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# How employers can stanch the hemorrhaging of collegiate GPA credibility

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### **KEYWORDS**

College grade inflation; Grade point average; Student engagement; GPA inflation; Student academic performance; Employee selection criteria **Abstract** Grade inflation is rampant across universities, colleges, academic majors, and certainly in American business schools. Extensive evidence shows that the distribution of college GPAs is skewed sharply toward high grades. Consequently, GPAs often poorly convey students' relative academic achievement, sending a muddled message to prospective employers. This article explores the causes and consequences of grade inflation. It concludes with six recommendations for employers who want to encourage college administrators to control collegiate grade inflation, thereby strengthening the accuracy and value of a GPA in the processes of applicant evaluation and job placement.

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### 1. GPA sends a muddled message

More than 78% of employers use undergraduate grade point average (GPA) to screen job candidates (NACE, n.d.). While collegiate GPA makes the short list of influential factors in the selection process of most employers, there is unfortunately little evidence of its use for any purpose beyond a simple initial screening mechanism for narrowing an applicant pool.

A job candidate's GPA is a problematic metric for prospective employers. The potential of GPA to indicate students' relative academic performance is being negated by the damage done by grade inflation. Grade inflation refers to the ongoing rise in the percentage of high grades assigned to students, leading directly to higher student GPAs. This rise in grades occurs without evidence of commensurate increases in student learning. The welldocumented and avoidable phenomenon of grade inflation limits the ability of employers to distinguish superior academic performers from the majority of their classmates who have also received high grades.

For decades, grade inflation has been reported at a wide range of four-year colleges and universities in the U.S. and abroad. Yet, the grade inflation problem is worsening. Grade inflation has been recorded at all schools that were studied and was especially pronounced at 'better' and private colleges and universities where GPAs are habitually the highest (Popov & Bernhardt, 2011; Tucker & Courts, 2010). The resulting compression of grade distribution has led to a hemorrhaging of credibility in the grading process, as students with differing levels of achievement are

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compressed into the upper groupings of the grade distribution.

This article explores the causes and consequences of grade inflation and offers possible explanations for professors' elevated judgments of student performance relative to their classmates. However, it does not evaluate how much students learned as measured against an absolute standard. In collegiate education, absolute standards for gauging student performance very rarely exist.

Non-academics might find it difficult to imagine the extreme variability in course material and pedagogy that exists among colleges, and even among sections of the same course within a college. Especially in non-technical fields, professors whose courses have the same title frequently teach very different topics with inconsistent learning objectives (e.g., Becker, 2007). They use different materials, instructional methods, student assignments, and performance requirements. Grading standards and grade distributions differ as dramatically as the course sections and are usually determined exclusively by individual professors with very different perspectives on the purpose, value, and intended outcomes from the grades they assign. Therefore, it is nearly impossible for employers to know, without an independent assessment, what a job applicant with a college degree gained from the academic experience.

Employers should explore the idea of confirming what graduates know. Low levels of academic advancement, masked by inflated grades, may distress employers who trust in student GPAs. In a review of the academic progress of more than 2,300 undergraduates at 24 U.S. colleges, Arum and Roksa (2011) found that after two years of college coursework, 45% of college students showed no significant increase in critical thinking, analytic reasoning, or writing abilities. After four years of college education, 36% of students still showed no improvement in developing these same capabilities.

However, by using an applicant's GPA, an employer can gauge the performance of the applicant acquired relative to his or her classmates. For an employer who wants to hire the best-educated candidate from a specific college, GPA should be a prime indicator. In fact, if an employer prefers a college-based, impersonal, impartial, and objective measure for comparing candidates, GPA may be the superior choice.

Given the prospective usefulness of GPA in evaluating job candidates, this article concludes with six recommendations for employers who want to encourage college administrators to control grade inflation. These changes will add value to the message of GPAs for employers, improve the clarity of performance feedback for students, and enhance the administrative oversight of institutions of higher learning.

# 2. The severity of U.S. collegiate grade inflation

The dramatic grade inflation in four-year universities and colleges is depicted in Figure 1, which shows grading patterns at 135 four-year universities and colleges in the U.S. It begins with a bell-shaped curve on the graph to show a theoretically normal grade distribution.

The graph supports widespread suspicions and anecdotal evidence about the extreme extent of grade inflation. The grades received in 1960 roughly resemble an expected normal distribution while the grades received in 2008 show almost no connection to a normal array. The grades from 2008 are very significantly skewed to the right, suggesting that four-year colleges and universities exhibit a nearly 'no fail' grade distribution, coupled with a practice of assigning a B grade to most students who do not receive an A.

The dramatic increase in grades resulted in As (43%) and Bs (35%) becoming the most frequently obtained grades (Rojstaczer & Healy, 2012; Tucker & Courts, 2010). Under a normal distribution, C would be the most common grade and an A would occur less





Source: Adapted from Rojstaczer and Healy (2012)

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than 6% of the time. The distribution of grades had become extremely skewed. The percentage of As received increased over 175%.

This shift toward very high grades results in a compressed grade distribution and a de facto devaluation of the A grade. With more than 75% of all students obtaining As and Bs, it has become increasingly difficult for company executives and recruiters to distinguish between *cum laude* honor graduates, high performing students, dean's list recipients, and their classmates who are in the middle of the pack.

This evidence prompts serious questions about the meaning and comparability of GPAs. It also raises concerns about the utility for employers of using GPAs in distinguishing among candidates, and specifically about the consequences of incorporating inflated GPAs in business hiring decisions. These concerns raise difficult issues for employers about how best to interpret and use students' college GPAs in the selection process, given that employers who include GPAs as a criterion for evaluating job applicants must be confident in their value as a metric of relative collegiate academic performance.

# 3. The consequences of grade inflation

### 3.1. Some positive effects of grade inflation

Grade inflation has upside value for some students because it allows ever-larger numbers to qualify for recognitions that have fixed GPA minimum requirements. First, inflated GPAs can enable more college students to qualify for college loans, scholarships, academic honors and recognitions, and special opportunities like access to honors courses, on-campus housing, and work-study employment.

Second, students with undergraduate degrees find that graduate schools tend to admit applicants with higher GPAs. In a study of admissions records of graduate business schools, applicants with GPAs that were one standard deviation above the mean were admitted 31% more often than students with average or lower GPAs (Popov & Bernhardt, 2011; Swift, Moore, Sharek, & Gino, 2013). Unfortunately, but typically, these admission decisions were made without regard to the average GPA at the institution granting the undergraduate degree and awarding the course grades.

Third, job offers, hires, and salaries from employers correlate positively with GPAs (Popov & Bernhardt, 2011). On the other hand, according to The National Association of Colleges and Employers, 58% of employers indicate that a GPA below 3.0 all but eliminates a candidate's chances of being hired (Koeppel, 2006).

# 3.2. Harm to the student recipients of inflated grades

If employers think that a high college GPA indicates a student has exhibited a high level of academic effort or attainment, they may be mistaken. There is evidence that inflated grades contribute to the tolerance of underachievement and reinforce some students' impression that they do not need to exert effort to learn or succeed academically. This feeling is often referred to as a sense of entitlement.

Some students report a belief that with their tuition they have paid for a diploma, not for an opportunity for a guided learning experience, and they do not want to be required to meet performance expectations imposed by professors (Greenberger, Lessard, Chen, & Farruggia, 2008; Leef, 2009; Roosevelt, 2009).

Additionally, some students report that conditions should exist to ease the challenge of obtaining high college grades. A study at the University of California, Irvine found that 34.1% of students surveyed thought they deserved a B grade just for attending class. Just under 41% of respondents said they deserved a B course grade just for completing the required reading, and 66.2% felt that if they explained to the professor that they were trying hard, that should be given some consideration in their course grade (Roosevelt, 2009).

When an academic department releases grade information to students for a particular course or professor, knowledge of grade distributions prompts more students to take courses in which the median grade is high (Bar, Kadiyali, & Zussman, 2009). For example, at Cornell University, the decision to publish median grades of courses to the student body online accelerated the school's grade inflation.

When students know of the history of high grades assigned in a particular course, their own efforts in that course often decline. One study found that students study 50% less on average when taking a course where the expected grade is A, compared to a course with an expected grade of C (Babcock, 2010).

#### 3.3. Ambiguity of college endorsements

Grade compression creates an interpretation problem for employers who use GPA as a basis for their hiring decisions as "[g]rade inflation can produce artificially high grade point averages which lead to student performance evaluations which have no meaning" (Addy & Herring, 1996, p. 1). 4

While many employers use a candidate's overall GPA as one of their two most important selection criteria, a majority of these employers report that the best use of GPA is simply as an initial screening tool (Metrejean & Noland, 2011). Although employers once viewed college grades as a useful predictor of career success, their position is changing because GPAs lose signaling power when they are inflated. According to Laszlo Bock, senior vice president of people operations at Google (Bryant, 2013):

G.P.A.s are worthless as a criterion for hiring, and test scores are worthless—no correlation at all except for brand-new college grads, where there's a slight correlation. Google famously used to ask everyone for a transcript and G.P.A.s and test scores, but we don't anymore, unless you're just a few years out of school. We found that they don't predict anything.

A survey by *Find Job* indicates that 30% of those in charge of company recruiting see grades as having little credibility. Contradicting the implicit message of rising GPAs, that students are performing better than ever before, employer concerns are supported by data that shows student learning is stagnant or in decline (Arum & Roksa, 2011; Wongsurawat, 2009).

Critically, when grade distributions are biased, employers have greater difficulty in distinguishing a well-educated applicant from others who have similar GPAs but lack an equivalent level of education. Thus, GPAs are less effective as an employers' selection tool when they are compromised by grade inflation.

# 4. Factors that contribute to grade inflation

# 4.1. Student engagement in the learning process

The suggestion that more recent college students deserve higher grades because of their ever-greater efforts to master a prescribed set of academic requirements is not supported by systematic research. First, there is almost no evidence to support a claim that the amount or difficulty of material to be learned is increasing. Second, self-reports by students of their own behavior argue against the notion that their high GPAs result from their increased efforts to learn from their coursework.

In a survey of students, 32% said they do not register for any semester-long course that requires more than 40 pages of reading or more than 20 pages of writing (Arum & Roksa, 2011). In fact, students in

2010 spent only 12-14 hours studying per week. While GPAs steadily increase, the amount of time that students spend studying is declining. Additionally, study time is lower in courses taught by professors who are known to assign higher grades (Arum & Roksa, 2011; Babcock, 2010; Babcock & Marks, 2011).

College student engagement levels are extremely low. The least engaged 35.7% of students in one survey report that they spent fewer than six hours in total studying or doing homework during a typical week in college (Saenz & Barrera, 2007). Rojstaczer and Healy (2012, p. 12) determined that "There is no indication that the rise in grades at public and private schools has been accompanied by an increase in student achievement," reaching this conclusion after analyzing data on grades assigned at more than 200 four-year colleges and universities, encompassing a total enrollment of 1.5 million students.

Students who outperform their classmates should be at a distinct advantage when competing against them for jobs in the marketplace. However, grade inflation masks the strength of the difference among relative levels of academic performance and thus works to the advantage of the weaker students.

### 4.2. Professor-student dynamics

As the assigners of grades, professors play the central role in controlling the rate of grade inflation. Unfortunately, more than a student's course performance may affect the professor's grading. Research studies have confirmed that the formal, anonymous, written evaluations that students submit on their teacher (known as SET) can strongly influence the grades that the professor assigns to those students, and vice versa.

Such evaluations are the leading method used by administrators to judge the teaching quality of professors in colleges and universities, and are popularly used in determining faculty members' tenure, promotion, and raises. Research shows a positive correlation between the grades that students expect from a professor and the SET ratings that the students give the professor (Tucker & Courts, 2010). Specifically, students' anticipation or actual receipt of higher grades influences them to give higher SETs to the professor (Ellis, Burke, Lomire, & McCormack, 2003; Weinberg, Fleisher, & Hashimoto, 2009).

A number of other possible contributors to grade inflation have high-face validity but have not yet been empirically documented. For example, students accept high grades without reservation but object to low grades by requesting detailed evidence of their relatively low performance and meetings with the professor to debate their grades, and

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by lodging formal complaints with university administrators in the attempt to receive improved grades. In the face of increased student enrollments, some professors may be inclined to take the 'grief reduction' approach of awarding high grades to many students, thereby decreasing the volume of student backlash.

# 4.3. The global pervasiveness of grade inflation

Grade inflation in colleges is pervasive worldwide. In the U.S., grade inflation is well documented. In 2001, 91% of Harvard seniors graduated with honors, which is defined as obtaining a GPA over 3.33. Other Ivy League institutions with significantly skewed grade distributions included Yale University, Princeton University, and Dartmouth College (Kezim, Pariseau, & Quinn, 2005). A report in 2009 showed that two-thirds of all undergraduate grades at Brown University were As (Rojstaczer, 2009).

Outside the U.S., grade inflation is also a concern in Canada, where it has been empirically documented at universities in Ontario (Anglin & Meng, 2000). In South Korea, the education ministry describes grade inflation in its colleges as "rampant" ("Grade inflation," 2011). The ministry cites the desire to help students land jobs in a tightening job market as a cause. More than 75% of undergraduate students in South Korea earn higher than a B average.

# 5. Our understanding of grade inflation

The overwhelming percent of all grade inflation is attributable to instructor-specific characteristics or university-level factors (Anglin & Meng, 2000; Jewell, McPherson, Tieslau, 2013). Many universities permit grade inflation, if not tacitly encourage it, because some administrators believe that the school's reputation for grading leniency positively affects the number of student applicants the school will receive (Jewell et al., 2013).

At the same time, when students and parents view education as a consumer good and believe that higher tuition costs should result in high grades, pressure grows on universities to facilitate GPA inflation. Germain and Scandura (2005, p. 58) said, "Grade inflation may be due to consumerism by universities that now compete for students. Keeping students happy (and paying) may have been emphasized more than learning."

A major consequence of this increasingly prevalent consumer-based approach to education is that it creates incentives for the faculty to grade more leniently (e.g., Jaschik, 2008). The consumer-based approach requires universities to give precedence to their students' satisfaction with their class experiences and to measure students' satisfaction with professors and classes, resulting in grading changes that have a "profound influence on college life and learning" (Rojstaczer, 2009).

Regrettably, research provides evidence that some professors accede to student expectations for inflated grades in order to favorably bias their SET scores (Faurer & Lopez, 2009). In agreement, a committee at Ohio State University concluded that some faculty members expect a quid-pro-quo exchange (Zimmerman, 2002, pp. 49–50):

[The] SET process measures student satisfaction instead of the quality of instruction, has questionable reliability, and does not take into account certain factors that influence the scores (in particular the effect of grades). Whether consciously or not, many faculty do pander to students in terms of rigor and grades in order to influence SET results.

Jaschik (2008) presents a rationale to explain why a professor might voluntarily inflate student grades:

If a professor acquires a reputation as a 'harsh' grader, then he will receive harsh evaluations from students, and enrollment for his class will drop, making it harder for the professor to get tenure, and possibly even raising the specter of being fired.

Another research team (McPherson & Jewell, 2007, p. 868) concluded, "We find that instructors can 'buy' better evaluation scores by inflating students' grade expectations." Because professors' tenure and compensation are among the outcomes impacted by SETs, some professors may prioritize personal rewards over non-inflated grade distributions. Such decisions by professors are identified in multiple studies as the greatest cause of grade inflation (Anglin & Meng, 2000; Faurer & Lopez, 2009; Tucker & Courts, 2010).

### 6. Restoring credibility to the GPA

Business executives are frequently invited by leaders in the university community to provide input on issues of collegiate education. Perhaps too often, these invitations are answered only with financial contributions, honorary advisory board memberships, or occasional one-off guest lectures. However, academics' expression of the hope for substantive input is often genuine and reflect educators' concern 6

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for providing career-relevant, progressive educations for their students.

More substantive discussions between employers and college administrators are needed. Employers will want to clarify their hiring practices and detail the opportunities that college faculty and administrators have to provide input into the hiring decision. Specifically, employers may discuss how GPAs are used and weighted, perhaps as compared to letters of recommendation and the college's geographic and academic-field reputations. College administrators may offer evidence of the attributes and accomplishments of their faculty, student body qualifications and achievements, facilities, student placement success with employers, starting salaries, and institutional accreditations.

Following these exchanges, attempts can be made to complement each other's needs to help graduates secure employment. School administrators will want the employers to hire their graduates. Employers will ask that the graduates offer strong evidence of their preparedness for employment, often including a meaningful GPA combined with reinforcing metrics. To increase the beneficial outcomes of these discussions, the executives and recruiters who represent employers might choose from among the following six ideas for ways that college and university administrators could add value to their endorsements of students' academic attainments.

# 6.1. Setting guidelines for grade distribution

With few exceptions, the assignment of grades by university and college professors in the U.S. is an unregulated process. Although the administration sets the grading format, it almost never sets the grade distribution, nor demands a pre-specified commitment by the professor to adhere to the institution's grading guidelines.

Therefore, one option for reducing a grade inflation problem is for college and university administrators to become personally involved in setting guidelines for grade distributions. Love and Kotchen (2010, p. 162) said, "[G]rade targets can be an effective policy not only because they limit grade inflation, but also because institutions can set expectations to improve teaching and research productivity without affecting student effort."

While college administrators have the right to ask professors to stand ready to explain the grades they assign to individual students or to a course of students, such requests are rare. Indeed, although university administrators in the U.S. have the legal right to override assigned grades, a professor's decision about the average grade or grade distribution in a course is almost universally treated as within the professor's purview. Consequently, "in the absence of oversight from leadership concerned about grade inflation, grades will almost always rise in an academic environment where professors sense that there are incentives to please students" (Rojstaczer & Healy, 2012, p.18).

When administrators and faculties of universities, colleges, and majors commit to reining in grade inflation by pre-specifying grade distributions, they have different options to consider. An academic unit could mandate a course average that every class of a specified minimum size would be required to meet. Alternatively, administrators could require that every course of a specified minimum size adhere to a predetermined grade distribution. Under any option, the goal is the same. Succinctly put by one college administrator, "To stop grade inflation, just stop inflating grades" (Friederichs, 2012).

#### 6.2. Reduce incentives for GPA inflation

College and university administrators could work to reduce incentives for grading leniency. Students give higher SET evaluations to professors they expect will give them high grades in the course. Therefore, some analysts see SET-based professor assessments as the root cause of grade inflation. For example, an evaluation at one school concluded that SET is a faulty measure of teaching quality and grades are a faulty signal of future job performance that serves as the centerpiece for "an individually rational but socially destructive game of grade inflation centered on the link between SETs and grades" (Langbein, 2008, p. 417). For college administrators and faculty who recognize the fact or potential of this problem at their institutions, business executives could advocate for one of three courses of action:

- SET evaluations could be eliminated in favor of alternative teaching evaluation methods, which might relieve pressure on professors to inflate grades;
- 2. Professors' SET scores could be divided by the average grade they assign. The quantitative result would identify professors who produce high student evaluations while maintaining rigorous grade distributions. Alternatively, if SETs are desired despite their shortcomings, SET scores could be disconnected from faculty members' merit and promotion assessments to weaken the connection between SET scores and grade distributions; or

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3. "To prevent grade inflation, and particularly to avoid rewarding and promoting instructors who use increasingly lax grading standards, administrators should adjust student ratings of instructional quality for the average grades given for a course" (Ellis et al., 2003, p. 35).

# 6.3. Improve student achievement reporting

College and university administrators could enhance reporting on students' academic attainments. With the approval of the student involved, educators could provide prospective employers' executives and recruiters with expanded insights to accompany a GPA. For example, the institution could combine GPA with a student's class rank, expressed as a percentile, to aid employers in assessing the student's relative performance in an academic program.

One specific suggestion could be for colleges to calculate a ratio of the individual student's professor-assigned GPA divided by the average GPA of the class (Felton & Koper, 2005). This quotient would be expressed numerically on the same scale as the assigned grade and recorded on the student's transcript next to the traditional GPA, making the relative degree of grade inflation more apparent to employers and other evaluators.

# 6.4. Provide consistent oversight of student performance

College and university administrators could oversee the measurement of students' relative academic performance in more uniform and consistent ways. There is a strong tradition of uniform testing as an admission requirement of colleges and universities worldwide (e.g., ACT, SAT). College students could undergo exit testing prior to graduation in a similar manner to give employers and other interested parties a strong indication of academic achievements. The Council for Aid to Education and the American Institute of Research might be valuable partners for institutions that want to get a quick start in their test development.

Another option that employers might see as advantageous would be to encourage college boards and administrators to require undergraduate students to pass comprehensive examinations prior to receiving their degrees. Such assessments, if supported by governing professional bodies such as The Association to Advance Collegiate Schools of Business, would provide supporting evidence that students could perform at a level suggested by their collegiate GPAs. The successful testing programs of several universities in the United States, or colleges within the larger institution, can serve as precedents. These include Bethany College, Hanover College, Kenyon College, Occidental College, Reed College, Swarthmore College, and Wabash College. Ideally, large groups of colleges would agree to use identical tests and to provide individual and comparative institutional scores. Critically, the schools would activate the use of the examinations simultaneously.

#### 6.5. Link GPA to independent certification

College and university administrators could link students' GPA reports to independent assessments of their academic attainments. There is a rapidly growing trend within professional business organizations to conduct certification programs, principally based on knowledge testing, to build public confidence in their members. Employers' executives and recruiters could use similar logic to persuade college administrators to collaborate with business organizations, to add to their own legitimacy as providers of professional education. The plan might involve supplementing college GPAs with independent extramural assessments of graduates' academic preparedness. Exemplary certifications could include the CFP, Certified Financial Planner; CMA, Certified Management Accountant; and PMP, Project Management Professional.

#### 6.6. Improve the use of GPA in hiring

Business executives could coordinate with college and university administrators and faculty to develop and conduct company-based testing. The testing of job applicants can play an important role in the preemployment screening process. Employers can use internally developed tests to verify an applicant's job-related knowledge and skill. Many colleges have faculty members with expertise in test construction, administration, and interpretation who make excellent partners for companies that want to create inhouse assessment tools and testing procedures.

Company-based testing can also enhance the credibility of a college or university's GPA reports. When a strong positive correlation is established between the education that the college provides and the education that a company's employees need, several goals of the educational process are being achieved. Colleges and universities whose students' GPAs correlate highly with employer test scores could be justifiably proud of their contributions to the students' education. Employers whose new college hires are as educationally prepared as their GPAs suggest are likely to have better control of their employee training and turnover costs.

To strengthen the relevance of GPA, employers can consider restricting its use. An overall GPA may be a reasonable indicator of students' relative standing in their majors and thus can serve as a useful initial screen of candidates to be interviewed for recruitment purposes. However, this general measure may serve as a poor indicator of specific student competencies. If business executives and their recruiters can agree on micro-GPAs, which could consist of coursework expressly selected to indicate students' competence in a narrowly defined area, the employer's ability to hire wellprepared graduates could substantially improve.

# 7. The need for coordinated action to restrain grade inflation

The endemic nature of grade inflation survives attacks of logic and empirical insight for the simple reason that it flatters everyone involved, albeit insincerely. As Norman Vincent Peale famously said, "The trouble with most of us is that we'd rather be ruined by praise than saved by criticism." Students who receive grades that are higher than they earn appear better educated than they are. These students are pleased with the professors who praise them and the institutions that validate and celebrate their GPAs. Family members delight in an educational institution that apparently produced a superior outcome. Employers are encouraged by the application of evidently accomplished college graduates to join their organizations.

The core problem with grade inflation is that it is fundamentally misleading. When an educational institution of presumed virtue fosters grade inflation, it is spreading a partial truth for the purpose of self-aggrandizement. The untruth of an inflated grade is that it represents a professor's judgment that a student's academic performance is as superior as the professor has publicly declared it to be. As a component of a GPA, a professor's misleading assessment is communicated to employers that seek confirmation of the relative academic achievement.

Traditional on-campus, four-year bachelor degree programs face increasing challenges from educational alternatives. Without a strong and persuasive defense of the time and dollars that they demand of students, these institutions will suffer from the increasing number of cost-benefit challenges.

When academic credentials, including inflated GPAs, provide poor guidance for a proper employment match, both employers and college graduates are negatively impacted. Poorly informed hiring decisions contribute to negative company outcomes, including higher rates of employee turnover and increased training expenses. The universities involved can experience an erosion of reputations as producers of well-educated graduates. The students involved face unexpected career setbacks.

The critical element of a process to regain control over grade inflation is a simultaneous agreement on grade distributions by a large number of colleges and universities. No college administrators would be eager to acknowledge that their institutions routinely assign greatly inflated grades. Just as no grandmother wants to be the first of her friends to admit that her grandchildren are in some way imperfect, no college administrator wants to jeopardize enrollments or tuition dollars for the sake of candid assessments of student performance in service to vague ethical values. Yet, there is safety in numbers. If, for example, the Association to Advance Collegiate Schools of Business, the global accrediting body for business schools that offer undergraduate, masters, and doctorate degrees in business and accounting, publicly declared its opposition to grade inflation, and encouraged member institutions to develop grade distribution guidelines, the reining in of grade inflation at schools would have begun. Participating schools could claim the moral high ground, and would immediately provide more meaningful performance feedback to students and their prospective employers.

Conversely, non-participating schools might face some level of public derision for their attempting to trick the marketplace. At a minimum, institutions that were not publicly committed to controlling their assigned grades could be seen as lacking some level of credibility, authenticity, and professionalism.

### 8. Conclusion

Many forces converge to produce grade inflation, with some representing the triumph of good intentions over candor. However, the accumulated effects of grading leniency undermine the market value of professors' endorsements and, by extension, detract from the credibility of the institution. The value of a college GPA is based on the belief that an accurate assessment of the relative level of knowledge and ability attained by college students is indicated by their grades. Unfortunately, there is a growing body of evidence that executives and recruiters question the endorsement value of a collegiate GPA (Rojstaczer & Healy, 2012, p. 18): "Evaluation has become so flawed that employers, graduate schools, and professional schools that try to use grades to identify outstanding prospects are likely often engaging in a futile exercise."

Colleges that want to regain a full measure of influence in society for their endorsement of

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students' relative academic performance need to strengthen their reputations for providing fair and accurate reports with minimal grade inflation. Employers who include college endorsements in making their hiring and placement decisions need justifications for elevating the role of GPAs. For business executives to gain confidence in GPAs in their recruiting activities, college administrators and faculty members need to make strong, clear, public, and verifiable commitments to assigning grades that accurately portray students' relative educational attainments.

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