

**Key Concepts:**

business strategy  
leverage  
academic capital  
financial capital

## Chapter 9

# What's Right for You? Strategies for Leveraging Your Capabilities

When business executives decide to develop a new strategy for their company, their first step is to determine what capital and capabilities the firm has to work with. One key principle of business planning is that you should match your strategy to your resources and capabilities. We think this holds true for educational planning, as well.

If you are going to find an educational strategy that makes sense for your situation, you need to think in terms of two capabilities and resources: your academic capital and your financial capital. Your educational strategy should be different based on where you fall in these two key areas. As we've already discussed, families and students don't tend to think of these things as equally important to their college decision. But we hope that we have convinced you otherwise by now.

If you buy into the idea that you need to realistically assess both types of capital, then combining these two elements reveals four basic strategies for helping you to move beyond your high school education and get on track for a successful career. To help you understand what we mean, look at the following grid. Think about where you are, high or low, on each of the two elements. Depending on how

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you rate yourself, you will find different options to think about. For example, if you have good test scores (high academic capital) but your family has little money saved (low financial capital), you may want to think differently about your years after high school than if you have lower test scores (low academic capital) but your family has diligently

		<b>Academic Capital</b>	
		NO	YES
Financial Capital	YES	Strategy 3: <b>Leverage                      Financial                      Capital</b>	Strategy 1: <b>Grab                      the Brass                      Ring</b>
	NO	Strategy 4: <b>Be Practical                      and                      Pragmatic</b>	Strategy 2: <b>Leverage                      Academic                      Capital</b>

<b>Your Personal Profile</b>		
A) Do you have <i>more</i> than \$50,000 in financial assets available for your educational investment (without borrowing)?	YES	NO
B) Do you have an ACT of <i>at least</i> 21 and a combined verbal and qualitative score on the SAT <i>greater than</i> 1050 OR total SAT score greater than 1500 (including writing)?	YES	NO
<b>Strategy 1: A=Yes and B=Yes</b>	<b>Strategy 2: A=No and B=Yes</b>	
<b>Strategy 3: A=Yes and B=No</b>	<b>Strategy 4: A=No and B=No</b>	

put money aside for you since you were born (high financial capital). In the table at the bottom of the preceding page, we offer some rough guidelines for helping you know where to put yourself on the grid, but these guidelines are only meant to give you an idea. Only you can assess your own interest and financial comfort zone.

### Strategy Tip

A Pell Institute report identified colleges and universities that appeared to be succeeding in educating low-income students. The report found several common differences among the schools with high graduation rates. These better-performing schools had:

- “Intrusive” advising and periodic reviews for students who were struggling academically.
- Small classes, even for freshmen.
- Special support programs, particularly for at-risk students.
- Dedicated faculty, most engaged in teaching full time.
- Tutoring, supplemental instruction and “mastery” classes.
- Developmental and remedial education.
- Geographic isolation. (Most of the succeeding schools were found to be in rural areas or small towns, which apparently strengthened the bond between student and campus.)
- Residential requirement for freshmen.
- Shared values, whether it was small-town backgrounds, religious beliefs or racial or ethnic heritage. Five of the schools identified as having higher than average graduation rates were historically black colleges or universities.
- A real concern with retention.

Listed above are the kinds of attributes you need to look for when you are evaluating your college plans. An average ACT score of 18 or SAT score of about 1325 on the new test (or 885 on the old) will get you into these kinds of schools.

