

McKinsey
& Company

Racial and ethnic equity in US higher education

Higher education can accelerate progress toward racial and ethnic equity through teaching and learning; research, scholarship, and creative expression; and impact in the community.



July 2022



by Diana Ellsworth,
Erin Harding,
Jonathan Law, and
Duwain Pinder

The not-for-profit higher education sector in the United States plays many roles in American life.¹ These institutions educate the next generation of thinkers and leaders; support the research, scholarship, and creative expression that shape society; and anchor their communities. Each year, nearly 20 million students enroll in US colleges and universities,² and the two million who graduate with bachelor's degrees can expect an average of \$30,000 (in constant 2018 dollars) in increased annual earnings over their lifetimes.³

The higher education sector also spends \$84 billion a year on research⁴ and produces more than 400,000 articles and publications in science and engineering alone.⁵ As institutions that serve their communities, colleges and universities contribute to—and sometimes drive—local economies; the US higher education sector employs nearly four million faculty and staff⁶ and spends more than \$600 billion each year,⁷ a significant share of which goes to local economies.

As the United States becomes more racially and ethnically diverse—people of color will account for more than 50 percent of the US population of high school graduates soon as 2036⁸—colleges and universities will serve a more racially and ethnically diverse set of stakeholders. According to a 2021 survey, 84 percent of presidents of institutions of higher education agree that racial and ethnic considerations have become more important for their institutions.⁹ However, the student bodies, faculty, and staff of most colleges and universities are not representative of society, and many institutions of higher education do not serve underrepresented populations equitably.

Of course, racialized inequities and disparate outcomes are not unique to higher education,¹⁰ and many institutions in the sector have taken steps to respond to the challenge despite hurdles such as declining public funding and enrollments.¹¹ McKinsey analysis has found that 95 percent of the institutions with the highest level of research activity (R1 as designated by the Carnegie Classification of Institutions of Higher Education) have senior executives charged with oversight of institutional diversity, equity, and inclusion (DEI), and 100 percent of R1 institutions have publicly shared DEI plans or aspirations.¹² Diversity leaders in higher education have also formed their own consortiums to share knowledge.¹³

The most significant complication for these efforts is slow progress. Many institutions' student bodies are diversifying—but slowly. In 2013, 38 percent of all not-for-profit

¹ For the purposes of this report, "not-for-profit higher education sector" refers to not-for-profit two-year and four-year colleges and universities.

² "Table 303.10. Total fall enrollment in degree-granting postsecondary institutions, by attendance status, sex of student, and control of institution: Selected years, 1947 through 2029," Digest of Education Statistics, National Center for Education Statistics, accessed May 25, 2022.

³ "Table 310. Degrees conferred by degree-granting institutions, by level of degree and sex of student: Selected years, 1869-70 through 2021-22," Digest of Education Statistics, National Center for Education Statistics, accessed May 25, 2022; Melanie Hanson, "College graduation statistics," EducationData.org, updated June 12, 2022; *Liberty Street Economics*, "Despite rising costs, college is still a good investment," blog entry by Jaison R. Abel and Richard Deitz, June 5, 2019.

⁴ "Academic institution profiles: Rankings by total R&D expenditures," National Center for Science and Engineering Statistics, accessed May 25, 2022.

⁵ Karen White, "Publication output, by region, country, or economy," Science and Engineering Indicators, National Science Foundation, December 17, 2019.

⁶ "Employees and instructional staff: How many people are employed by postsecondary institutions?" Trend Generator, Institute of Education Sciences, National Center for Education Statistics, accessed May 25, 2022.

⁷ "Institutional expenses: What are the expenses (in thousands) of public postsecondary institutions using GASB standards?," Trend Generator, Institute of Education Sciences, National Center for Education Statistics, accessed May 25, 2022; "Institutional expenses: What are the expenses (in thousands) of private not-for-profit postsecondary institutions using FASB standards?," Trend Generator, Institute of Education Sciences, National Center for Education Statistics, accessed May 25, 2022.

⁸ *Knocking at the college door: Projections of high school graduates through 2037*, Western Interstate Commission for Higher Education (WICHE), December 2020.

⁹ 2021 Survey of College and University Presidents, Inside Higher Ed, March 2021.

¹⁰ For more, see Emma Dorn, Bryan Hancock, Jimmy Sarakatsannis, and Ellen Viruleg, "COVID-19 and education: The lingering effects of unfinished learning," McKinsey, July 27, 2021.

¹¹ For more, see Richard Vedder, "Why is public support for state universities declining?," *Forbes*, May 24, 2018; Danielle Douglas-Gabriel, "Colleges lost 465,000 students this fall. The continued erosion of enrollment is raising alarm.," *Washington Post*, January 13, 2022; Emma Dorn, Andre Dua, and Jonathan Law, "Rising costs and stagnating completion rates: Who is bucking the trend?," McKinsey, April 2020.

¹² For more on classifications of research intensiveness, see "Basic classification description," Carnegie Classification of Institutions of Higher Education, accessed May 25, 2022.

¹³ Two examples are the National Association of Diversity Officers in Higher Education and the Liberal Arts Diversity Consortium.

institutions met the expectation of student representational parity (based on the racial and ethnic demographics of students' home states). By 2020, that figure was 44 percent.¹⁴ At that rate, it would take almost 70 years for these institutions' student bodies to reflect the demographics of the US population in terms of the number of historically underrepresented students in each class. However, this shift would be driven by growth in the number of Hispanic and Latino students, with negligible change in the share of Black and Indigenous students.

Beyond representative student bodies, progress has also been uneven in program completion rates. Only 98 institutions—representing 9 percent of four-year institutions and 8 percent of all enrolled students—have both a representative student population and graduation rates for students from underrepresented populations that are the same as or higher than the national average.

The trends in improving both representation and completion rates have been mixed. Our analysis shows that from 2013 to 2020, 31 percent of four-year institutions significantly increased student diversity while simultaneously improving completion rates significantly for underrepresented students.¹⁵ However, 24 percent of institutions either remained flat or moved backward across both measures.

While progress on diversity and completion rates for students from underrepresented populations has been uneven, progress for more racially and ethnically equitable representation among faculty has been negligible. In 2013, only 11 percent of two- and four-year not-for-profit institutions had faculties that were representative of the US population—and many of those 11 percent were historically Black colleges and universities (HBCUs), Hispanic-serving institutions (HSIs), and other minority-serving institutions.¹⁶ According to our analysis, that figure was just one percentage point higher in 2020.

McKinsey analysis has found that the most diverse occupations at colleges and universities are low-paying service roles in functions such as food and janitorial services. We also found that these jobs experienced the fastest decline in the sector from 2013 to 2020.

These trends are a significant challenge to many institutions' DEI goals and broader mission of facilitating economic mobility. More immediately, movements for racial and ethnic justice, stoked in particular by the murder of George Floyd in May 2020, have pushed questions of racial and ethnic equity to the fore in every part of society. Many institutions of higher education are already working to address racial, ethnic, and socioeconomic equity. However, institutions could contribute more to society-wide racial and ethnic equity through teaching and learning; research, scholarship, and creative expression; and impact in the community.

American life is marked by inequities along dimensions such as gender, ability, immigration status, and socioeconomic class of origin. For the purposes of this report, we focus on race and ethnicity as one particularly socially and culturally salient way to talk about the structural obstacles that influence socioeconomic mobility and life outcomes. We focus on students, faculty, staff, and community members who are Black, Hispanic or Latino, Native Hawaiian or Pacific Islander, and Indigenous. (Asian Americans in higher education experience a somewhat different set of dynamics that merit separate consideration.)

Any efforts to strengthen racial and ethnic equity in higher education could have benefits for other disadvantaged groups.¹⁷ So, while this report focuses on racial and ethnic equity in higher education, many of the strategies we highlight may be applicable to other populations as well.

University presidents, provosts, deans, chief human resource officers, and leaders in functions such as external relations may wish to collaborate more closely on a shared vision

¹⁴ See appendix, "Calculating representational parity."

¹⁵ We define a significant increase in student diversity as an annual increase of 2 percent or more, to match or exceed the increase in underrepresented populations in the US population in a similar period (2 percent per year from 2013 to 2019).

¹⁶ For an overview of minority-serving institutions, see "Minority serving institutions program," US Department of the Interior, accessed June 29, 2022.

¹⁷ Angela Glover Blackwell, "The curb-cut effect," *Stanford Social Innovation Review*, Winter 2017.



© Weekend Images Inc./Getty Images

for equity at—and driven by—their institutions. This report highlights approaches that some institutions in higher education are taking to advance racial and ethnic equity. As other institutions think about how to address these issues, they may wish to look to their peers for guidance. Effective efforts take strategic focus, long-term commitment, and ongoing effort and investment. The result could be more sustainable institutions that deliver impact as places of learning, discovery, and community for everyone.

A mirror of wider systemic inequities

Many institutions of higher education were built on inequitable social, economic, and political systems (see sidebar “The inequitable history of US higher education”). The effects of these systems—as well as complex interactions among other factors with deep historical roots—are visible in all three core areas of impact: teaching and learning; research, scholarship, and creative expression; and impact in the community.

Teaching and learning

Creating equitable environments for teaching and learning begins with equitable representation, experiences, and outcomes for students and faculty. But progress has been slow or negligible.

Although we see some gaps in K-12 education, our analysis suggests that higher education can address significant gaps as well. There has been some progress. Not-for-profit institutions (both two- and four-year) showed signs of progress in diversifying their student bodies from 2013 to 2020. In 2013, 38 percent of institutions had first-year student populations that had higher-than-expected shares of underrepresented populations.¹⁸ By 2020, this number had grown to 44 percent. At this rate, it would take about 70 years for every not-for-profit institution of higher education to achieve representational parity for marginalized populations in their student bodies. However, progress is unevenly spread across students from different racial and ethnic groups. According to our analysis, the share of institutions with a more-than-representative number of Hispanic and Latino students

¹⁸ See appendix, “Calculating representational parity.”

The inequitable history of American higher education

Like so many corners of society, higher education bears the marks of historical decisions that have built inequity into the sector. The Morrill Act of 1862 allowed the US government to seize land from more than 250 Indigenous tribes to create space for 52 new universities across the United States.¹ In addition, many institutions have ties to chattel slavery through early institutional leaders and donors who bought, owned, and sold enslaved people.²

As centers of teaching and learning, many institutions accepted only White students until compelled to diversify under student pressure and civil rights legislation.³

At least one institution hired their first full-time Black faculty members as recently as 1972.⁴

In earlier eras, some universities supported the work of faculty and leaders who believed that some races are more biologically intelligent than others. Many buildings and awards still bear the names of such thinkers, whose beliefs have since been debunked.⁵

Of course, these examples are far from comprehensive. However, acknowledging the sector's history with racial and ethnic inequity is important for understanding the current state of affairs and for

considering interventions that may generate and accelerate gains in equity.

¹ Tristan Ahtone and Robert Lee, "How they did it: Exposing how U.S. universities profited from Indigenous land," Pulitzer Center, May 19, 2020.

² Jonathan M. Pitts, "Jumping the gun' on Johns Hopkins? Researchers say there's no evidence university founder owned slaves," *Baltimore Sun*, June 3, 2021; Amanda Hoover, "Rutgers is named for a slave owner, but school's first Black president says the name will stay," NJ.com, updated July 7, 2020.

³ For an example, see "Civil rights in Education: Law and history," FindLaw, updated September 11, 2017.

⁴ Amanda Kerr, "CofC's first Black professors paved the way for a more diverse faculty," College of Charleston, February 24, 2017.

⁵ Nidhi Subbaraman and Giuliana Viglione, "Universities scrub names of racist leaders — students say it's a first step," *Nature*, August 13, 2020.

increased by ten percentage points from 2013 to 2020—but decreased by two percentage points for Black students and seven percentage points for Indigenous students.

In 2020, only 9 percent of R1 institutions had first-year student populations that were more diverse than expected (up from 8 percent in 2013). Similarly, a recent study found that at many of these same institutions, Black and Hispanic student representation decreased between 1980 to 2015, even as these students' share of the college-age population grew more quickly than enrollment rates.¹⁹

Students from underrepresented populations also have disparate undergraduate outcomes. Sixty-four percent of White students graduate from four-year institutions within six years, compared with 40 percent of Black, 54 percent of Hispanic, and 39 percent of Indigenous students.²⁰ For those who do graduate, members of underrepresented populations with bachelor's degrees also have worse early-career outcomes compared with their White counterparts.²¹ For those who do graduate, 8.2 percent of White college graduates (ages 21–24) are unemployed, compared with 11.6 percent of Black graduates and 11.2 percent of Hispanic graduates.²² Compounding the effects of disparities throughout the experience, students from underrepresented populations are more likely to graduate with debt than their White counterparts.²³

While these findings are not qualitatively novel, they have economic ramifications. Gaps in postsecondary attainment cumulatively cost the US economy nearly \$1 trillion per year.²⁴ Even so, analysis shows that most undergraduates—about 60 percent²⁵—attend schools that

¹⁹ Jeremy Ashkenas, Haeyoun Park, and Adam Pearce, "Even with affirmative action, Blacks and Hispanics are more underrepresented at top colleges than 35 years ago," *New York Times*, August 24, 2017.

²⁰ "Indicator 23: Postsecondary graduation rates," Status and Trends in the Education of Racial and Ethnic Groups, Institute of Education Sciences, National Center for Education Statistics, updated February 2019.

²¹ "Indicator 30: Earnings and employment," Status and Trends in the Education of Racial and Ethnic Groups, Institute of Education Sciences, National Center for Education Statistics, updated February 2019.

²² Elise Gould, Zane Mokhiber, and Julia Wolfe, *Class of 2019: College edition*, Economic Policy Institute, May 14, 2019.

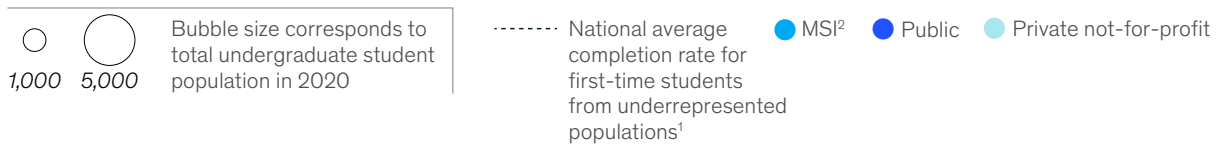
²³ Melanie Hanson, "Student loan debt by race," EducationData.org, updated March 10, 2022.

²⁴ Anthony P. Carnevale et al., *The cost of economic and racial injustice in postsecondary education*, Georgetown University Center on Education and the Workforce, 2021.

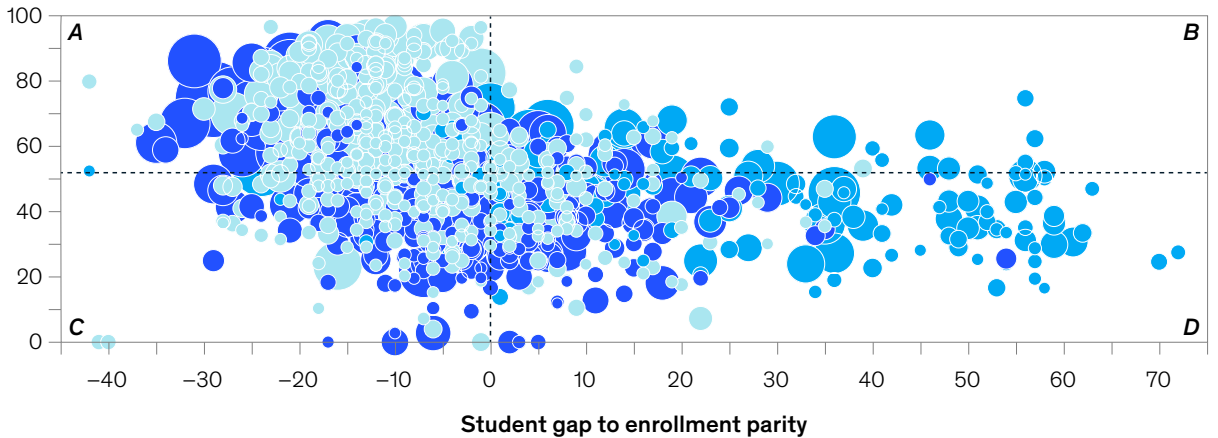
²⁵ Representing 49 percent of institutions.

Most institutions have not simultaneously achieved representational parity for first-time students and at least average completion rates.

Percentage by institution type (not-for-profit, 4-year), 2020 (n = 1,120 institutions, 1.4 million first-time students)



Completion rate for first-time students from underrepresented populations graduating within 150% of normal time (6 years), %



- A. Underrepresented population completion only: 52% of first-time students
- B. Underrepresented population student-experience leaders: 8% of first-time students
- C. Underrepresented population student-experience laggards: 21% of first-time students
- D. Underrepresented population access only: 19% of first-time students

Note: Includes only institutions of four years or more with 250 or more undergraduate students; excludes institutions with 0 or no reported completion data in 2020; gridline for underrepresented population completion rate represents national 2020 underrepresented population completion cohort divided by total underrepresented population completions within 150% of normal time at 4-year institutions (52%).
¹Includes student population that is Black, Hispanic and Latino, Native American, Pacific Islander, and two or more races.
²Minority-serving institution; includes historically Black colleges and universities (HBCUs), Hispanic-serving institutions (defined as current and eligible HSI grantees in the US Department of Education’s 2020 Eligibility Matrix), and tribal universities.
 Source: Integrated Postsecondary Education Data System (IPEDS)

have above-average graduation rates for underrepresented populations. However, only 8 percent of all enrolled students²⁶ attend schools whose undergraduate population includes the expected level of students from underrepresented populations while also having an above-average graduation rate for underrepresented students. Complicating the picture, many of the institutions with the highest completion rates also have below-average student body diversity and are among the least economically diverse (Exhibit 1).

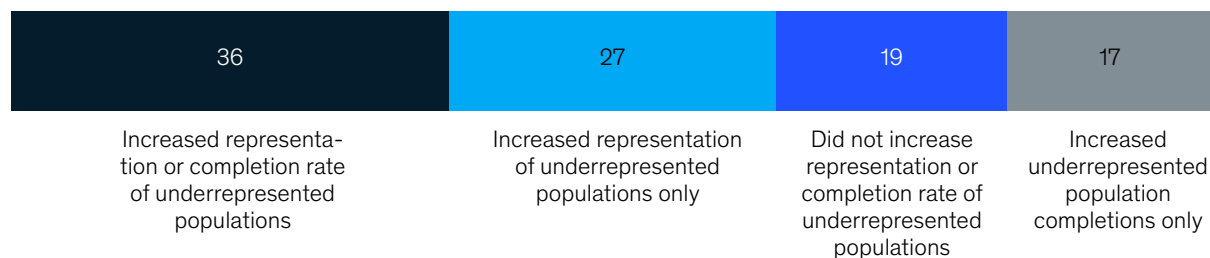
Our analysis shows that nearly two-thirds of institutions have stayed flat or regressed on representation or outcomes (graduation rates) for students from underrepresented populations (Exhibit 2).²⁷ Our analysis also shows that only 7 percent of institutions have simultaneously improved on racial, ethnic, and socioeconomic measures.

The causes of these inequities and disparate outcomes are interrelated, complex, and often discussed in the public conversation. To start, many inequities in higher education can be traced to inequities in K-12 education. While high school graduation rates have steadily increased, there is a gap of ten to 20 percentage points in high school graduation rates between students from underrepresented populations and their White and Asian

²⁶ Representing 9 percent of institutions.
²⁷ We define improvement as improvements of two percentage points or more from 2013 to 2020 across measures of representation and outcomes (to beat the projected growth of underrepresented populations in the United States).

Only 36 percent of four-year institutions have improved on both racial and ethnic representation and completion rates for underrepresented populations.

Progress of racial and ethnic representation and completion rates of underrepresented populations for four-year institutions, %



Source: IPEDS (n = 840, data available for all periods and metrics)

classmates.²⁸ White high school graduates aged 16–24 are also five percentage points more likely than graduates from underrepresented populations to be enrolled in college.²⁹ Gaps in measures of college readiness are wider,³⁰ and a growing body of evidence suggests that the effects of the COVID-19 pandemic are exacerbating these inequities.³¹

Once students are old enough to apply to college, students from marginalized populations tend to suffer from the impact of common components of the admissions process such as legacy admissions, athletic admissions, and donor connections.³² Athletic admissions and donor connections, for example, are both correlated with wealth, which is racialized in the United States.³³ And once on campus, students who are visibly from marginalized populations often report experiences of exclusion—from faculty and peers questioning their abilities to campus staff challenging their presence.³⁴ (For a discussion of institutions that overperform on serving students from underrepresented populations, see sidebar “Student representation, faculty representation, and outcomes at minority-serving institutions.”)

Faculty diversity is positively correlated with completion rates for students from underrepresented populations, which makes representative equity among faculty a critical factor in achieving equity for students.³⁵ Many four-year colleges and universities have publicly pledged to increase faculty diversity, but studies suggest that much of the growth in faculty diversity has been in non-tenure-track positions.³⁶ From 1993 to 2013, the number of underrepresented faculty in part-time, non-tenure-track positions grew by 230 percent, but tenure-track positions only grew by 30 percent. When we analyzed the full-time faculty population relative to the population with a bachelor’s degree or higher (given that most faculty positions require at least a bachelor’s degree), in 2020, approximately 75 percent

²⁸ “Public High School Graduation Rates,” *Condition of Education*, Institute of Education Sciences, National Center for Education Statistics, updated May 2021.

²⁹ “62.7 percent of 2020 high school graduates enrolled in college, down from 66.2 percent in 2019,” *Economics Daily*, US Bureau of Labor Statistics, April 30, 2021.

³⁰ “College and career readiness benchmarks,” Secondary School Completion, American Council on Education, accessed May 25, 2022; “Participation in advanced placement,” Secondary School Completion, American Council on Education, accessed May 25, 2022.

³¹ “COVID-19 and education,” July 2021.

³² Abril Castro, “An elite college has dropped legacy admissions—it’s time for other higher education institutions to do the same,” Center for American Progress, January 30, 2020.

³³ For an examination of the Black–White wealth gap, see Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright, “The economic impact of closing the racial wealth gap,” McKinsey, August 13, 2019; for more on the racialized aspects of athletic admissions, see Saahil Desai, “College sports are affirmative action for rich White students,” *Atlantic*, October 23, 2018; and for more on the relationship between donor connections and race, see Carter Coudriet and Will Yakowicz, “College admissions: How billionaires (legally) pump millions of dollars into their children’s schools,” *Forbes*, March 15, 2019.

³⁴ Kristal Brent Zook, “How Black Lives Matter came to the academy,” *New Yorker*, January 30, 2021.

³⁵ Carol A. Carman et al., “The relationship between faculty diversity and graduation rates in higher education,” *Intercultural Education*, 2018, Volume 29, Number 3.

³⁶ Colleen Flaherty, “More faculty diversity, not on tenure track,” *Inside Higher Ed*, August 22, 2016.

of not-for-profit institutions are less diverse than the broader bachelor's degree-attaining population. Additionally, the pace of change is slow; it would take nearly 300 years to reach parity for all not-for-profit institutions at the current pace. Higher education's collective aspirations for parity in faculty diversity could arguably be even higher. Faculty diversity could be compared to the total population (rather than just the population with a bachelor's degree or higher) for several reasons. First, comparing faculty diversity to recipients of a bachelor's degree incorporates existing inequities in higher-education access and completion across races and ethnicities (which have been highlighted in the prior sections). Second, the impact of faculty (especially from the curriculum they create and teach and the research, scholarship, and creative expression they produce) often has implications for the total US population. Therefore, in this research, we compared faculty diversity to the total population. In doing this, we found that almost 90 percent of faculty at not-for-profit colleges and universities (two- and four-year) do not equitably represent underrepresented populations (for more, see appendix, "Calculating representational parity"). That figure has remained essentially

Student representation, faculty representation, and outcomes at minority-serving institutions

A subset of institutions—8 percent—overperform on representation of students from underrepresented populations and beat the average six-year completion rate for underrepresented students at four-year institutions (52 percent). About 40 percent of those schools are minority-serving institutions (MSIs).¹ What's more, of the 11 percent of not-for-profit institutions that exceed parity expectations for both student and faculty representation, about two-thirds are MSIs, including 125 Hispanic-serving

institutions, 91 historically Black colleges and universities (HBCUs), and 21 tribal colleges.²

Many of these minority-serving institutions are underresourced but outperform their counterparts on creating positive academic outcomes, with implications for economic mobility for students from underrepresented populations.³ The same trends hold for low-income students, a significant finding given that racial and ethnic inequities are linked to economic inequity.⁴

¹ For more on minority-serving institutions, see "Minority Serving Institutions Program," Office of Diversity, Inclusion and Civil Rights, US Department of the Interior, accessed May 25, 2022.

² The analysis in this paragraph is based on 2020 data from Integrated Postsecondary Education Data System (IPEDS).

³ "How HBCUs can accelerate Black economic mobility," McKinsey, July 30, 2021.

⁴ For more on the Black-White wealth gap, see Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright, "The economic impact of closing the racial wealth gap," McKinsey, August 13, 2019.

consistent since 2013. The current trajectory makes equitable faculty representation a near impossibility over any reasonable time frame; it would take more than 1,000 years to reach parity (Exhibit 3).

Of the institutions that have achieved or exceeded representational parity for both students and faculty, most are based in states whose populations have higher shares of people of color than the US average. This suggests that their progress may come from larger demographic changes. (For more on closing the representational gap, see sidebar "Institutional characteristics and representational parity.")

Research, scholarship, and creative expression

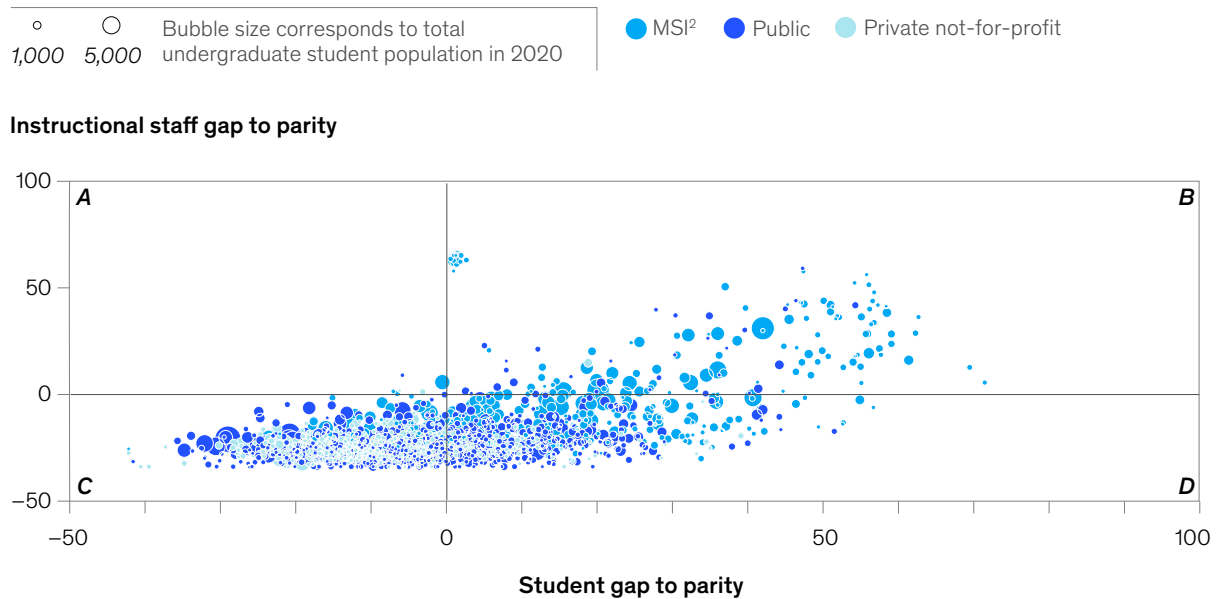
Faculty, particularly research faculty, drive the creation of new knowledge, scholarship, and creative works. Diversification has been slow (Exhibit 4).

The lack of faculty from underrepresented populations at R1 institutions matters because a small number of these research-intensive universities account for a disproportionate share of faculty in many fields.³⁷ Consider that in political science, 11 universities produce 50 percent

³⁷ Amna Khalid and Jeffrey Aaron Snyder, "How to fix diversity and equity," *Chronicle of Higher Education*, May 27, 2021; Samuel Arbesman, Aaron Clauset, and Daniel B. Larremore, "Systematic inequality and hierarchy in faculty hiring networks," *Science Advances*, February 2015, Volume 1, Number 1.

Most institutions have not achieved representational parity for both first-time students and full-time faculty.

Gap to parity for historically underrepresented populations among first-time undergraduates and instructional staff,¹ 2020 (n = 3,262 institutions, 2.4 million first-time students)



- A. Represent faculty only; 1% of institutions
- B. Represent first-time students and faculty; 11% of institutions
- C. Represent neither; 55% of institutions
- D. Represent first-time students only; 33% of institutions

Note: Analysis excludes for-profit institutions. Chart displays only universities with at least 250 first-time undergraduate students (excluding foreign students).
¹Underrepresented minorities include Black or African American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or other Pacific Islander, or two or more races.
²Includes historically Black colleges and universities (HBCUs), Hispanic-serving institutions (HSIs, defined as current and eligible HSI grantees in the US Department of Education's 2020 Eligibility Matrix), and tribal universities.
 Source: IPEDS

of the faculty in political science at the most research intensive institutions.³⁸ The continued underrepresentation of students and faculty from underrepresented populations at these institutions therefore effectively perpetuates a dearth of equitable representation in academia and the ideas that the sector produces. For instance, a recent study found that if Black, Hispanic and Latino, and women researchers were equitably represented in academia, there would have been 29 percent more articles on public health and 18 percent more articles on mental health over the past 40 years.

Researchers from underrepresented populations who complete the gauntlet of doctoral research, publishing, and other requirements also face obstacles in getting on the tenure track and winning funding and traction for their work. Data from the National Science Foundation suggest that the funding rate for marginalized racial groups is significantly lower than that of their counterparts.³⁹ Similarly, a 2020 study found that while researchers from marginalized groups produce contributions with a higher degree of scientific novelty, according to a machine learning algorithm, their contributions are less likely to be adopted and to lead to successful scientific careers compared with those of their White peers. Another

³⁸ Robert Oprisko, "Superpowers: The American academic elite," *Georgetown Public Policy Review*, January 2012.
³⁹ Colleen Flaherty, "The souls of Black professors," *Inside Higher Ed*, October 21, 2020; Mike Lauer, "Trends in diversity within the NIH-funded workforce," *Extramural Nexus*, National Institutes of Health, August 7, 2018.

Institutional characteristics and representational parity

Some hard-to-change characteristics could make it more difficult for some institutions to achieve representational parity. Consider location. Our analysis shows that compared with institutions based in large cities, an institution located in a rural area is 98 percent less likely to have achieved parity by 2020.

Curriculums may help close some of the gap. Our research shows that institutions that offer undergraduate degrees in ethnic, culture, or gender studies are more than 2.5 times more likely to have achieved representational parity

as of 2020. Some preprofessional and vocational programs, such as business and management or mechanics, are also associated with an increased likelihood of achieving parity. Of course, these factors are only correlated and not necessarily causal, but they are consistent with earlier studies that have found similar differences in choice of major between students of different races and ethnicities.¹

However, our analysis shows that many programs that attract the most diverse students (including ethnic, culture, and gender studies) are producing graduates

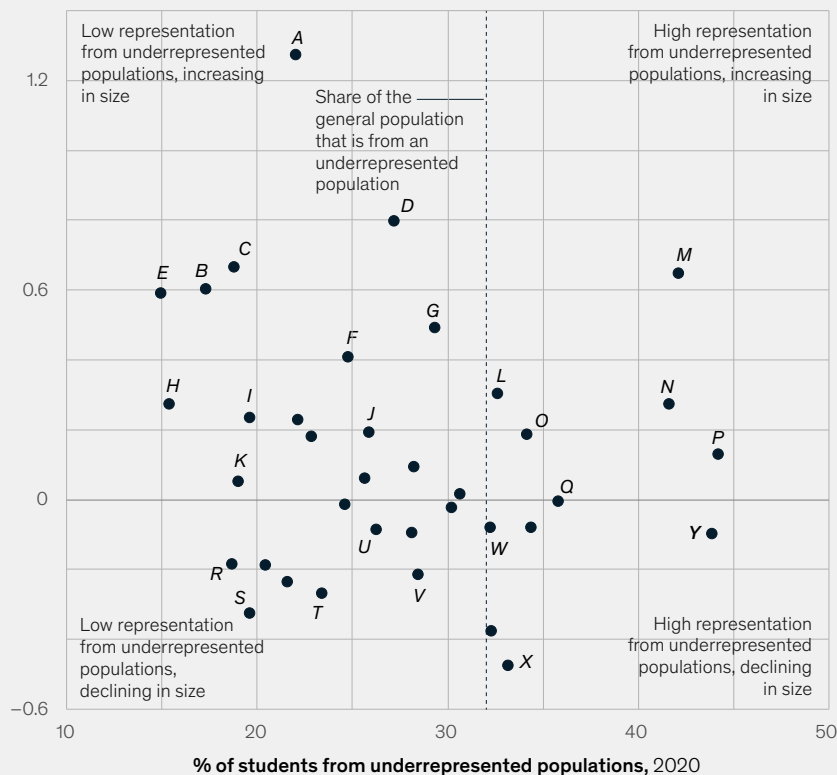
at flat or declining rates. At the same time, many programs that are less likely to attract students from underrepresented populations, such as computer and information sciences or engineering, are seeing significant enrollment growth. In fact, among those programs that are growing, students from underrepresented populations account for less than a quarter of completions (exhibit).

¹ Peter L. Hinrichs, "Racial and ethnic differences in college major choice," Federal Reserve Bank of Cleveland, March 31, 2015.

Exhibit

Underrepresented students account for less than a quarter of program completions in growing academic programs.

Growth in total completions and percent of students from underrepresented populations¹ by program, 2011 to 2020, % growth in total completions (2011 to 2020)

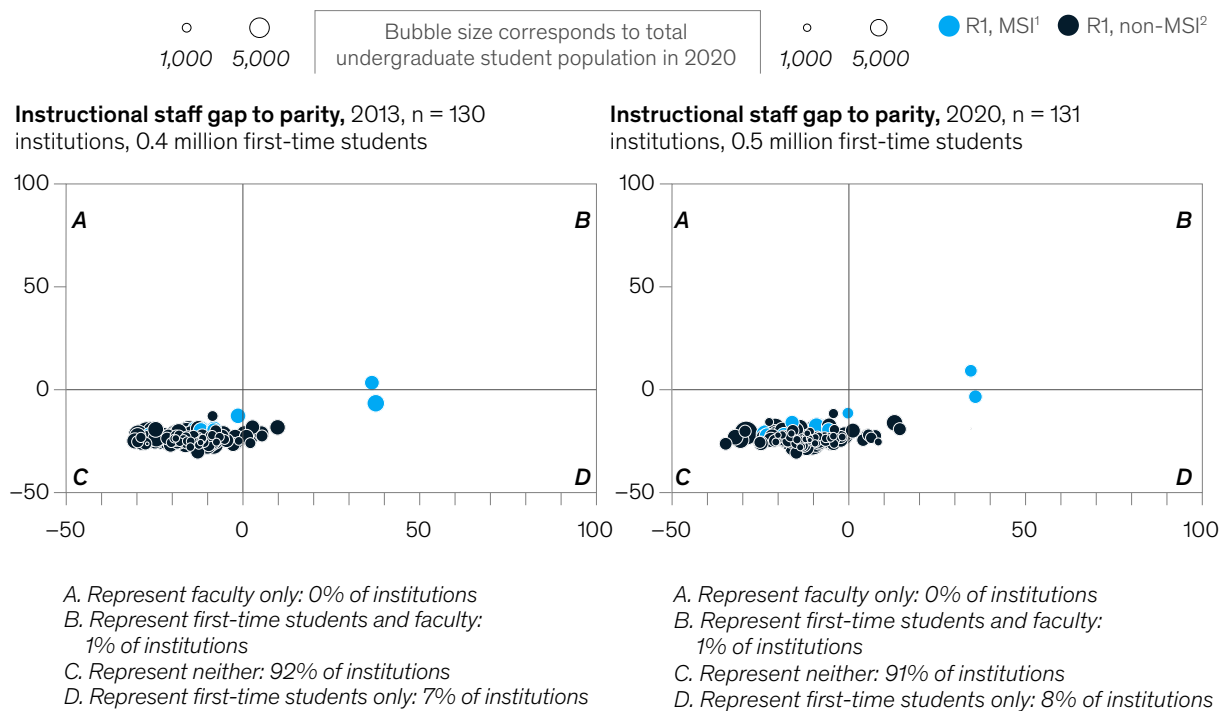


- A. Computer and information sciences and support services
- B. Mathematics and statistics
- C. Engineering
- D. Health professions and related clinical sciences
- E. Natural resources and conservation
- F. Biological and biomedical sciences
- G. Parks, recreation, leisure, and fitness studies
- H. Agriculture, agriculture operations, and related sciences
- I. Physical sciences
- J. Mechanic and repair technologies and technicians
- K. Engineering technologies and technicians
- L. Multi- and interdisciplinary studies
- M. Science technologies and technicians
- N. Public administration and social service professions
- O. Psychology
- P. Security and protective services
- Q. Legal professions and studies
- R. Theology and religious vocations
- S. History
- T. English language, literature, and letters
- U. Architecture and related services
- V. Foreign languages, literatures, and linguistics
- W. Liberal arts and sciences, general studies, and humanities
- X. Construction trades
- Y. Area, ethnic, cultural, and gender studies

¹Black, Hispanic, and American Indian. Source: Integrated Postsecondary Education Data System (IPEDS) 2020 and 2011; US Census 2020

Institutions in the highest research category have not made progress on student and faculty representation.

Gap to parity for historically underrepresented populations among first-time undergraduates and instructional staff, %



Note: Underrepresented minorities include Black or African American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or other Pacific Islander, or two or more races.

¹Includes historically Black colleges and universities (HBCUs), Hispanic-serving institutions (HSIs, defined as current and eligible HSI grantees in the US Department of Education's 2020 Eligibility Matrix), and tribal universities.

²Institutions with the highest level of research activity as designated by the Carnegie Classification of Institutions of Higher Education.
Source: IPEDS

group of researchers found no change in the representation of Black, Hispanic and Latino, and Indigenous researchers among credited authors in publications in four major scientific fields (biochemistry, computer science, math, and medical science) from 2010 to 2020.⁴⁰

Impact in the community

Colleges and universities play a critical role in supporting the communities where they are located.⁴¹ One analysis found that higher education accounts for as much as 38 percent of direct employment and 45 percent of wages in New England towns and cities that rely on local colleges and universities for economic development.⁴² Colleges and universities are also magnets for business creation and residential and commercial development.

Although many institutions of higher education are major employers in their communities, their employment rolls mirror occupational segregation in the broader labor market. Employees of color in higher education work disproportionately in low-wage roles (Exhibit 5).

In 2020, only 19 percent of management in US higher education was Black, Hispanic or Latino, or Indigenous even though these groups collectively make up 32 percent of the US population. Meanwhile, 40 percent of service workers (in functions such as food preparation

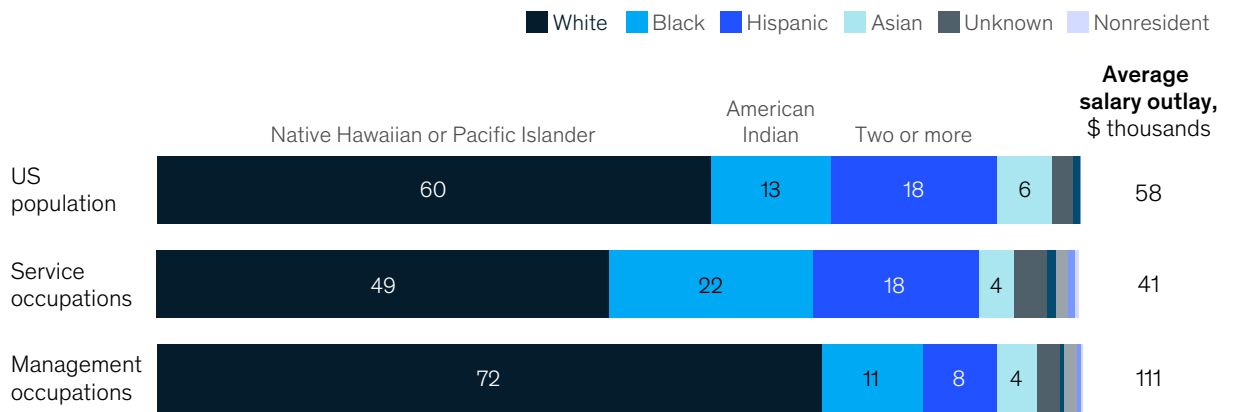
⁴⁰ "Race on campus: Anti-CRT laws take aim at colleges," *Chronicle of Higher Education*, April 26, 2022; Chelsea Long, "Few Black, Hispanic, and Native researchers are getting published," *Chronicle of Higher Education*, April 25, 2022.

⁴¹ John Van Reenen and Anna Valero, "The economic impact of universities: Evidence from across the globe," *Economics of Education Review*, February 2019, Volume 68.

⁴² Riley Sullivan, "College towns and COVID-19: The impact on New England," New England Public Policy Center Regional Briefs, Federal Reserve Bank of Boston, June 25, 2020.

Non-White employees in higher education work disproportionately in low-salary roles.

Diversity of higher education administration,¹ % thousands



¹Does not include nonresident aliens or respondents of unknown race.
Source: IPEDS 2020 preliminary data; US Census 2019 estimates of the resident population

and maintenance) were from underrepresented populations.⁴³ Consistent with broader economic trends, the jobs in higher education that are disproportionately held by people from underrepresented populations—those in areas such as services and sales—are also more likely to decline (by 2 to 3 percent), while jobs that have lower representation from underrepresented populations are more likely to grow.⁴⁴

There is some evidence of positive change. Our analysis found that from June 2020 through November 2021, 32.4 percent of newly hired presidents and chancellors in US higher education were from underrepresented populations, a significant increase from 19.0 percent over the preceding 18 months.⁴⁵ Despite this progress, more could be done, particularly with respect to women of color in leadership across institutions.

Potential to expand racial and ethnic equity in higher education

Sectorwide challenges such as declining enrollment and greater public scrutiny—accelerated by the COVID-19 pandemic—and stagnating completion rates make institutional progress on racial and ethnic equity more complicated.⁴⁶ To overcome these challenges and meet their organizations' priorities, leaders could take the following actions:

- *reflect* on their institutions' historical and current role in creating and perpetuating racial and ethnic inequities
- *review* their current systems for inequities
- *realign* their institutions based on shared aspirations and assess the ways in which their institutions may be best positioned to change and to effect change
- *respond* to build equitable institutions for the long term
- participate in collective *reform*

Implementing equity strategies has long been difficult because colleges and universities tend to be decentralized, with departmental and functional silos. Therefore, we highlight

⁴³ Analysis is based on 2020 IPEDS data.

⁴⁴ For more, see "The future of work in black America," McKinsey, October 4, 2019.

⁴⁵ Doug Lederman, "Diversity on the rise among college presidents," *Inside Higher Ed*, February 14, 2022; analysis is based on 2020 IPEDS data.

⁴⁶ "Why is public support for state universities declining?," May 2018; "Colleges lost 465,000 students this fall," January 2022; Emma Dorn, Andre Dua, and Jonathan Law, "Rising costs and stagnating completion rates: Who is bucking the trend?," McKinsey, April 2020.

the themes that emerged from our analysis of how organizations—including in higher education—create and sustain change. These insights do not form a blueprint for success, but they may help institutions of higher education make progress on equity along the dimensions of race and ethnicity and possibly along wealth and other dimensions as well.⁴⁷

Reflect on the historical role of the sector and individual institutions in inequities

Institutions that have acknowledged their role in creating and perpetuating race-based inequities do not assign blame but aim to create an environment of intellectual honesty. Colleges and universities could even put racial and ethnic inequities in the United States into the larger context of global racism.⁴⁸ The central question here is how the institution has benefited from—or contributed to—racial and ethnic inequities throughout its history. Assessing and acknowledging the answers at every level of the institution may make conversations about the potential to rectify the inequities feel more natural and urgent.

To start, leaders could seek to understand their institution's history and speak often and in a matter-of-fact way about how racial and ethnic inequities may have benefited the institution. Acknowledgment by university leadership of the inequities that made their institutions' founding—and development—possible could support future actions to increase equity and demonstrate a long-term commitment. For example, Princeton University provides resources about land acknowledgments for university stakeholders,⁴⁹ and the University of Virginia publishes an ongoing series about significant episodes in both the history of the institution and the history of race in the United States.⁵⁰

Acknowledging this difficult history and communicating about it often is key but not without potential costs. However, the reflection stage could help senior decision makers begin to identify the roles they and their institutions could play in building a more racially and ethnically equitable society.



⁴⁷ For more on the influence model, see Tessa Basford and Bill Schaninger, "Winning hearts and minds in the 21st century," *McKinsey Quarterly*, April 11, 2016.

⁴⁸ For more on the geopolitical implications of race, see Gideon Rachman, "Race is also a geopolitical issue," *Financial Times*, April 5, 2021.

⁴⁹ "Land acknowledgements," Inclusive Princeton, Princeton University, accessed May 25, 2022.

⁵⁰ "UVA and the history of race," UVA Today, University of Virginia, accessed May 25, 2022.

Review current performance and identify inequities

Institutions that have completed comprehensive historical reflections could take cues from peers that have made progress and review the ways in which they may contribute to the ongoing marginalization of underrepresented racial and ethnic groups. The central question in this step is how university processes, systems, and norms might create or sustain inequities.

As educators, colleges and universities could evaluate the experiences of their students—across programs, from application through graduation—to identify differences in their student bodies relative to the national or local population and determine whether these divergences are the result of addressable systemic factors.

Ongoing data monitoring and analysis is a key consideration when supporting underrepresented students. Universities could monitor student data for any divergences in academic outcomes to identify opportunities to provide support for students and analyze graduates' early- and mid-career outcomes. For instance, Georgia State University increased its overall graduation rate from 48 percent to 55 percent in a decade, with even larger increases for Black students, Hispanic and Latino students, and Pell Grant recipients.⁵¹ Institutional collaboration with prospective employers could help schools address any early-career discrepancies and pave the way for more economically equitable careers for their young alumni.

Institutions may also want to apply their internal research and analytical expertise to an examination into the diversity of their faculty. For instance, identifying trends in specific departments, especially those that generate significant research funding, could illuminate potential areas of focus. Performance and trends in faculty diversity, promotion, and tenure also highlight departments that have successfully diversified and departments that have underperformed. Frequently updated survey data may help leaders understand the experiences of students and faculty from marginalized populations.

Codified processes focused on racial and ethnic equity could also be incorporated into research and grant support activities. Such processes could encourage grant offices to ensure that research proposals appropriately incorporate racial and ethnic equity considerations in the construction and execution of their research.

As economic drivers within their community, institutions may want to review diversity data on staff and administration as well as trends in promotion and retention to identify inequitable outcomes. Survey data could also provide insight into employee experiences with belonging and inclusion at the institution.

Institutions could analyze their impact on the community by auditing their procurement processes and outcomes such as supplier diversity. Institutions could set supplier diversity targets that reflect the composition of surrounding communities. For example, the University of Illinois system has set a goal of at least 20 percent supplier diversity across the system, with higher targets for some campuses.⁵²

Transparency can facilitate accountability in these efforts. The University of Pennsylvania publishes its spending with diverse suppliers.⁵³ Drexel University requires its direct suppliers to report second-tier spending and audits those records for supplier diversity.⁵⁴ Smaller institutions that do not have their own supplier diversity programs could use existing forums and supplier fairs to signal their commitment to working with suppliers that are owned by or benefit marginalized communities.

⁵¹ Karen J. Bannan, "Georgia State tackles racial disparities with data-driven academic support," *EdTech*, April 29, 2019. Pell Grants are awarded to low-income students seeking postsecondary education. For more, see "Federal Pell Grants are usually awarded only to undergraduate students," US Department of Education, accessed June 29, 2022.

⁵² Alexandra Vollman, "Diversity's third leg: Higher education's approach to supplier diversity," *INSIGHT Into Diversity*, May 30, 2017.

⁵³ "By the numbers," Economic Inclusion, University of Pennsylvania, accessed May 25, 2022.

⁵⁴ "Overview," Supplier Inclusion, Drexel University, accessed May 25, 2022.



Realign the institution based on shared aspirations and priorities

After leaders have gained a strong understanding of their institutions' relevant historical and current inequities, they can look to some prominent institutions and realign their institution toward equitable outcomes. This could include defining an overall aspiration for what the institution could look and feel like, articulating objectives that can help it approach the aspiration, setting measurable goals, and designing the right initiatives to reach those goals. The resulting strategic and cultural transformation could be geared toward an optimal goal that accounts for the institution's history and strengths, not just toward addressing current problems. Decision makers could consider the following:

1. an initial focus, such as representational equity, inclusion and belonging, or equity and fairness in outcomes
2. the breadth of impact, possibly within the campus community, within the local community, or on a national or even global scale
3. institutional capabilities, particularly strengths that are specific and distinctive to the college or university and its community

Leaders could include a range of stakeholders in decision making. Specifically, they may want to test the aspirations with students, faculty and staff, and alumni, making sure to include feedback from diverse stakeholders. The initial work will not be perfect or even well rounded, but leaders could be prepared to iterate on initiatives over time.

Notably, since 2016, Georgetown University has been engaged in a comprehensive, multiyear effort to examine its history with slavery, enhance diversity within its community, and promote equity on campus. This effort has required engagement from students, faculty, staff, and descendants of the enslaved people the university directly benefited from in its early years.

This effort has produced commitments such as a formal apology, the creation of an institute for the study of slavery, and a public memorial to the people the institution enslaved in its early

years.⁵⁵ The university also named a chief diversity officer and established a new foundation to lead efforts to address the legacy of slavery in the United States.⁵⁶ A leadership council that focuses on DEI and racial-justice initiatives tracks progress toward the institution's DEI goals.⁵⁷

Respond to create equitable institutions

This step focuses on ensuring that the institution can respond and execute the new racial and ethnic equity priorities and embed such equity into the school's culture. In informal interactions, most leaders in higher education say racial and ethnic equity is likely to be part of their institution's strategic plan. This may mean dedicating sufficient resources, including funding and talent, to the effort. A senior leader could work with a robust staff to support the institution's president in executing the strategy. A council of leaders across the institution could monitor progress on initiatives.

Leaders may signal their ongoing commitment by sharing iterations of institutional equity goals with trustees, administration, faculty, staff, and external stakeholders and regularly communicating about these goals. They could also encourage ownership of institutional equity goals, supporting organic function- or team-specific initiatives with resources and recognition.

Finally, institutional leaders could regularly track their overall progress toward their key performance indicators to update any initiatives that are not yielding the desired results and to identify successes. They could also consider offering performance-based awards and compensation tied to goals to help sustain momentum.

Reform through collective action

Many institutions have begun to test and implement interventions that address many of the inequities embedded across their core areas of impact—teaching and learning; research, scholarship, and creative expression; and impact in the community. The higher education sector could learn from these efforts when considering broader racial and ethnic equity aspirations. These actions are likely to be most effective when pursued by multiple institutions as a group, rather than individually. In doing so, institutions could potentially lower the costs (both financial and nonfinancial) and may improve the effectiveness and efficiency of their efforts. Institutions could pursue the actions that are most appropriate to their context. We discuss some actions institutions could consider across their three areas of impact.

Teaching and learning. Supporting racial and ethnic equity throughout the student pipeline—from the admissions process through graduation—is a common goal throughout higher education. Reforms in any or all of these areas could have an impact on building a more equitable student body.

Institutions could consider starting or expanding dual-enrollment programs to accelerate high school completion and also improve college access. A recent study of dual-enrollment programs in California uncovered an opportunity to expand equitable access to these programs for underrepresented students.⁵⁸ According to the study, more than 75 percent of California's community college districts received at least one low rating because too few of the Black, Hispanic and Latino or Native American students in their region are represented in dual-enrollment courses.

Institutions could also consider ending legacy admissions. The results of one study suggest that the removal of legacy preferences would increase the number of admitted

⁵⁵ John J. DeGioia, "Next steps on slavery, memory, and reconciliation at Georgetown," Georgetown University, September 2016.

⁵⁶ For more on the chief diversity officer, see John J. DeGioia, "Announcing the expanded appointment of Rosemary Kilkenny (L'87, P'06) as vice president, diversity, equity, inclusion and chief diversity officer," Georgetown University, April 25, 2019; for more on the foundation, see "Georgetown continues support as Jesuits, descendants of enslaved form foundation," Georgetown University, March 15, 2021.

⁵⁷ "University Leadership Council," Diversity, Equity and Inclusion, Georgetown University, accessed May 30, 2022.

⁵⁸ "Study finds Black students are underrepresented in dual enrollment programs," *Journal of Blacks in Higher Education*, January 17, 2022.

Black, Hispanic and Latino, and Asian American students by 4 to 5 percent each.⁵⁹ In 2014, Johns Hopkins University ended the use of legacy admissions. Over the next decade, the percentage of Pell-eligible students at the school rose from 9 percent to 19 percent, and the percentage of students who use financial aid climbed from 34 percent to more than half. More than a quarter of undergraduates are now people of color, up more than ten percentage points since 2009.⁶⁰ Significantly, Johns Hopkins has reported no meaningful changes in alumni giving since implementing the reform, challenging the concern that reforms to admissions processes require financial trade-offs.⁶¹

Increasing affordability for specific student populations may also have a positive impact on equity. One study found that forgiving student loan debt for households making less than \$50,000 a year could reduce the racial wealth gap between Black and White families by 7 percent, while eliminating such debt for families with incomes below \$25,000 could reduce the wealth gap by 4 percent.⁶²

In the classroom, universities could disseminate educational resources about the history and current context of racial and ethnic inequity, particularly the history of marginalization for Black, Hispanic, Indigenous, and Asian and Native Hawaiian or Pacific Islander populations. Consider that only 8 percent of high school seniors responding to one study could identify slavery as a central cause of the Civil War and that 87 percent of content taught about Indigenous people only covers history before 1900.⁶³ In fact, 27 states do not name a single Indigenous person in their history standards,⁶⁴ suggesting that universities and colleges have an opportunity to fill the gap left by high school education. In response to these insights, the California State University system—in which 21 out of 23 campuses are HSIs⁶⁵—has made ethnic studies a graduation requirement.⁶⁶

Research, scholarship, and creative expression. Many colleges and universities have experimented successfully with incorporating a diversity of perspectives in their research, scholarship, and creative expression. Partnerships with MSIs may be one way to promote this goal. Virginia Tech hosts an annual HBCU/MSI research summit that boosts the visibility of the work of faculty and graduate students of color.⁶⁷ To close the resource gap among institutions and to create opportunities for research partnerships, North Carolina State University shares access to its labs with Shaw University, an HBCU.⁶⁸

To recruit faculty from underrepresented populations, the University of Michigan's psychology department targeted departments at universities with diverse undergraduate and graduate populations for faculty recruitment efforts. A fifth of the department's faculty members now identify as minorities, compared with 12 percent on average in top-ranked psychology departments in the United States.⁶⁹ Similarly, Arizona State University (ASU) has responded to Indigenous students' feedback by recruiting an outsize number of Indigenous faculty, particularly since 2016; McKinsey analysis found that 0.98 percent of ASU's faculty is Indigenous, compared with 0.74 percent of the US population.⁷⁰

⁵⁹ Peter Arcidiacono, Josh Kinsler, and Tyler Ransom, *Legacy and athlete preferences at Harvard*, National Bureau of Economic Research, NBER Working Paper Series, number 26316, September 2019.

⁶⁰ Sara Weissman, "Johns Hopkins ditched legacy admissions to boost diversity – and it worked," *Diverse: Issues In Higher Education*, February 5, 2020.

⁶¹ Scott Simon, "Johns Hopkins sees jump in low-income students after ending legacy admissions," *Weekend Edition*, NPR, January 25, 2020.

⁶² Mark Huelsman et al., *Less debt, more equity: Lowering student debt while closing the Black-White wealth gap*, Demos, November 24, 2015.

⁶³ *SPLC report: U.S. education on American slavery sorely lacking*, Southern Poverty Law Center, January 31, 2018.

⁶⁴ Anna Diamond, "Inside a new effort to change what schools teach about Native American history," *Smithsonian Magazine*, September 18, 2019.

⁶⁵ "California State University's Hispanic-serving institutions," California State University, February 2017.

⁶⁶ Molly Stellino, "College students push for race and ethnic studies classes to be required, but some campuses resist," *Hechinger Report*, September 11, 2020.

⁶⁷ "The HBCU/MSI Research Summit at Virginia Tech," Diversity and Inclusion, Virginia Tech Graduate School, accessed May 30, 2022.

⁶⁸ "HBCUs take different approaches to STEM partnerships," Shaw University, March 29, 2016.

⁶⁹ "Breakthrough advances in faculty diversity," EAB, accessed May 30, 2022.

⁷⁰ "Race on campus: How one university recruited its largest cohort of native scholars," *Chronicle of Higher Education*, March 29, 2022.

Some institutions dedicate significant resources to hire diverse scholars. At the University of Massachusetts Boston, a minimum of 20 percent of the faculty hiring budget is allocated for pairing specialized openings with another hire dedicated to scholars from underrepresented populations.⁷¹ At Amherst College, half of the faculty members hired in the past eight years are from underrepresented populations. These faculty members help mentor an increasingly diverse student body; 50.2 percent of Amherst's 2021 incoming cohort were people of color.⁷²

Another option could be to adjust faculty hiring criteria to consider candidates' inclusive-teaching practices; when the University of Puget Sound did so as part of a portfolio of efforts, it increased the share of faculty of color to 27 percent from 19 percent over a six-year period.⁷³

For non-tenure-track faculty, universities may consider increasing career stability and supporting professional development. A few universities have implemented holistic reforms that have made faculty pay more equitable and strengthened inclusion of adjuncts, making university funding available to them and making them eligible for research awards.⁷⁴ This may be key given that a large percentage of adjunct faculty are from underrepresented populations and that 40 percent of adjuncts struggle to cover basic household expenses.⁷⁵

Impact in the community. Some universities have also begun to translate their success into positive outcomes for their surrounding communities. For instance, Howard University's Social Justice Consortium funds research, education, and activities aimed at community-level social justice.⁷⁶

Universities could also participate in community partnerships. These partnerships may go beyond patronizing diverse businesses to include collaborations with underserved local high schools, foundations, or other organizations. The University of Rochester works with the city's school district to offer and promote year-round programming for high school students on its campus. Although fewer than half of the district's students graduate from high school, 95 percent of students who participate in the university's program enroll in college.⁷⁷ In Pittsburgh, Carnegie Mellon University has partnered with a large foundation to address economic inequity in its city.⁷⁸ The University of Texas at El Paso—an HSI and the only R1 institution that exceeded expectations on student and faculty parity (as of 2020)—partners with healthcare providers in the region to improve public health. It will use a \$3 million grant from the National Institutes of Health to develop a public-health intervention related to substance abuse.⁷⁹

The examples highlighted above are not an exhaustive inventory of ways in which individual institutions are working toward racial and ethnic equity. Rather, they indicate that colleges and universities may be willing—and able—to take collective action. Institutions throughout the higher education sector could share the knowledge they have gained from their equity-focused efforts, implement what has worked for their peers, and continuously experiment with ways to make unique contributions to the long-term work.

Colleges and universities may—individually and collectively—reflect on their histories and create comprehensive responses that encompass their role and influence through their core areas of impact. Over time, these actions may help build a more inclusive system of higher education that reflects the full diversity and range of talents in society.

⁷¹ Katherine Newman, "Incentivizing faculty diversity," *Inside Higher Ed*, January 20, 2020.

⁷² Scott Jaschik, "Nonwhite students are majority of Amherst's admitted class," *Inside Higher Ed*, June 7, 2021.

⁷³ Alexander C. Kafka, "Does tenure impede diversity?," *Chronicle of Higher Education*, September 8, 2021.

⁷⁴ Adrianna Kezar, "Hope for faculty off the tenure track?," *Inside Higher Ed*, May 28, 2019.

⁷⁵ For more on adjuncts from underrepresented populations, see Adam Harris, "The death of an adjunct," *Atlantic*, April 8, 2019; for more on adjunct pay, see *An Army of Temps: AFT 2020 adjunct faculty quality of work/life report*, American Federation of Teachers, 2020.

⁷⁶ "About," Howard University Social Justice Consortium, Howard University, accessed May 31, 2022.

⁷⁷ "Federal grants recognize University's programs for underserved students," University of Rochester, September 21, 2016.

⁷⁸ "Carnegie Mellon, Heinz endowments launch initiative to promote economic empowerment, address inequities in Pittsburgh region," Carnegie Mellon University, April 28, 2021.

⁷⁹ "Goal 3: Community impact and public service," Strategic Plan, University of Texas at El Paso, accessed May 30, 2022; Laura L. Acosta, "UTEP to work on solutions to reduce drug use-related HIV in the El Paso-Ciudad Juárez border region," University of Texas at El Paso, December 17, 2021.

Appendix

Calculating representational parity

Institutions' locations are often significant factors in the racial and ethnic composition of their undergraduate populations. This suggests that there is no one-size-fits-all measure of racial and ethnic representational parity.

In order to account for these geographic variances, we created an institution-specific measure of student representational parity. We did this by creating an “expected racial/ethnic composition if enrolled at parity” for each institution’s first-year undergraduate class based on the demographic makeup of the traditional college-going population (that is, 18–24 years old) within states from which it enrolls students.⁸⁰ We then compared this to the actual racial and ethnic composition of each institution’s first-year undergraduate class. The difference is each institution’s gap in parity.

Location is often not determinative of where faculty come from, so we compared the demographics of the full-time instructional staff⁸¹—tenure-track, non-tenure-track, and adjunct positions—to the national population (using the most recent data from the US Census Bureau for each year).

Diana Ellsworth is a partner in McKinsey's Atlanta office; **Erin Harding** is an associate partner in the Chicago office; **Jonathan Law** is a senior partner in the Southern California office and leads McKinsey's Global Education Practice; and **Duwain Pinder** is a partner in the Ohio office and leader in the McKinsey Institute for Black Economic Mobility.

The authors wish to thank Arthur Bianchi, Avery Cambridge, Elisia Ceballo-Countryman, Judy D'Agostino, Ayebea Darko, Maclaine Fields, Kyle Hutzler, Charmaine Lester, and Sadie Pate for their contributions to this report.

⁸⁰ Using Department of Education and US Census data, excluding international students.

⁸¹ “Instructional staff,” as defined by IPEDS, means staff who are either primarily instruction (PI) or instruction combined with research and/or public service (IRPS). For more, see Integrated Postsecondary Education Data System (IPEDS), National Center for Education Statistics.



July 2022

Cover image: © monkeybusinessimages/Getty Images

Designed by McKinsey Global Publishing

Copyright © McKinsey & Company

McKinsey.com

