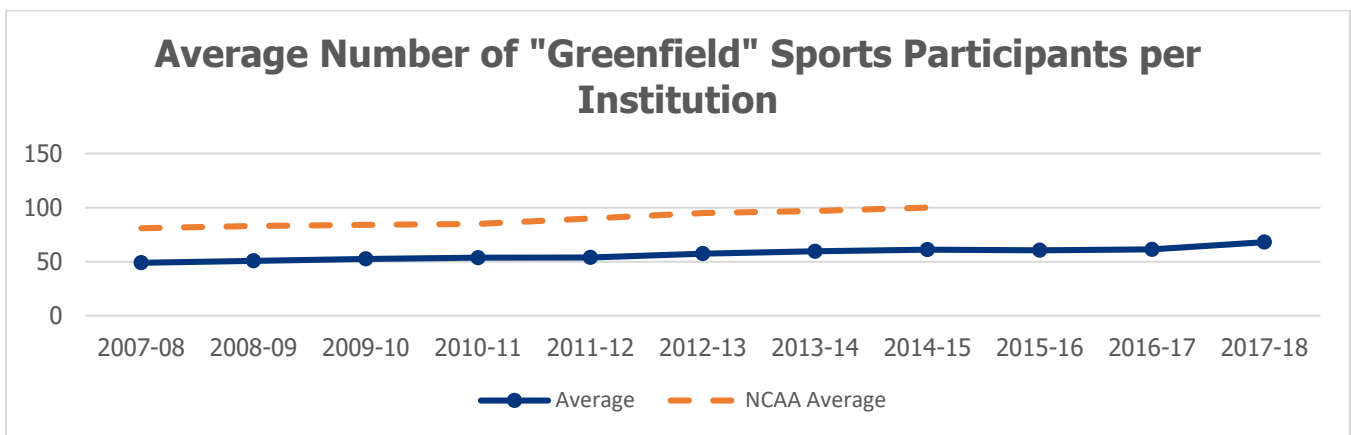


Figure 8 examines participation by gender. Clearly these data emphasize the challenge incumbent on participating institutions to realize greater parity in sports participation among men and women. NAIA institutions appear to be better positioned in this regard, with 44% of student-athletes being women,

compared to 39% among NCAA institutions. It is notable that neither association showed appreciable gains over this eight-year span.

	NAIA		% Change	NCAA		% Change
	2008	2015		2008	2015	
Men	98	133	+35.7%	191	238	+24.6%
Women	78	106	+35.9%	123	152	+23.6%

Figure 9 (Corresponds to Figure 11 in CIC Report)



This table illustrates sports participation among greenfield sports. The data on sports participation in this category show, both for NAIA and NCAA participating institutions, shows gains of nearly 25% among student-athletes in sports defined in a similar fashion by the report's authors.

	2008	2015	% Change
NAIA	49	61	+24.4%
NCAA	81	100	+23.4%

Figure 10 (Corresponds to Figure 12 in CIC Report)

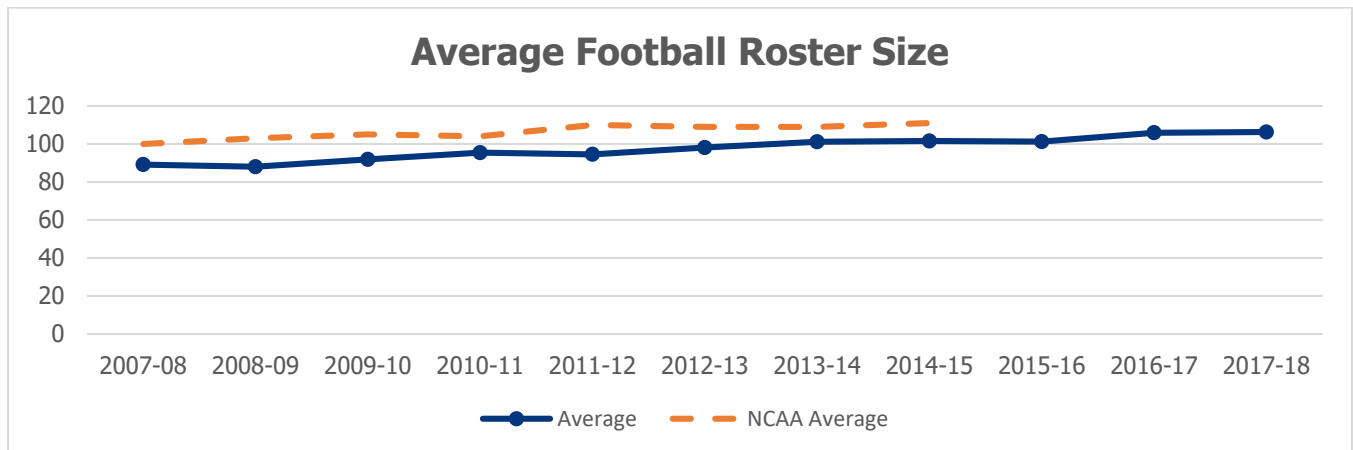
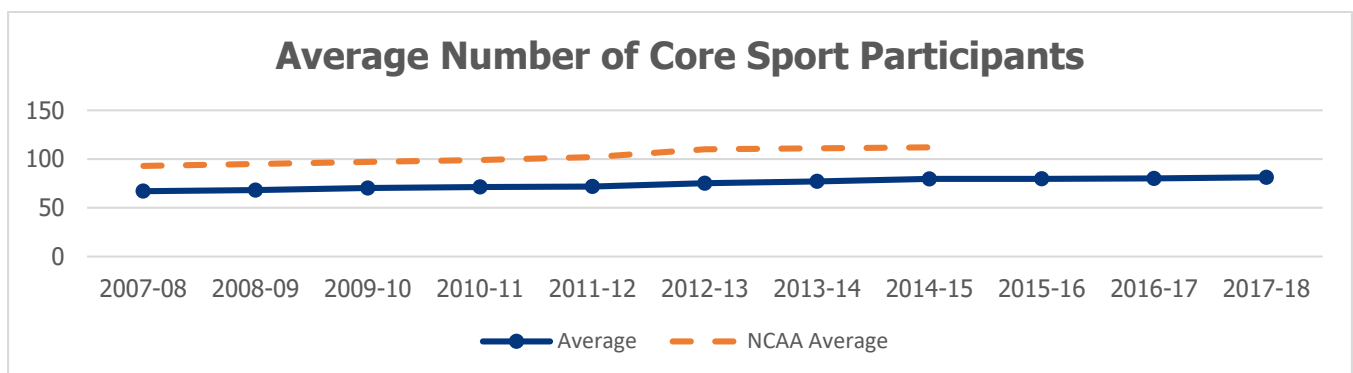


Figure 10 narrows the focus to the sport of football. Data reflect growth in football rosters across both divisions, with a bigger boost among NAIA football-playing institutions (14.6%) compared to NCAA institutions (11%). NAIA ROA data will allow a closer look at how this growth has affected student 'discount rates', retention and overall net returns for institutions, depending on various approaches to roster management, including utilization of junior varsity competition.

	2008	2015	% Change
NAIA	89	102	+14.6%
NCAA	100	111	+11%

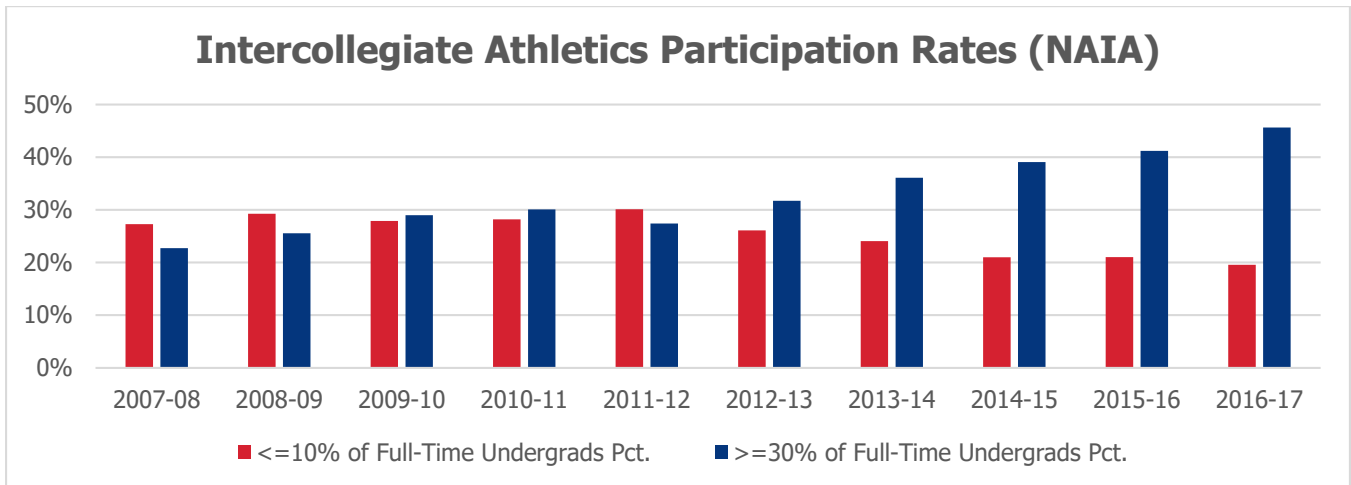
Figure 11 (Corresponds to Figure 14 in CIC Report)



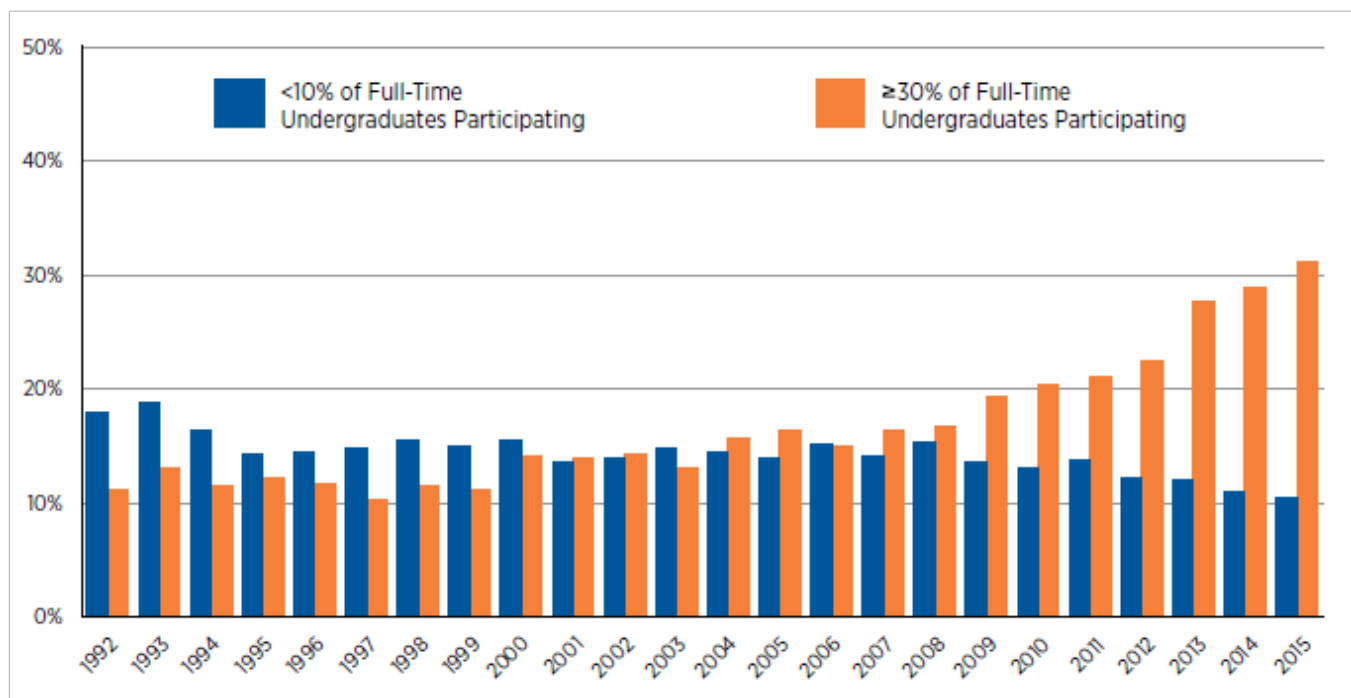
This graph represents the average number of participants in sports sponsored by 75% or more institutions in 2017-18. These data confirm student-athlete participation increasing by nearly 20% among NAIA and NCAA institutions over the eight-year period shown for both associations. *Note: These data do not show it, but further analysis confirms in top NAIA sports, student-athlete participation exceeds NCAA participation rates.*

	2008	2015	% Change
NAIA	67	80	+19.4%
NCAA	93	112	+20.4%

Figure 12 (Corresponds to Figure 15a and 15b in CIC Report)



Intercollegiate Athletics Participation Rates (NCAA Members)*



These graphs illustrate athletics participation as a percentage of undergraduate enrollment, focusing on institutions in which student-athlete participation is either (1) less than 10% of undergraduate enrollment, or (2) more than 30% of undergraduate enrollment.

The data show that for both NCAA/CIC and NAIA members included in this study, student-athlete participation is trending upward as a percentage of total enrollment. A closer look by the NAIA ROA team at an eight-year span beginning in 2008 showed the number of NAIA institutions topping 30% student-athlete participation increased from 26% to 46% of NAIA members during that time, compared to an increase from 17% to 32% of NCAA members in that same period.

The data also show more NAIA institutions with student-athlete participation ratios at less than 10% of total student enrollment compared to NCAA/CIC members. Among NAIA institutions, the percentage of such schools decreased from 29% to 20% over the eight-year period studied. The percentage of NCAA members in this category also decreased from 16% to 11%.

	NAIA		NCAA	
	<=10%	>=30%	<=10%	>=30%
2008	29%	26%	16%	17%
2015	20%	46%	11%	32%

Figure 13 (Corresponds to Figure 21 in CIC Report)

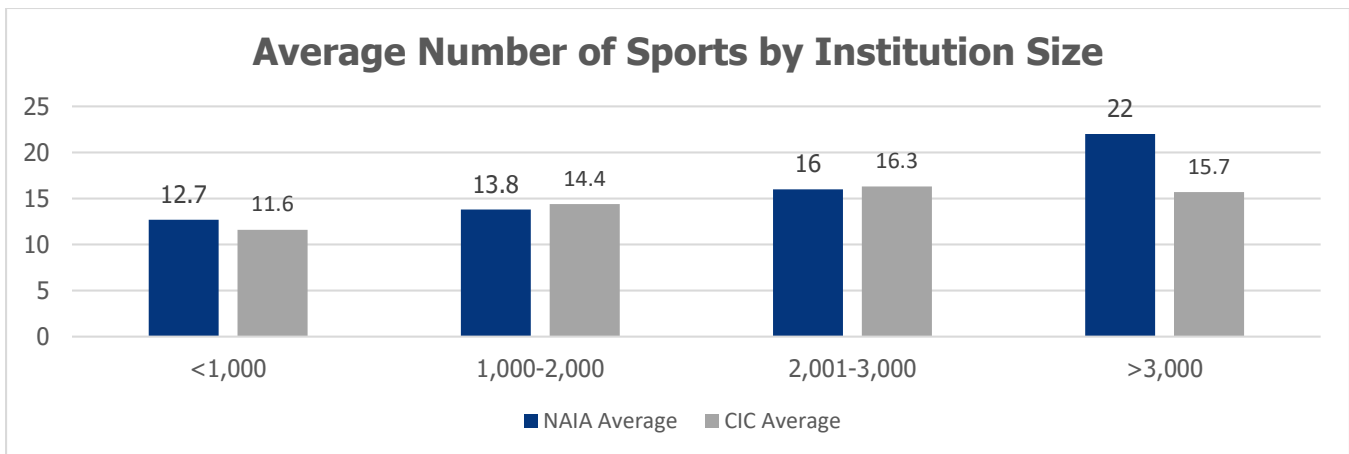
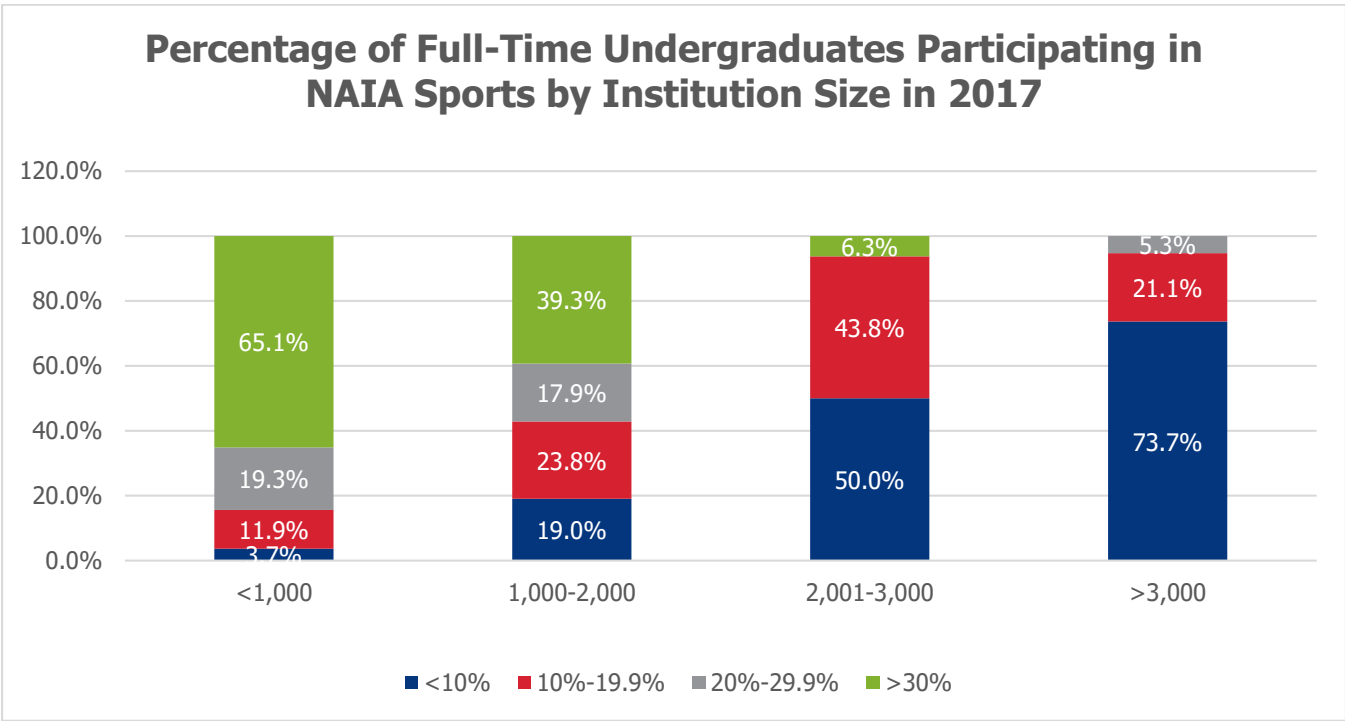
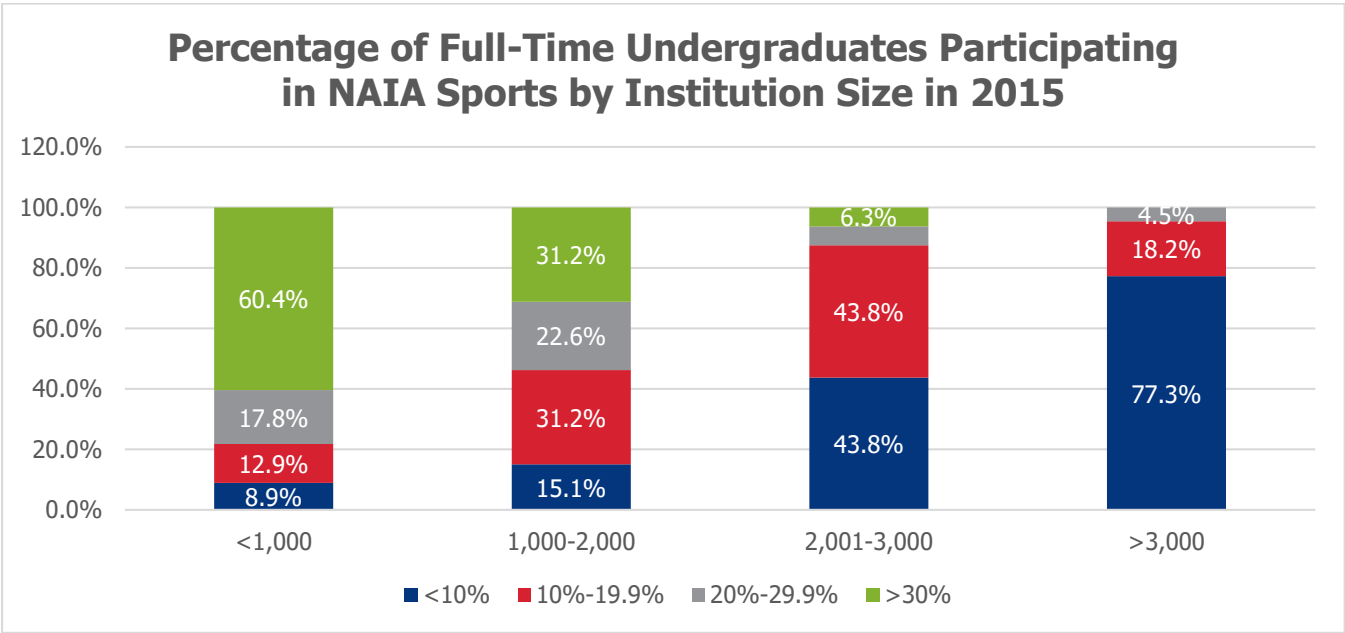
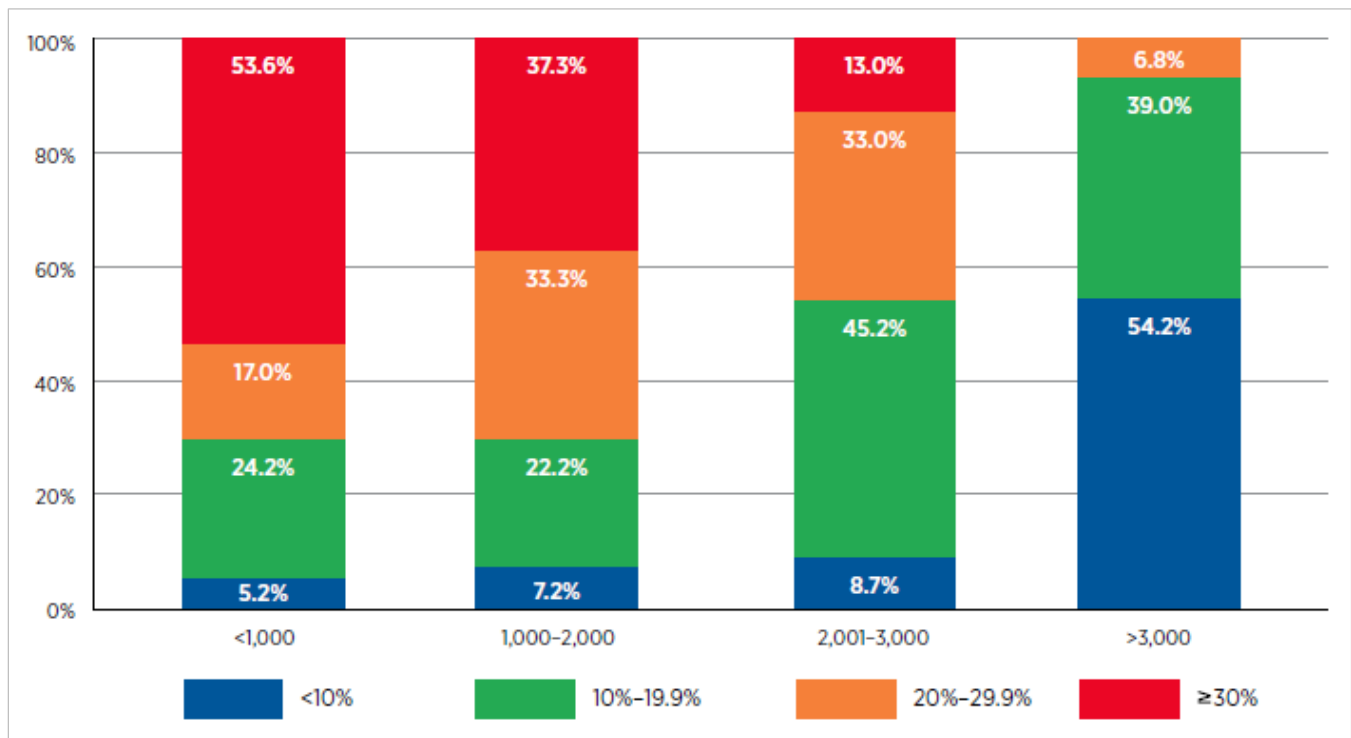


Figure 13 offers information regarding sports sponsorship in relation to overall student enrollment. NAIA sports sponsorship generally tracks sponsorship averages with one exception: among institutions with total enrollment above 3,000 students, sports sponsorship among such NAIA institutions is substantially above the average for CIC institutions as a whole.

Figure 14 (Corresponds to Figure 22 in CIC Report)



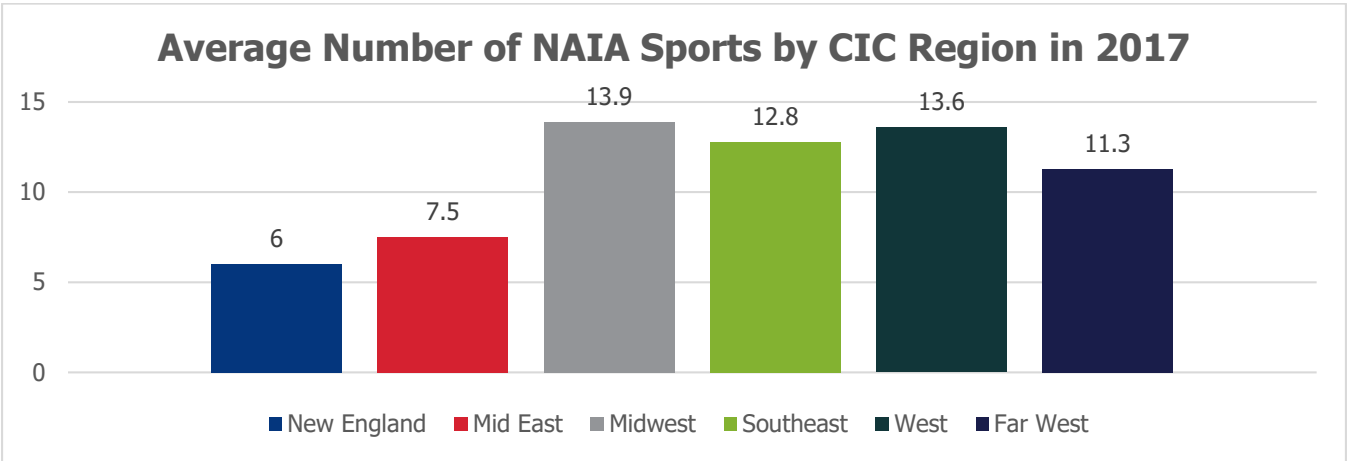
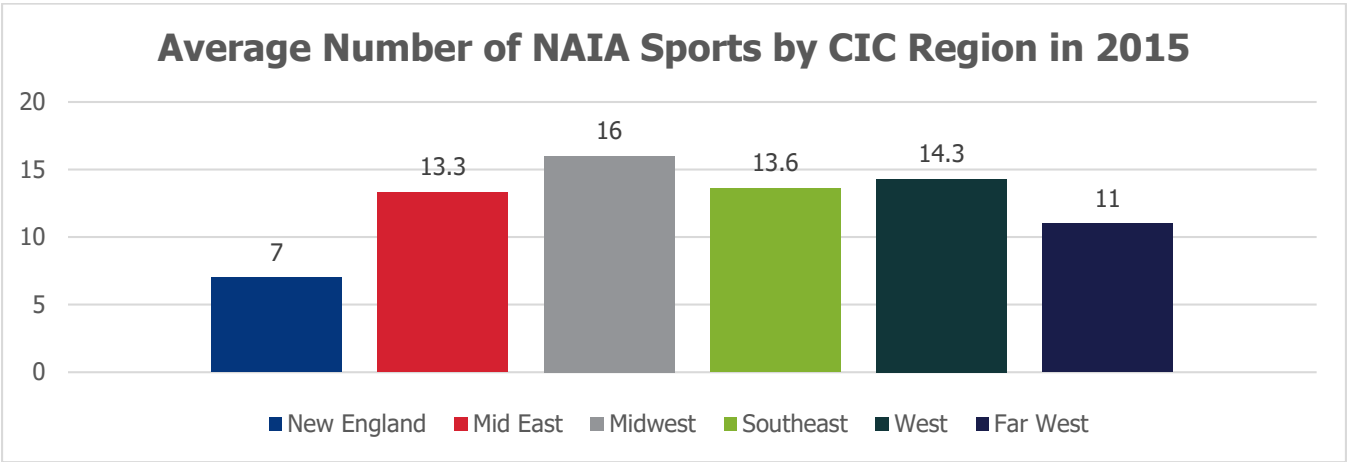
Percentage of Full-Time Undergraduates Participating in Sports by Institutional Size, CIC Institutions*



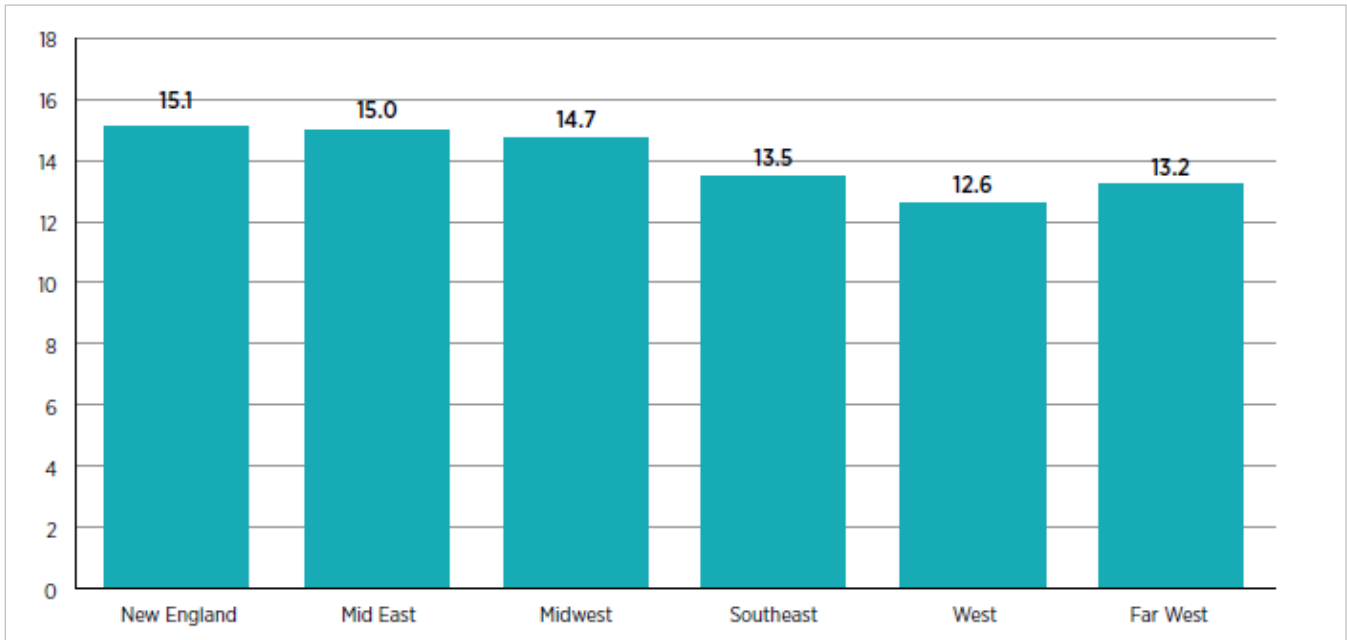
These tables look at student-athlete participation among institutions grouped according to total undergraduate enrollment. The first two graphs show data for NAIA institutions in 2015 and 2017, and reflect increased student-athlete participation overall, with the most pronounced increases among NAIA institutions with total undergraduate enrollment under 2,000.

The NAIA has higher student-athlete participation at schools with an enrollment of less than 1,000, compared to student-athlete participation among all similarly situated CIC institutions. The gap closes as school size increases, with CIC institutions overall having a higher percentage of student-athlete participation, most notably among institutions with enrollment of more than 3,000.

Figure 15 (Corresponds to Figure 23 in CIC Report)



Average Number of Sports by Region, CIC Institutions*



These three tables reflect sport sponsorship according to participating institutions' geographical location. NAIA sports sponsorship is similar to CIC sponsorship in the Midwest and Southeast (areas in which NAIA membership is most concentrated), and also compares favorably in western regions. Between 2015 and 2017, the most significant growth in number of sports for NAIA schools occurred in the Mid East (77%) and Midwest (15%) regions.

*Charts taken from *Taking the Field: Intercollegiate Athletics on CIC Campuses* for comparison purposes.

CONCLUSION

The findings in this report should not be surprising to those familiar with intercollegiate athletics. In general, athletics offerings at smaller institutions have grown, slightly more quickly for women than men. Student-athlete participation is up. Geography plays a role in the types of sports offered.

The "Taking the Field" report's authors conclude by asking an important question, and one for which the NAIA's ROA initiative is uniquely positioned to explore and analyze: *"We are left to ask what effects colleges' choices in athletics programming have had, especially in terms of institutions' application/admission/yield patterns, enrollments, student-body composition, financial health, and strategic position."* (page 40)

This, along with feedback from leadership at the NAIA's member institutions, affirms that ROA represents the next step of intercollegiate athletics analytics. The NAIA is proud to be leading the way with this initiative.

We look forward to sharing the initial ROA findings in the coming months. For more information about ROA, contact Alan Grosbach, the NAIA's Director of ROA, at 816.595.8120.