



Ten Secrets to a Great Scholarship Program



Introduction

More than ever before, a college degree has become a necessity for health and prosperity

The single best path to a well-paying and secure job is completing a degree—whether it's from a two-year, four-year or graduate program. College graduates also have more social mobility, live healthier lives and participate more fully in civic and economic life. What's more, the need for college grads is only getting more pronounced. According to the Center for Education and the Workforce (CEW)'s [Recovery 2020](#) report:

“There will be 55 million job openings in the economy through 2020... 35 percent of the job openings will require at least a bachelor's degree, 30 percent of the job openings will require some college or an associate's degree and 36 percent of the job openings will not require education beyond high school.”

That's right: within the next five years, two of every three jobs will require at least a two-year degree.

But what about cost?

Unfortunately, those college degrees aren't free. While college has never been more important, it has also never been more expensive. You've heard the stories, but did you know that students are paying more than 40 percent more for in-state public university degrees than students did just 10 years ago—and more than double what students paid 20 years ago? This information is tracked by the College Board in [Trends in College Pricing](#), where they also reported similar increases at private four-year colleges—increases were 24 percent over 10 years and 66 percent over 20 years.

This sustained growth in costs, coupled with continued cuts in state funding, means more and more students have a gap between what they can pay and what they must pay.

To fill that gap, students most often take on jobs or take out loans—or both. Those can pay the bills in the short term, but they aren't perfect solutions. Students who work long hours have less time to devote to school, and the most frequently cited reason for dropping out of college is the difficulty of balancing work and studies. For students who rely on loans, the postgraduation burden of paying them back has turned into a full-fledged, trillion-dollar crisis that's depressing their real wages and forcing them to delay things like marriage and home ownership.

And that's why scholarships are vitally important

When students can use private scholarships to fill the financial aid gap, it means fewer hours on the job, more time to devote to academics and activities, and less crippling loan debt after they earn their degree. It's a win for the student, the scholarship sponsor, and the entire economy.

By offering a scholarship, you can have a real, immediate effect on the college students in your workforce, their families or your community.



**Here are ten things
you need to do to
ensure your scholarship
program makes the
biggest impact it can,
now and into the future.**



Tip 1: Decide Who You Want to Help, and Why

Scholarship programs help students. That much is clear. But, as you start or expand your scholarship program, the crucial first step is to clearly define which students your organization wants to help, and why.

For large corporations and small businesses alike, the goal is often to help your own employees or their families with college costs. For corporate or community foundations, the focus may instead be on helping students in a certain community: graduates of local high schools; attendees of postsecondary institutions in your area; even nationwide or global communities of students in a certain field.

Your scholarship program should be true to your organization's focus and mission, and your audience should be defined well enough to capture in a sentence or two, such as:

- Any child or grandchild of a full-time employee, attending an accredited college
- Students under age 30 who attend college in our company's state
- U.S. or Canadian undergraduates majoring in finance or accounting

There's no right or wrong answer, but you should:

- Have a clear reason for serving the population you're targeting
- Ensure your eligibility requirements are simple and inclusive

Unless you have a compelling reason, don't limit your program by stringent academic, financial, gender or ethnic criteria. This way, you'll have a larger, more diverse and more well-rounded group of applicants. You'll also be able to evaluate them more fully on their work, school and community activities, goals and challenges.

If you offer a scholarship to employees or their families, take a look at your workforce demographics first. How many people on your team have highschool or college-age kids? Should you offer the award to grandkids as well? Are your employees pursuing higher education themselves? This will go a long way in determining your internal audience.

Finally, consider the levels of education you want to fund. Career and technical students, especially those at two-year colleges, often get short shrift from scholarship programs even though they often benefit most from private awards.

Tip 2: Find the Right People to Manage the Scholarship—and to Answer Customer Service Questions

Managing a scholarship program isn't as simple as setting aside \$5,000, putting a stack of applications out and reading them over on a spring weekend. Even the simplest scholarships need dedicated management to ensure quality and consistency.

For many companies, this management is handled by someone in [HR or benefits](#). For family or community foundations, scholarships generally become part of your program staff's purview. In either case, it's all too frequent that scholarship program management is added as an additional task to someone's already full plate—and this can cause unintended, unforeseen issues.



When students and families are struggling to pay for college, financial aid and scholarship applications are the #1 priority in their lives. When they run into questions (and they will!), they expect prompt, well-informed answers. If the customer service solution for your scholarship is “whoever sees the question on Twitter” or “whichever staff member has time on Friday afternoon,” the unanswered questions and unhappy stakeholders will start to pile up quickly.

Hiring temporary customer service staff can help with the workload, but it’s not an ideal solution if you plan to make an impact for more than one scholarship season. If students re-apply for a second or third year, they and their family will expect that the criteria and customer service will remain consistent, and that any changes will be communicated clearly. Without an expert point of contact overseeing the scholarship year-to-year, this is nearly impossible without a lot of training time and money.

A sustainable, impactful scholarship program requires a dedicated, expert manager or team, either internally or from a company like Scholarship America®. By focusing someone only on your scholarship, you can ensure quick, knowledgeable customer service and consistent answers and evaluation year after year.

Tip 3: Make Sure You Can Afford to Give a Meaningful Award

It may seem obvious, but scholarships are money. If you’re giving a scholarship, that money needs to come out of your budget. And so, once you have your target audience and objectives defined, it’s time to determine just what size of scholarship your budget will allow.

With the current state of college costs, a meaningful award needs to be at least \$1,000 per year. That level will get applicants excited, and will cover a significant portion of their financial aid gap at most schools. If your budget won’t allow for at least one annual award at this level, you’re probably better off waiting and raising funds until it will.

If that budget isn't a problem, you'll want to figure out just how much you can give – and how you want to distribute it. This will go back, in part, to the audience you've defined. Do you want to provide more small awards to more recipients? Or is your goal to provide fewer, more substantial awards that make a life-changing impact for one or two students? (If one of the goals of your scholarship is publicity for your organization, consider offering more prestigious awards: \$5,000-\$10,000 scholarships will get noticed by regional and national media.)

In addition, consider whether you want to make the scholarship renewable. A renewable scholarship means that once the student earns the award, they receive it for multiple years as long as they meet certain criteria. Scholarship America highly recommends renewable scholarships, which help students persist to achieving their degrees. Since the number of available scholarships declines as a student gets further in their postsecondary career, renewable scholarships end up meaning much more as your recipients make their way through school. If your budget doesn't allow for purely renewable awards, or you're not sure, consider offering recipients the chance to re-apply in subsequent years.



Tip 4: Create a Timeline and Stick to it

A great scholarship program has a clearly defined timeline for how the scholarship is run from beginning to end, from pre-launch approvals to distribution of awards.

If you're launching a new scholarship program, it's likely that your application criteria will need to be approved by someone, whether it's an informal signoff from the program director or a full legal or donor review. Depending on the nature of your organization, the budget you decided on may need board or C-suite approval each year as well. Make sure you have an idea how long this is likely to take, and plan to have it done well before opening the scholarship.

And just when should you open for applications? The busiest season for scholarship applications is between January 1 and April 1. If your program is open during this period, you can be sure students across the country are searching and applying for scholarships, which can be a boon to regional, national and global programs. If your scholarship appeals to a narrower, more defined community, consider opening applications earlier in the fall. You'll have fewer programs to compete with, and more time to spend on evaluation before financial aid season ramps up in spring.

If you're focusing your program on high school seniors, make sure it ends with plenty of time before the busy weeks of finals and graduation. And, no matter who your audience is, keep your program open for between five and eight weeks at most—any longer, and people's natural tendency to procrastinate can make it fall off their radar completely. Finally, if you're not outsourcing your program management, make sure your scholarship timeline fits in with your staff's other responsibilities. Foreexample, if your HR department has major payroll or tax work to do in early January, they're not going to have the capacity to deal with student and parent scholarship questions every day at the same time.



**Scholarship
season: the busiest
season for scholarship
applications, usually
from January
to April**



Tip 5: Keep Your Application Simple

When the time comes to create, modify or revise your scholarship application, think back to the first step in this book: who do you want to help, and why? Whatever answers you came up with should drive your application questions—and you should get rid of any questions that don't help you identify those ideal recipients.

After all, students are swamped with schoolwork, activities and financial aid applications. The longer the application goes on, the less likely they are to bother completing it unless it's in the \$5,000 or \$10,000-plus "prestige scholarship" range. For a wider applicant pool, limit your questions to those that confirm their eligibility, and those that reveal the traits you're looking to reward, whether that's academic skill or community service or leadership. (Fewer questions on an application also mean fewer students calling or emailing asking for explanations!)

When it comes to asking about financial need, be very careful, particularly if you're offering corporate scholarships that focus on employees and their families. Staff members who earn need-based awards may walk away feeling as though they're underpaid, and headlines about your company awarding hundreds of need-based scholarships aren't the most welcome publicity. In these cases, you may want to stay away from need as a qualification, especially since everyone, regardless of income, could happily use another \$1,000 or \$2,500 for college. (For foundation awards or widely available scholarships, need calculation comes with less baggage, but requiring FAFSA data also limits your potential opening and closing dates.)

Tip 6: Figure Out How to Offer Your Application (and Keep it Secure)

Once the questions are determined, you'll also have to figure out if you want to offer your application on paper or online. The former is easier to get started but presents more difficulties in scoring, management and storage; the latter takes a bit more work on the front end but saves time with evaluation and disbursement. An online application will likely require time and maintenance from your IT department or budget to outsource.

If you can't decide, consider your audience. Most current high school and college students do nearly everything online, and postsecondary schools prefer students apply online. Generally speaking, an online application is ideal. However, because there is more time involved in creating an online application, you may choose to start with a paper application for your first year and plan to move online in the near future.

Finally, whether your application is online or on paper, ensure that you have systems and backups in place to ensure the security and privacy of any student data you're collecting. Laws about student and educational data are strict. If you're storing any of this type of data on your servers or in your buildings, take care to know and follow relevant organizational security protocols.



Tip 7: Spend Plenty of Time Spreading the Word

Most college students and their families have heard the urban legend about the millions of scholarship dollars that go unclaimed every year because of a lack of qualified applicants. While this isn't actually the case, there's a grain of truth to the story. Often, scholarship programs struggle to find the "ideal" candidate that meets all of their criteria—and that is usually because they fail to promote the scholarship to its target audience. Few students would turn down the opportunity for free college cash, but they have to know about it!

If your foundation is sponsoring a large, nationwide program, your publicity and promotion efforts will have to be equally wide. If your target audience consists of students in a certain major, send or post press releases to trade publications and online groups related to the field; create a coordinated social media campaign to spread the word; and provide tools like flyers, sample posts and accessible websites that schools and organizations can use to easily help with promotion.

For employee or children-of-employee programs, check with department supervisors and staff members to find out where they like to find information. Sometimes, a flyer in the break room will get to everyone that needs to learn about the scholarship. In other cases, global email alerts or internal socialnetwork postings might be necessary weekly reminders.

Last but not least, don't forget that your scholarship recipients are your best promoters! When you award the scholarships, make sure and get photos, testimonials and contact information that you can use in future years to show the impact of your award.

Tip 8: When Applications Close, the Work is Just Starting

If your scholarship has an April 1 deadline for applications, it can be tempting to break open the celebratory champagne on April 2. However, even with all the applications in and the customer service calls slowing down, there's still a ton to be done: timely evaluation, notification of students, confirmation of college enrollment, distribution of awards and more.

We'll look at some details about evaluation below; however, while it's important to evaluate applications thoroughly, it's also important to do it quickly. We recommend taking four to eight weeks after the program closes for evaluation and processing (which will allow you time to get supporting documentation from students). If it takes any longer, students may forget about the program or assume they didn't get the scholarship. Late notice can also affect the credibility of your program in future years.

Once you've selected your scholarship recipients, it's a good idea to notify all applicants of their status. The students who applied spent lots of time doing so, and they deserve to know the outcome regardless of whether or not they received an award. Timely notification like this is appreciated by students and families, and reflects a well-run program. (This is, of course, easier with electronic applications.)

Finally, before you distribute the funds themselves, make sure you confirm the college enrollment of the recipients. Student plans often change at the last minute, and they may not communicate these changes right away. You'll also need to work with the recipient and their financial aid office to determine the best timing for payments – the funds won't do



Tip 9: Provide Relevant, Neutral, Expert Evaluation

Many things about running a scholarship program are pretty straightforward. But when it comes to evaluating applications, some specialized expertise is required. Whoever is scoring applications and selecting recipients needs to be fair, objective and consistent (especially if you have a committee of evaluators), and they need to have a solid grasp on exactly who you're looking to help.

A good application goes a long way toward making evaluation easier. If you capture the eligibility and essay information you really need, your evaluators will have a solid baseline to work from. To simplify things more, determine up front how much weight you want to put on each factor. Is community involvement worth more than GPA? How much more? Are you judging solely on an essay response, or do activities count for half of the score? Developing this formula will keep everyone on the same page, and will help explain your decision-making when you get inquiries from non-recipients.

Anonymity and neutrality are also crucial when it comes to evaluation. Especially for internal programs, you should remove any identifying factors from applications before scoring. This assures that applicants are rated on the information they provide, and not who they are or know.

Common program factors:

- GPA
- Essay/personal statement
- Community and school activities
- Transcript
- Letter(s) of recommendation

Outsourcing evaluation to a third-party administrator like [Scholarship America](#) can be a huge help in these situations. Having expert, neutral evaluators for your program removes any appearance of bias, and provides an outlet for questions and complaints.

After all, your company's HR team (and/or your foundation's program staff) is there to build bridges; if they're busy selecting recipients, creating an evaluation team or working with the board to determine awards, it's easy for those who aren't selected to feel personally slighted by colleagues or friends. And that is definitely not the feeling you want anyone taking away from your scholarship program.

Tip 10: Review Your Program Every Year to Ensure it's Doing What You Want

Fortunately, a well-conceived, well-run scholarship program is more likely to leave people feeling good—you've helped one or more students with the huge burden of paying for college, and your staff and stakeholders can celebrate truly making a difference. Once you've finished your scholarship cycle, though, it's important not to rest on your laurels. A routine annual review is just as important to a great scholarship program as a simple application and a thorough promotion plan.

To help you review your program, and how well it's meeting your objectives, make sure you keep relatively detailed program data around. You'll want to assess trends in the number of applicants and recipients; the number of reapplications and/or renewals; the schools that your recipients are attending and, if possible, their graduation rates. (For corporate programs, even those from company foundations, this can be a great place to turn for interns, entrylevel staff and trainees.) Perhaps more importantly, you'll also be able to look at how well your recipients fit your goals and criteria.

For scholarships open to a nationwide or global audience, you'll need to track the geographic reach of your applicants—whether that's to determine your promotion focus in coming years, or to figure out which of your offices are most engaged with benefit initiatives.

If your program is new, consider the first year a pilot (and wait until after completion and review to fine-tune and make changes, so you don't confuse applicants). If you've been running a scholarship for a long time, this review will still help you tweak your eligibility criteria, your scoring system and your promotion each year. And all of it will help you to ensure that, no matter how the college and financial aid worlds change, you continue to get the best answer to your very first question: who do you want to help, and why?



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