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WHITHER THE NUMBERS?  
The Effects of *U.S. News and World Report* Law School Rankings  
on Application and Matriculation Decisions between 2002 and 2007

WILLIAM SCOTT GERHARDT  
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Reviewed and approved\* by the following:

John J. Cheslock  
Associate Professor of Higher Education  
Thesis Supervisor

David Shapiro  
Professor of Economics  
Honors Adviser

\* Signatures are on file in the Schreyer Honors College.

## ABSTRACT

In recent years there has been an increased media focus and public interest in law schools. While there is much speculation on what market indicators attract students to law schools, there have been few studies attempting to empirically analyze what factors influence applications and matriculations to these schools. Prior research by Sauder and Lancaster (2006) has shown that *U.S. News and World Report* rankings have a significant impact on the number of applications an individual law school receives, but less is known about how student application decisions are influenced by indicators like advertised post-graduation income, tuition, and post-graduation debt. Using application data from the Law School Admissions Council along with data obtained from the U.S. News and World Report's *America's Best Graduate Schools* publication I replicate the results of Sauder and Lancaster (2006) for the period between 2002 and 2007. I find that *U.S. News* rankings influence student decisions to apply to individual law schools. I also find that advertised 75<sup>th</sup> percentile post-graduation private sector incomes and advertised out-of-state law school tuition have statistically significant effects on law school applications across all law schools, but that these results are less robust when schools are categorized into private and public institutions.

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## INTRODUCTION

In recent years there has been an elevated public interest in law schools and the students who attend them. Since 2009 major U.S. newspapers including the *New York Times*, the *Wall Street Journal*, and the *Washington Post* have run articles on the current American legal market, focusing primarily on the economic outcomes of recent law school students. In the wake of the 2008 financial crisis it was widely reported that many top law firms laid off hundreds of associates (Ashby, 2009) and that a growing number of law school graduates were having difficulty finding paid employment within the legal profession (Shih, 2009). This has resulted in speculation and discussion both on whether attending law school is a good financial investment and—more specifically—if the supply of lawyers from law schools is greater than the market demand (Koppel, 2010). Most of these reports have also questioned the accuracy of information provided to prospective law school applicants and how this information is being used in decision making.

While the newspaper interest in law schools is high, there has been little academic research examining what economic factors or signals, if any, may draw students to specific law schools. While there have been a handful of studies showing how law schools rankings affect the application and matriculation decisions of law school students—most prominent of them a 2006 paper by Sauder and Lancaster<sup>1</sup>—so far there have been no studies that attempt to measure if other factors absent rank, such as student debt, post-graduation incomes, or law school tuition have any impact on the decision to apply or attend a law school. In addition there has been no attempt to determine if, in recent years, the possible effect of rankings on application decisions has increased or decreased.

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<sup>1</sup> Their paper was titled “Do Rankings Matter? The Effects of *U.S. News & World Report* Rankings on the Admissions Process of Law Schools.”

In response to the absence of research in this area, this paper addresses a few core issues. Using ranking data from the popular U.S. News and World Report's *America's Best Graduate Schools* publication, and application and matriculation data from the Law School Admission Council's *Official Guide to ABA Law Schools*, I assess what effect rankings have on applications and matriculations at individual law schools. I do this by first replicating the result of the Sauder and Lancaster (2006) paper—which focused on rankings data between 1997 and 2003—for the period between 2002 and 2007. In addition, I attempt to see what effect non-rank information found in the *America's Best Graduate Schools* directory section—information that would reasonably be used by prospective law school students—has on the number of applications to specific law schools, in addition to rankings. The variables I choose to focus on are the reported 25<sup>th</sup> and 75<sup>th</sup> percentile post-graduate private sector incomes as well as the reported median post-graduate student debt and the law school tuition rate. The goal of this second analysis is to attempt to determine if other factors in addition to *U.S. News* rank affect the number of applicants to law school.

Chapter 1 provides background information and analysis on the American legal system and both explores why rank is important to law schools and law schools students. Chapter 2 contains the fixed effects panel regressions analysis and shows how both the advertised rank and post-graduate income affects the application and matriculation decisions of students, and how they do not. Chapter 3 offers extended analysis and a summary of the data results.

## CHAPTER 1

### The Market for Law Schools

When trying to understand the ebb and flow of applications to and matriculation into the law school system it is important to understand some characteristics about how law schools and law school applicants interact in the marketplace. Law schools themselves operate on a relatively simple business model: they sell entrance to the legal profession in the form of a *Juris Doctor* (J.D.). Prospective law school students with a four-year bachelor's degree can apply to law school and the law school decides which applicants to reject or accept. Of the individuals who are accepted to law school, those who matriculate receive a legal education for three years, are awarded a J.D., and are allowed to take the state bar exam—assuming the school is either accredited by the American Bar Association (ABA) or is locally accredited by a state bar association. Passage of the bar allows them to practice law in the state they passed the bar in. Students have no restrictions on what school they can apply to, though it is at the sole discretion of the law schools which students are accepted, and what criteria is used in the selection process.

Students can and often do apply to more than one law school, and qualified students can get offers from multiple schools. If an accepted applicant accepts an offer, and enrolls for the fall semester, that applicant is said to have matriculated. In the period between 2002 and 2007 the number of applications has increased and then decreased. In 2001 an estimated 445,300 application were submitted by 90,900 applicants (4.9 applications per applicant)<sup>2</sup>. Applications increased until they peaked in 2004 at 552,400 applications with 100,600 individuals applying to law school (5.7 applications per applicant). By 2007 though total law school applications fell to 514,000 applications with only 88,700 people applying to law school (6.1 applications per applicant)<sup>3</sup>.

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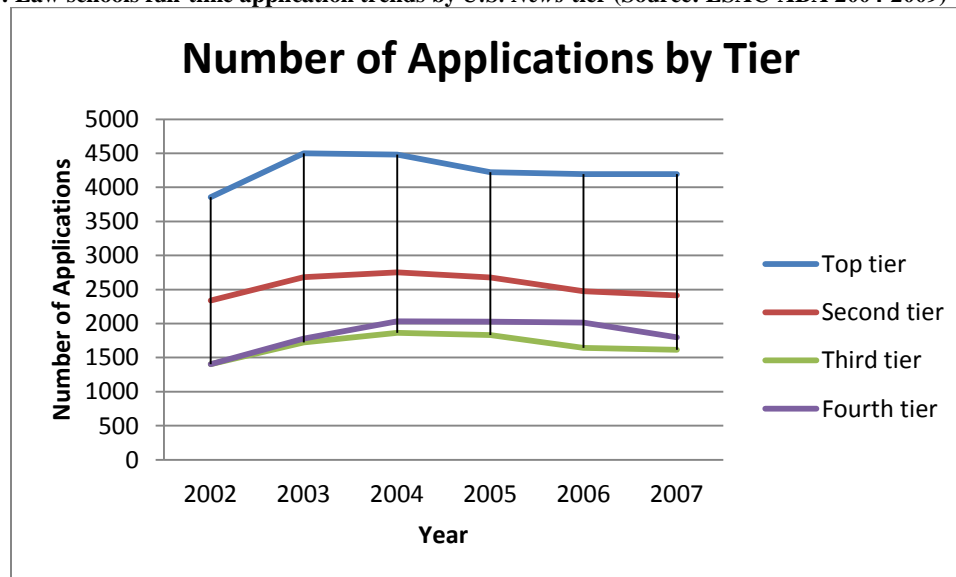
<sup>2</sup> Application and applicant numbers here includes both full-time and part-time applications (LSAC 2011).

<sup>3</sup> See Appendix 1 for a full collection of associated graphs.



If the number of applications a school receives is viewed as a proxy indicator for applicant interest in a school, then over the past decade more law school applicants have been interested in a larger array schools. Interest however is not uniform across all schools, and schools that are viewed as being higher in quality appear to attract greater interest. Specifically, schools that were ranked in higher tier categories by the *U.S. News and World Report* publication *America's Best Graduate Schools* receive far more applications than schools in lower categories. Figure 1 clearly shows that for full-time students between 2002 and 2007 top tier law schools receive many more applications than second tier schools. This suggests that, overall, lower tier schools are less appealing to applicants relative to higher tier schools.

**Figure 1: Law schools full-time application trends by *U.S. News* tier (Source: LSAC-ABA 2004-2009)**



There are many reasons why students would be more interested in top tier schools over second or third tier schools, most prominent being that students graduating from the top tier appear to earn more than students graduating from lower tier schools. According to numbers compiled from *America's Best Graduate Schools* law school directory data in 2007, recent graduates from top tier law schools made \$83,000 per year at the 25<sup>th</sup> percentile and \$114,000

at the 75<sup>th</sup> percentile, compared to \$52,000 and \$90,000 for the second tier, and \$34,000 and \$72,000 at the 25<sup>th</sup> percentile 75<sup>th</sup> percentiles at both third and fourth tiers law school<sup>4</sup>. While tuition and average post-graduate debt for top tier schools are also higher than for second and third tier schools, the increase in cost does not appear to have deterred many prospective law school applicants. While the average nominal cost for law schools increased 39% between 2002 and 2007.

With the number of applications to law school increasing, the selectivity of law schools has also increased for schools across all tiers. This trend, shown in figure 2, shows that the demand for open seats at top tier schools—as assessed by the acceptance rate—is far greater than the number of open seats available, and that over time the acceptance rate has dropped for all schools. Figure 3 shows that selectivity has tended to increase over this period, even in years when fewer individuals applied to law school. This suggests that the increase in school selectivity may be more reflective of changes of applicant application behavior than actual changes in demand for law school—as applicants may simply be applying to more law schools with the hope that they will increase their chances at being accepted to at least one school. Still, even despite the uncertainty surrounding application patterns, it is reasonable to assume that demand for law school overall has been in excess of supply for the period, or that demand curve for law schools is highly inelastic<sup>5</sup>.

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<sup>4</sup> See Appendix for time series graphs on student post-graduate income at the 25<sup>th</sup> and 75<sup>th</sup> percentiles.

<sup>5</sup> It is also possible that the demand curve for law school may be upward sloping, as studies have shown that decreases in tuition for some undergraduate institutions—not law schools—can result in a counterintuitive decrease in the number of applications (Monks & Ehrenberg, 1999). In the Monks and Ehrenberg study, the authors attributed this to the fact that in higher education price is often viewed as a proxy indicator for quality. Therefore, schools that lower their costs may be unintentionally signaling that they are offering a lower-quality education, rather than simply a more affordable one.

To date, there have been no studies showing if these responses by consumers to higher education prices are based in response to actual changes in institution quality. The ability for researchers to assess rankings and quality are related is complicated by the fact that USN Rankings are the only real tool that both students and researchers have to assess school quality; and that as schools rise in the rankings they gain the ability to charge higher tuition rates without being punished by having fewer applicants (Meredith, 2004).

Figure 2 Acceptance rate of law schools by *U.S. News* tier (Source: *U.S. News and World Report*, 2002-2007)

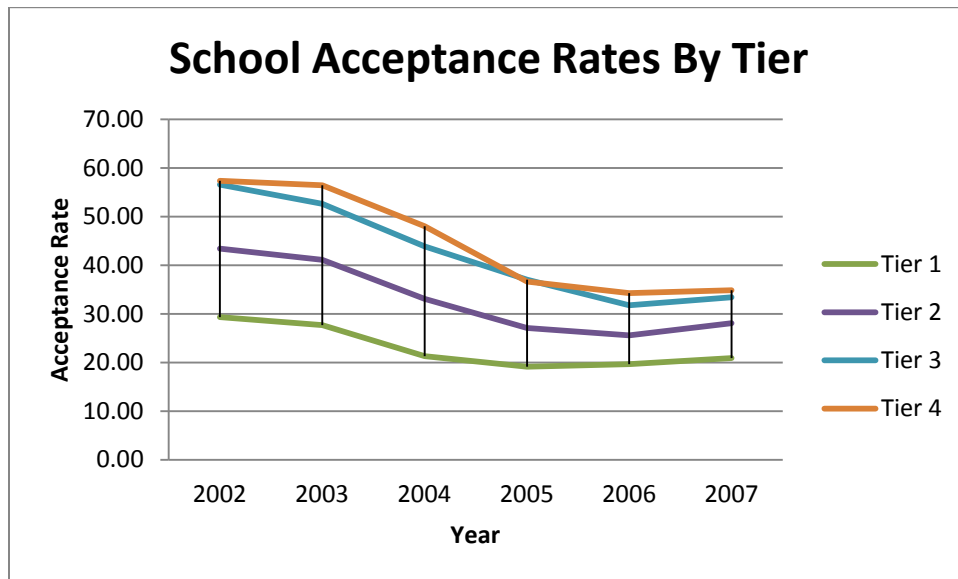
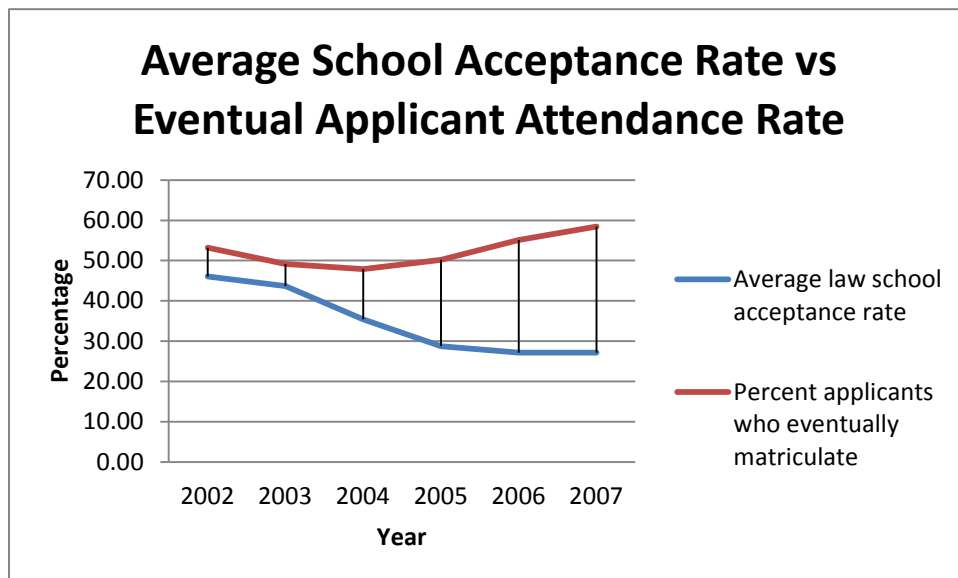


Figure 3: Acceptance rate of law schools by *U.S. News* tier (Source: LSAC 2011, *U.S. News*, 2002-2007)



## ***The U.S. News and World Report Rankings***

Given that prospective law students appear to be applying to more schools, and therefore more schools are competing with each other for the same applicants, measures of school quality become increasingly important to both law schools and students. The reason why objective rankings are viewed as being important is that it would very difficult to determine the quality differences between ABA-approved law schools simply by looking at promotional materials provided by schools; as every school has an incentive to claim or posture that *it* is one of the best law schools.

A school ranking—if it is properly assessed—can serve as a purer signal of quality to potential applicants than a school’s promotional material. If prospective law school applicants do not know everything there is to know about individual law schools prior to pursuing a legal education, a rankings guidebook can decrease information asymmetry and help to better pair students with schools. Of the law school rankings available to the public, the *U.S. News and World Report* law school rankings, found in the publication *America’s Best Graduate Schools*, is extremely popular and is widely viewed as being highly influential.

The *U.S. News* rankings, in fact, are so influential that there is virtually no debate within the law school community on the importance of them. A 2010 study commissioned by the American Bar Association concluded both that “U.S. News rankings will continue for the foreseeable future to dominate public perceptions of how law schools compare [in quality]” and that “there is relatively little that leaders in legal education can do to change that in the short term” (Neil, 2010). The reason why law schools are obsessed with rankings is to some extent a simple number’s game: higher ranked schools attract more applicants. However in addition to this, higher ranking schools are viewed as having much more prestige than lower-ranked schools.

### **Effect of Rankings on Signaling**

Prestige is almost a form of currency in both the American higher education system (Winston, 1999) and the American legal profession as a whole. While the term “prestige” is rather enigmatic, it can be viewed in the context of labor economic theory as a signal—given off by a potential employee to an employer—that delivers a message about a job applicant’s abilities. The reason signaling is important is that it can be very difficult for employers to judge the productivity of potential employees before hiring them. Hiring new employees can be a very risky endeavor, and employers want to have a way to distinguish between applicants (Winston, 1999). Specifically, employers want to be able to distinguish between two types of applicants: those who are able, and those who are not (Spence, 1973).

Since employers only want to hire individuals who are able, the best way of doing this is to only consider applicants who signal that they are able. For law school employers, attending an exclusive top tier school can send such a signal, with job applicants from higher tier schools saying that they are potentially of better quality than applicants from lower ranked schools. Such a signaling system appears to have been widely adopted by the legal services industry, with the highest paying and most prestigious law school employers recruiting primarily from top ranked schools (Jones, 2008). This suggests that that—at least for private sector employers—the rank and prestige of the law school can have a meaningful impact on how graduates from that school are perceived in the labor market.

Because of this, prospective law school students—whether they desire to obtain a high-paying job at a large legal firm, a clerkship position for a Federal judge, or even a competitive unpaid internship for a city district attorney (Akam, 2009)—have strong incentives to try to obtain a seat at a prestigious law school, as it would provide them a signaling advantage over their peers. You would especially expect high-ability students—students who you would assume are more clearly focused in their career goals—to be especially attuned to rankings when making application and matriculation decisions.

## Methodology of Rankings and Their Effects of Law Schools

The *U.S. News* rankings groups law schools into two general categories: “Top Schools” and “Other Schools to Consider.” The top schools consist of the top 50 ranked schools<sup>6</sup> and—prior to the 2004 edition of *America’s Best Graduate Schools*—the remaining schools are grouped into un-unmarked equal-sized unranked that are sorted alphabetically<sup>7</sup>. Prior research has found meaningful differences in *U.S. News* ranking statistics between tiers, with the most prominent differences being those between the top tier schools and the other tiers. (Sauder & Lancaster, 2006).

The U.S. News and World Report rankings for law schools are based on a set of twelve variables that, as a whole, are intended as a measure of law school quality:

- Median LSAT scores for entering class
- Student Median undergraduate GPA
- Acceptance rate
- Student/faculty ratio
- Law school graduate bar passage rate in school’s jurisdiction of law
- Reputation score by academics
- Reputation score by lawyers/judges
- Expenditures per student on instruction
- Non-instruction per student expenditures
- Number of titles/volumes in library
- % Graduates employed at graduation
- % Graduates employed 9-months after graduation

Of these indicators, only three of these statistics are not published explicitly in the *America’s Best Graduate Schools* rankings tables: per-student expenditures on instruction, non-instruction per-student expenditures, and the size of school libraries. All other measures can be seen by prospective students or anyone else who obtains the guidebook. The rankings are released every year in March and use the most recent data provided to *U.S. News* from law schools. The statistics on the GPA, LSAT, and acceptance rate are lagged one year from the year of publication, and

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<sup>6</sup> Schools that do not provide information to law schools are not ranked

<sup>7</sup> This organization system changed slightly in 2004 when the “top school” category was expanded to include second tier law schools, with the top 100 schools being ranked numerically. However, the tiered structure remains, with the top 50 schools being first tier, and the following 50 schools falling into the second tier.

employment data are lagged two years<sup>8</sup>. The composition of the most recent law school class—as measured by the median LSAT and GPA scores—is responsible for 22.5% of the overall school score. The student-weighted variables directly affect 45% of the overall school rank<sup>9</sup>.

The reason why peer effects are such a substantial part of the law school rankings is due to the widespread understanding that a student's peers have a major role in the education process. Students gain much of their human capital in higher education by learning from their classmates, and it is the quality of peer learning that is often viewed as separating elite educational intuitions from less selective institutions (Winston, 1999). While the *U.S. News* use of these variables as proxy indicators for quality is based in theory, both critics of the ranking and researchers studying the rankings have commented on the arbitrary manner in which these characteristics are weighted by *U.S. News* (Morriss & Henderson, 2007). Researchers have also commented on how ranking appear to have changed the behavior of law schools.

In fact, a body of research summarized by Sauder and Lancaster (2006) has shown that over the past decade law schools have shifted focus from attracting students who are a good fit for their school, to instead focus on attracting students with high GPAs and high LSAT scores<sup>10</sup>. Sauder and Lancaster similarly point out how over the past decades need-based scholarships have largely been replaced by merit-based scholarships, and that career counseling at law schools is now focused primarily on getting post-graduation employment figures as high as possible rather than providing career guidance.

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<sup>8</sup> This is to say that the “Year 2002 Edition” of America’s Best Graduate Schools, published in 2001, will use data on GPA, LSAT, and acceptance rate data from the year 2000, and employment data for the class of 1999.

<sup>9</sup> Another 40%—the reputation scores—can also be to some extent viewed as based on the long-run reputation of a school, but there are strong indicators to suggest that these rankings may have more to do with school name recognition than the actual quality of graduates from these institutions (Mystal, 2011).

<sup>10</sup> In one paper, a law school dean was quoted as saying that the ranking methodology employment by USN forces them to choose between “what is good for the law school and what is good for the rankings.” (Morriss & Henderson, 2007)

### **Effect of Rankings on Student Behavior**

The perceptions of quality by means of *U.S. News and World Report* rankings is a matter of serious concern to law schools because a school's rank is heavily affected by the composition of a school's most recent entering class. In this way the types of people who apply to a school can, in effect, determine both the quality of future classes, and subsequently the school's future rank. In addition, there is evidence that strongly suggests that prospective law school students base their application decisions—and possibly even their matriculation decisions—on the rankings of the schools they apply to. Again referencing the Sauder and Lancaster's (2006) paper, the authors showed that for the period between 1996 and 2003 applicants with the highest LSAT scores—the very student that universities need to attract in order to rise in the rankings—were influenced by the rankings.

Schools that moved into the top tier from the second tier had—as a portion of their overall application pool—1.36% more students with LSAT scores above 160, and second tier schools moving up from the third tier received 1.01% more applications from this group of elite prospective law school students (Sauder & Lancaster, 2006). This same study showed less of an impact of tier on the number of applications received, but schools that moved from the second tier to the top tier received an estimated 120 more applications.

Law schools serve as gatekeepers to the legal profession. If schools do not compete for top applicants, and the quality of their applicant pool decreases as a result, it could send signals not only to prospective students but to potential employers in the marketplace that a law school is failing in quality, or not keeping up with the competition. Perceptions that the school is of lower quality could put downward pressures on the peer and professional scores of the law school resulting in diminishing prestige. Lower prestige could mean less interest by employers, and a host of additional problems for the school. Given this, is in the best interests of law school to compete in the rankings.



## CHAPTER 2

### **Assessing the Impact of *America's Best Graduate Schools***

In this section, I attempt to estimate the effects of law school rank, post-graduate student earnings, post-graduation debt, school tuition, and student grants on the application and matriculation decisions of students. My analysis uses estimation methods very similar to those used by Sauder and Lancaster in their 2006 paper, “Do Rankings Matter? The Effects of *U.S. News & World Report* Rankings on the Admissions Process of Law Schools.” However, I apply their methods to a different time period and use a dataset that encompasses the full range of data available to students using the *America's Best Graduate Schools* publication.

#### **Data collection methods and rationale**

For this analysis I use the *U.S. News and World Report* laws school data between the years of 2002 to 2007<sup>11</sup>. The data was retrieved from the U.S. News and World Report *America's Best Graduate Schools* using scanned computer-readable versions of both the rankings and directory sections of the guidebook. The data was extracted using scripts programmed in Python and organized for analysis in STATA. In addition to US News guidebook information, I used application, admissions, and matriculation data manually obtained from the 2004 to 2009 editions of the *ABA-LSAC Official Guide to ABA-Approved Law School*. These data pertain to the fall 2002 through fall 2007 application and admission cycles.

It is important to note that while the dataset and models used are based off the Sauder & Lancaster (2006) paper, my dataset differs in some ways. While the Sauder & Lancaster paper looked at the applications for all students—both full time and part time—I chose to only look at only the application patterns of full-time students. While both full-time and part-time application data was available, full-time students were selected both because they were assumed to be less

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<sup>11</sup> This time period was selected based on data availability at the time of research.

likely to be swayed by local considerations (e.g., an established family or a job) making it easier to measure their independent response to changes in *U.S. News* rankings.

In addition to this, I use a dataset that is much more expansive than the one used by Sauder and Lancaster, as it includes detailed law-school cost and income information found in the U.S. News and World Report's *America's Best Graduate Schools*. This information was located in the law school directory section of the guidebook, and contains large amount of data that could be invaluable to law school students if and when they decide which schools to apply for or—in the case that they apply and are accepted—matriculate to. The data available in the directory section that I have incorporated into my models are:

- Average student indebtedness at graduation
- Percent of students receiving grants
- Median grant received
- Midrange of full-time private-sector salaries for recent graduates
- In-state and out-of-state full-time tuition

It is already known that rank is an important factor in law school decision-making. However less is known how students respond to the full array of statistics available in *America's Best Graduate Schools*. Understanding how law school students react to statistics such as income, tuition, and debt is important because currently very little is understood about the price responsiveness of law school students to law school. While one would expect that students attending law school would view it as an investment in their careers, and therefore expect that as the publicized post-graduate income increased application interest in that school would increase, such an assumption has not yet been tested. Similarly, you might assume that the *ceteris paribus* response to an increase in median student debt or current tuition would be associated with a downward effect on applications, with prospective students reacting negatively to an increase in the price of law school<sup>12</sup>.

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<sup>12</sup> If, however, price is viewed as a proxy for quality you might expect an opposite effect.

Information presented in *America's Best Graduate Schools* is intended to present law school statistics in a manner that makes it easier for students to discern patterns from noise. The publication as whole—not simply the rankings—can serve as a guidebook that helps prospective law school students make informed decisions before committing to a sizeable investment in both time and money. My models assume that students make use of not only of the ranking section of the guidebook, but also the directory section. The law school directory section contains extensive amounts of information on each law school, some of which is not included in the calculation of the rankings.

While prospective law school applicants using the guidebook have at their disposal detailed information about law school, some statistics may be more important to them than others. While variables like “bar passage rate” and “student-to-faculty ratio” may be important for applicants, it is difficult to measure their independent effects alongside measures of rank, as these variables are used in determining the rank. Other items, however, such as tuition, grant, and income are not used in calculating *U.S. News* rank. Because of this, when constructing the models below, I focused only on those variables that would reasonably be used by prospective law school applicants, but are not factors in determining the *U.S. News* rank and tier.

## **Hypothesis**

My primary research interests are to replicate the model used by Sauder and Lancaster on the effect of rankings on application and matriculation decisions, and also to test if data located in the directory section of *America's Best Graduate Schools* guidebook has a statistically significant impact on the number of applications an individual law school received. Given that past studies on higher education has suggested that student application behavior may differ between public and private institutions, I check to see if the application patterns differ between public and private law school. Public institutions are generally perceived as being less costly than

comparable private institutions, especially for in-state students, and therefore may attract different types of applicants. Given my research interests, there are three main hypotheses I attempt to test:

*Hypothesis 1: Controlling for year and school size the U.S. News and World Report rankings will have an independent effect on the application decisions of prospective full-time law school students.*

This is a straightforward test to see if the Sauder and Lancaster model holds true for the dataset covering the period between 2002 and 2007. The result of the model should show a significant impact on application for students at both public and private institutions, as well as for regressions done with both types of schools. Schools that move up in the rankings would be expected to gain prestige, and would be expected to receive a higher number of applications, regardless if the school is private or public.

*Hypothesis 2: Controlling for the effects of rank, year, and school size, both the advertised 25<sup>th</sup> and 75<sup>th</sup> percentile incomes of recent law school graduates, and the median debt for recent law school graduates will have an independent and significant effect on the application decisions of prospective law school students; with an increase in income resulting in an increase in the number of applications, and an increase in debt resulting in a decrease in the number of applications.*

This hypothesis tests to see if there is evidence that students view law school as a rational financial investment, or if there is evidence that they do not respond to advertised income and debt. *America's Best Graduate Schools* provides private post-graduation income for the 25<sup>th</sup> and 75<sup>th</sup> percentiles. Assuming that income corresponds generally with ability, and that students applying to law school have no way to assess where in the law school ability distribution they would eventually fall, students could reasonably assume that are equally likely to be in bottom 25<sup>th</sup> percent as the top 75<sup>th</sup> percent. Because of this paradigm, you would expect that prospective students—if risk neutral—would place equal weight on both variables. You would also expect

students to actively seek out more debt, and therefore would be less interested in applying to schools with higher post-graduate debt.

*Hypothesis 3: Controlling for all of the variables used in Hypothesis 2, increases in advertised tuition will decrease the number of applications; and an increase in tuition offsets will increase the number of applications.*

In addition to the response to tuition and debt, it is worth determining how students respond to changes in both tuition and the promise of tuition offsets such as grants. You would assume that—if the demand curve for prospective students is negative—increases in tuition would result in a decrease in the number of applications, and an increase in the percentage of students receiving grants and an increase in the advertised median grant amount would result in increased interest in a law school. However, if applicants show a positive application response to an increase in tuition *ceteris paribus* this might suggest that tuition is viewed as a proxy for law school quality.

### **Dataset, Models, and Methodology Used**

The dataset used in testing these hypotheses is a merged dataset combining the application, acceptance, and matriculation data found in the *ABA-LSAC Official Guide to ABA-Approved Law Schools* with the ranking and tier data found in the *U.S. News and World Report America's Best Graduate Schools* handbook. This dataset also includes the size, tuition, grant, and income statistics found in the directory section of *America's Best Graduate Schools*.

#### **Models**

The core model used in this analysis in this analysis is a pooled fixed-effects panel regression model and incorporates dummy variables for year, tier/rank, and each of the individual law schools under observation. The dependent variable for Tables 1-3 is the number of full-time applications received by an individual law school, and for Tables 4-6 the dependent variables is the yield rate: the yield rate being the percent of students for an individual school who are

accepted and eventually matriculate. The logarithmic variable “size” is included in this model to control for factors associated with the characteristic that larger schools, on average, receive more applications. The size control was also used by Sauder and Lancaster (2006) in their model.

The fixed effects model controls for school differences that remain constant over time—such as a school’s facilities, geographic location, or special programs—but that would cause schools, *ceteris paribus*, to attract more applicants. That these effects are controlled allows us to measure the effects of applications caused by changes in rank and tier with reduced background noise.

## **Methodology**

My analysis is based on the core assumption that prospective students do not blindly select which school to apply and attend, but rather their interests are school dependent. Specifically, students do not apply to every law school they encounter; rather, they apply to law schools that meet a certain set of criteria. If a school does not meet those criteria, then they will not apply. Students may prefer some schools to others and may apply to a school they like even if their individual chance of being accepted is low. It is common knowledge that students will often choose to apply to a “safety school” that they have a very high chance of being accepted to in addition to schools that are not as sure bets. Students in this way may adopt application strategies that allow them to apply to a variety of different school they find appealing, even if they do not believe that they will be accepted to all of these schools.

## **Results**

### **Effects on Applications**

In these results, all models separately look at what effect a change in *U.S. News* tier will have on the number of applications as well as what effects change in numerical rank for top 50 schools has on the dependent variable. Each table includes a set of three models. Model 1 is a

recreation of the original model used by Sauder and Lancaster (2006). Model 2 is an expanded version of Model 1 and includes control variables for 25<sup>th</sup> percentile income, 75<sup>th</sup> percentile incomes, and average debt at graduation. Model 3 includes all of the variables in Model 2 but adds controls for in-state tuition, out-of-state tuition, median grant, and percent grant.

***Combined Public and Private Data (Table 1)***

The Model 1 results for pooled private and public schools show a statistically significant increase in full-time applications both for when a school increases in tier, and also when a top school increases in rank. In this way I was able to successfully replicate the result of Sauder and Lancaster for the period between 2002 and 2007, showing that, for this period, *U.S. News and World Report* rankings had a significant impact on the number of applications schools received. My model shows that during this period a school moving from the fourth tier to the third tier will receive on average 109.71 more applicants. Schools moving from third to second tier receive a boost of 88.01 applicants. And school that jump from the second tier to the first tier received an average of 190.65 more applications. Results for the first and second tier school are significant at  $p=0.01$  and results for the third tier are significant at  $p=0.05$ .

The Model 1 result for the top 50 schools showed that as school moving up one place in the rankings on average received 24.93 more applicants, significant at  $p=0.05$ . My coefficients for both tier and rank are larger than those estimated in Sauder and Lancaster 2006, and appear to represent a meaningful change in applicant behavior. The most notable difference in results between the 1996-2003 period and the 2002-2007 period however is that is schools moving from the third to second tier, and also from moving from the fourth tier to the third tier both receive a statistically significant application boost.

**Table 1: Pooled cross-section fixed-effects regression of the effects of USN Ranks on the number of applications for all schools**

	Model 1: All Applications		Model 2: All Applications		Model 3: All Applications	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier <sup>a</sup>	388.37***		366.53***		370.56***	
Second Tier <sup>a</sup>	197.72***		201.21***		204.31***	
Third Tier <sup>a</sup>	109.71**		108.55*		125.02**	
Numerical Rank		24.93**		25.40**		23.40**
Size(log)	1.66***	0.97	1.74***	1.49*	1.75***	2.19**
25th Percentile Income <sup>1</sup>			-1.79	-1.50	-2.05	-2.21
75th Percentile Income <sup>1</sup>			2.93**	11.71***	3.44**	12.031**
Average Debt <sup>1</sup>			-1.21	-5.22	-0.59	-3.72
In-State Tuition <sup>1</sup>					-11.72	-19.35
Out-State Tuition <sup>1</sup>					-35.61***	-28.05
%Grant					1.43	8.50**
Median Grant <sup>1</sup>					-4.0	-1.61
Year Controls <sup>b</sup>						
2003	388.25***	414.69***	342.44***	179.96	392.09***	230.71**
2004	431.05***	400.21***	384.19***	124.63	493.57***	217.89
2005	329.48***	233.49***	283.14***	-35.19	469.81***	126.23
2006	202.78***	27.65	168.09***	-190.96	433.17***	51.17
2007	122.98***	-24.04	81.26	-220.07	424.76***	99.72
Constant	1169.58***	2684.81***	1088.47***	1627.48**	1882.27***	1634.84*

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.



The result of Model 2—which controls for the effects of 25<sup>th</sup> percentile income, 75<sup>th</sup> percentile income, and average post-graduate student debt—shows a similar impact of tier and numerical rank on applications as those found in Model 1. The effect of income on applications at the 25<sup>th</sup> percentile is not statistically significant however, suggesting that students overall do not pay much attention to it when make application decisions. However, the 75<sup>th</sup> percentile advertised post-graduate income is significant for tiers at  $p=0.05$  and significant for numerically ranked top 50 schools at  $p=0.01$ . The coefficients say that for all schools an increase of \$1,000 in post-graduate income at the 75<sup>th</sup> percentile, *ceteris paribus*, will cause a school to receive on average 3.44 more applicants. For top 50 schools, this coefficient jumps to 12.03, suggesting that students applying to top tier schools are much more responsive to changes in 75<sup>th</sup> percentile income. Student debt somewhat surprisingly does not appear to have a statistically significant impact on applications for either all tiers or for the top 50.

The Model 3 results in for all applications in the Table 1 test the effects of tuition and grants, in addition to testing the variables used in Model 2. This analysis shows different results between the pool of all tiered schools and those located in the top 50, with out-of-state tuition being strongly significant ( $p=0.01$ ) when all tiers are considered, and showing that on average 35.61 less students will apply for every \$1,000 increase in tuition. The out-of-state tuition coefficient for top 50 schools was not significant but the coefficient is very similar to that for all tiered schools (-35.61 for all versus -28.05 for top tier). The coefficients for median grant and the percent of the enrolled students of a school receiving grants is not significant when all tiers are observed, but for the top 50 it is significant at  $p=0.05$  and predicts that if a school increase the percentage of students receiving grants by one percentage point they will receive on average 8.5 more applications.

Given that the 75<sup>th</sup> percentile income coefficient is significant for top 50 schools while tuition is not, this suggests that those students applying to top schools appear more interested in post-graduation earning than the upfront cost of their education, while contrastingly across all tiers students appear concerned with tuition, debt *and* the 75<sup>th</sup> percentile post-graduate incomes.

***Separated Public and Private Data (Table 2, Table 3)***

When the regressions for Model 1 are broken down by private and public law school, noticeably different results between the two types of schools becomes apparent. Private schools applications appear to be highly responsive to changes in tier but not rank, while applicants for public schools overall appear to be mostly non-responsive to tier but highly responsive to changes in numerical rank. Private institutions that jump from the second tier to the first tier show a jump of 364.99 applications ( $p=0.01$ ) and schools moving from the third tier to the fourth tier show an increase of approximately 100 new applicants. Private schools moving to the third tier from the fourth do not appear to receive an increase in applications. While applications for public schools overall appear largely unresponsive to changes in tier, for public institutions that are also a top 50 school the increase in applications is strongly significant ( $p=0.000$ ) and shows an increase of 36.41 applications for each incremental increase in rank.

With Model 2 regressions for private and public law schools the coefficients for income and debt differ significantly from regressions where public and private are pooled. Oddly, the tiered regression for private schools shows that an increase in the 25<sup>th</sup> percentile for post-graduate private incomes are both negative and strongly significant at  $p=0.01$ . While the effect is small, the coefficient predicts that as post-graduation private income increase by \$1000, the number of applications decrease by 5.66. The reasons for this result are not clear, but it is not observable in Model 2 regressions for all public schools. The 75<sup>th</sup> percentile incomes for private schools is significant, but for public schools it is weakly significant at  $p=0.10$  for tiers of all school and significant at  $p=0.05$  for top 50 schools. The coefficient for reported post-graduate debt for public law schools is, however, strongly significant at  $p=0.01$  with an increase in debt by \$1,000 resulting in 9.25 less schools overall, and 18.62 less applicants for tier one schools.

The result for Model 3 suggest that students at public schools are highly responsive to changes in out-of-state tuition, with \$1,000 increase in tuition resulting in 34.10 less applicants for all tiers ( $p=0.01$ ), and 77.78 for Top 50 schools ( $p=0.01$ ). There was no statistically significant effect of tuition on private schools.

**Table 2: Pooled cross-section fixed-effects regression of the effects of *USN* ranks on the number of applications for private schools**

	Model 1: Private Applications		Model 2: Private Applications		Model 3: Private Applications	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier <sup>a</sup>	605.71***		556.89***		540.82**	
Second Tier <sup>a</sup>	240.72***		240.17***		234.74***	
Third Tier <sup>a</sup>	105.91		123.24		115.47	
Numerical Rank		7.41		-0.6835		0.90
Size(log)	2.05***	0.72	2.12***	0.894793	2.16***	1.40
25th Percentile Income <sup>1</sup>			-5.66***	-6.12	-5.74***	-6.32
75th Percentile Income <sup>1</sup>			2.46	16.07**	2.68	15.39**
Average Debt <sup>1</sup>			0.58	6.30	1.02	6.43
Tuition <sup>1</sup>					-25.64	77.89
% Grant					3.14	8.66
Median Grant <sup>1</sup>					-1.43	7.04
Year Controls <sup>b</sup>						
2003	460.25***	459.09***	444.77***	165.70	475.97***	70.54
2004	508.81***	350.38***	504.79***	4.86	565.80***	-232.89
2005	383.75***	193.41	393.93***	-104.83	486.19***	-480.54
2006	201.32***	-127.37	207.42***	-470.56**	335.43**	-1011.78**
2007	111.31**	-113.69	110.86	-452.08*	279.29*	-1142.37**
Constant	1121.43***	4063.86***	1134.22***	2618.73*	1519.97***	-176.65

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.

**Table 3: Pooled cross-section fixed-effects regression of the effects of USN ranks on the number of applications for public schools**

	Model 1: Public Applications		Model 2: Public Applications		Model 3: Public Applications	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier <sup>a</sup>	24.86		36.22		88.98	
Second Tier <sup>a</sup>	58.03		53.18		75.19	
Third Tier <sup>a</sup>	67.49		48.19		92.45	
Numerical Rank		36.41***		36.99***		32.09***
Size(log)	.702*	1.18	0.45	1.06	0.55	1.65
25th Percentile Income <sup>1</sup>			2.02	1.54	1.93	-0.43
75th Percentile Income <sup>1</sup>			3.34*	11.21**	3.60**	11.33***
Average Debt <sup>1</sup>			-9.25***	-18.62***	-7.89***	-14.58**
In-State Tuition <sup>1</sup>					-26.84*	-6.07
Out-State Tuition <sup>1</sup>					-34.10***	-77.78***
%Grant					-0.57	6.96*
Median Grant <sup>1</sup>					-6.89	-4.12
Year Controls <sup>b</sup>						
2003	285.57***	367.24***	218.20***	133.26	271.14***	234.49**
2004	324.83***	465.38***	249.21***	203.18	378.84***	439.31***
2005	257.16***	299.09***	191.75***	53.04	436.52***	449.16***
2006	188.27***	201.27*	156.53***	55.34	504.91***	641.00***
2007	119.88***	92.26	103.22	7.30	549.75***	726.51***
Constant	1544.51***	1666.94**	1833.42***	1599.81*	2548.40***	2401.91**

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.

## Effects on Matriculations

*U.S. News and World Report* rankings have a sharply different effect on the rate of matriculation to law school than it does on the numbers on applications. Looking at Table 4 you can see—with the fourth tier being the references tier—that as a school increases from the fourth to third tier the matriculation drops by 1.42 percentage points at  $p=0.05$ . When a school jumps from the third tier to the second tier matriculation decreases by 0.1 points. However, the model shows that for jumps from the second tier to the first tier the matriculation rate increases by roughly 0.52 percentage points in the matriculation rate, with the difference in the matriculation rate between top tier and fourth tier being statistically insignificant. For Top 50 schools an increase in rank was associated with a 0.28 point decrease in the rate of matriculation, significant at  $p=0.01$ .

Because the matriculation rate—also referred to as the yield rate—is the percentage of students who were accepted and matriculated to a school, the coefficients here suggest that as school increase from fourth to third tier less of their accepted applicants matriculate, and as schools increase from third tier to second tier even less of their students matriculate. However the trend reverse as a school increases from the second tier to the first tier, which is the result you would expect, as students are far less likely to be accepted into first tier than they would be at second tier schools, and would likely be more inclined to accept an offer from a prestigious school.

Model 1 results for separated public and private institutions show clear differences between public and private institutions. For private law schools, there is a statistically significant difference between third and fourth tier law schools, with schools that move from the fourth tier to the third tier having a yield rate 1.98 percentage points lower, at  $p=0.05$ . There is no difference between the yield rates of second and third tier institutions, and tier one and tier four schools similarly have statistically identical yield rates. For private schools within the top 50, a change in numerical rank does not result in a change in the yield.

Model 1 results for public schools show that which tier a school falls into has no statistically significant impact on that school's yield rate. For top tier schools however, an increase in numerical rank by one will decrease the percent of student who matriculate by 0.36 percentage points. Model 2 and model 3 for both private, public, and combined public and private school matriculation were not affected by post-graduate income, student debt, or tuition. The only coefficient that was significant was for the percentage grant for all public schools, and predicts that for each one percentage point increase in grant, the yield for that school would increase by 0.09 percentage points.

These results suggest that for student matriculation decisions the *America's Best Graduate* publican does not appear to have much of an influence, and as a school increases in rank or tier there can actually be a negative impact on a school's yield rate. This result is notable, because Sauder and Lancaster's 2006 study showed a distinctly different result; with the rate of matriculation increasing as a school move from fourth tier to third tier, decreasing as a school moved from the fourth tier. The results are similar in that the fourth and first tiers are statistically indistinguishable, but even then all of the coefficients in the Sauder and Lancaster data for the period between 1996 and 2003 were positive, while the coefficients for the data between years 2002 and 2007 are negative.

This change could be explained by breaking students into two categories: those who are qualified for law school and those who are not. If those applicants who are qualified are able to get accepted into all of the schools that they apply to—or accepted at a higher rate than the rest of the law school applicants—the more qualified students there are, the lower the yield rate of schools they apply to. Because applicants who get multiple offers can only accept one offer, all of the schools who are not picked will have a diminished yield rate. If certain qualified applicants apply only to schools of a certain tier, and the application patterns for these qualified students in different tiers varied, as a school moved up in the rankings my data suggests that they would encounter different kind of application strategies for the applicants in that tier; and may either end up accepting more students who received more offers, or may encounter students who received less. In this way a change in tier may be the reason why the tier coefficients for the yield rate are negative when the fourth tier is used as the reference category.

**Table 4: Pooled cross-section fixed-effects regression of the effects of *U.S. News* ranks on matriculation rates for all schools**

	Model 1: All %Matriculate		Model 2: All %Matriculate		Model 3: All %Matriculate	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier <sup>a</sup>	-0.31		-0.04		-0.14	
Second Tier <sup>a</sup>	-1.52***		-1.66***		-1.695***	
Third Tier <sup>a</sup>	-1.42**		-1.70**		-1.78**	
Numerical Rank		-0.28***		-0.27***		-0.26***
Size(log)	-0.01*	0.02**	-0.01*	0.01	-0.01*	0.015*
25th Percentile Income <sup>1</sup>			0.00	0.01	0.00	0.01
75th Percentile Income <sup>1</sup>			-0.01	-0.078**	-0.01	-0.077**
Average Debt <sup>1</sup>			0.01	0.05	0.01	0.05
In-State Tuition <sup>1</sup>					0.15	-0.11
Out-State Tuition <sup>1</sup>					0.01	0.17
%Grant					0.01	0.02
Median Grant <sup>1</sup>					0.01	0.00
Year Controls <sup>b</sup>						
2003	0.34	0.01	0.74	1.49	0.60	1.31
2004	-0.15	-1.65**	0.30	0.07	-0.07	-0.30
2005	-2.36***	-3.08***	-1.99***	-1.39	-2.64***	-1.98
2006	-4.77***	-4.61***	-4.49***	-3.30***	-5.40***	-4.09**
2007	-6.168***	-4.42***	-5.79***	-3.38**	-6.91***	-4.33**
Constant	40.95***	29.55***	41.01***	35.96***	37.84***	31.34***

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.

**Table 5: Pooled cross-section fixed-effects regression of the effects of *U.S. News* ranks on matriculation rates for private schools**

	Model 1: Private Yield		Model 2: Private Yield		Model 3: Private Yield	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier <sup>a</sup>	-2.56		-1.95		-1.81	
Second Tier <sup>a</sup>	-1.98***		-2.221***		-2.18***	
Third Tier <sup>a</sup>	-1.98**		-2.51***		-2.45***	
Numerical Rank		-0.20		-0.14		-0.14
Size(log)	-0.013***	-0.00	-0.01***	-0.01	-0.014***	-0.01
25th Percentile Income <sup>1</sup>			0.02	0.02	0.02	0.02
75th Percentile Income <sup>1</sup>			-0.01	-0.05	-0.01	-0.05
Average Debt <sup>1</sup>			0.01	0.06	0.01	0.05
In-State Tuition <sup>1</sup>					0.26	0.46
Out-State Tuition <sup>1</sup>					0	0
%Grant					-0.04	-0.01
Median Grant <sup>1</sup>					-0.02	0.04
Year Controls <sup>b</sup>						
2003	0.52	0.25	0.71	0.94	0.38	0.33
2004	0.08	-0.75	0.22	0.04	-0.42	-1.12
2005	-2.08***	-1.76**	-2.08***	-1.43	-3.00***	-3.283
2006	-4.20***	-3.18***	-4.25***	-2.97*	-5.57***	-5.67*
2007	-5.17***	-2.56***	-5.25***	-2.91*	-6.89***	-6.45*
Constant	42.62***	40.71***	41.86***	44.45***	38.64***	34.96**

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.



**Table 6: Pooled cross-section fixed-effects regression of the effects of *U.S. News* ranks on matriculation rates for public schools**

	Model 1: Public Yield		Model 2: Public Yield		Model 3: Public Yield	
	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>	<u>Tiers</u>	<u>Top 50</u>
USN Rank						
Top Tier	2.09		2.59		2.12	
Second Tier	-0.75		-0.50		-0.72	
Third Tier	-0.60		-0.51		-0.54	
Numerical Rank		-0.36***		-0.38***		-0.36***
Size(log)	0.00	0.046***	0.01	0.05***	0.02**	0.05***
25th Percentile Income			-0.03	-0.01	-0.04	-0.01
75th Percentile Income			-0.02	-0.13**	-0.02	-0.12**
Average Debt			0.04	0.07	0.04	0.05
In-State Tuition					0.02	-0.51
Out-State Tuition					0.01	0.55
%Grant					.09**	0.07
Median Grant					0.02	-0.06
Year Controls <sup>b</sup>						
2003	0.10	-0.85	0.67	1.30	0.35	0.45
2004	-0.43	-3.26***	0.34	-0.45	-0.19	-1.66
2005	-2.69***	-5.42***	-2.10*	-2.57	-3.09**	-4.23*
2006	-5.37***	-6.88***	-4.84***	-4.73**	-5.93***	-6.76**
2007	-7.34***	-7.14***	-6.57***	-5.14**	-7.85***	-7.28**
Constant	36.47***	12.39	35.00***	20.76*	26.30***	7.64

\* p&lt;.1; \*\* p&lt;.05; \*\*\* p&lt;.01

<sup>1</sup> Coefficients are for \$1,000 increments.<sup>a</sup> The fourth tier was used as the reference category.<sup>b</sup> The year 2002 was used as the reference category.

## CHAPTER 3

### Conclusion

I found that, between the years 2002 to 2007, the number of full-time applications law schools received was significantly influenced by the *U.S. and World Report* rankings. For law schools overall, a move from a lower tier to a higher tier increased the number of applications that school received. When looking at both public and private schools for top 50 schools, there is a statistically significant boost in applications caused by moving up in the rankings. However this result is not robust when schools from all tiers are considered, with private law schools receiving more applications when they change tiers than public institutions do. The opposite however is true for public and private schools in the top tier, with public school applications increasing as a school rises in rank, while private school applications remaining statistically unaffected. An explanation for this could be that public law school applicants are geographically constrained compared to private law school applicants, and therefore place little to no emphases on rankings.

The applicant responsiveness to debt, income, and tuition also varies between public and private institutions. My analysis shows that public school applicants react negatively to both tuition and debt, clearly suggesting that the demand curve for public law schools is negative. The effects of tuition and debt also tend to be higher for top tier schools. Private law school applicants—unlike public law school applicants—appear to be less concerned with the costs of law school and more interested in *U.S. News* rank. This supports the idea that public and private law schools may attract different types of applicants. It also supports the idea that private law school students are mostly indifferent to both debt and tuition.

The evidence suggests that private law schools applicants are indifferent to post-graduation employment outcomes overall, with the private law schools applicants actually decreasing, *ceteris paribus*, as reported 25<sup>th</sup> private sector incomes for a school increased. This observation, paired with a statistically significant positive response to increase in 75<sup>th</sup> percentile income for both public and private schools in the top tier suggests that law students are risk loving in general. Private law school applicants

appear to be far more risk loving than the students who apply to a public law school and seem to be almost completely unresponsive to the average post graduation debt—with the coefficient for debt for all tiers being equal to zero and for top 50 private schools actually being strongly positive, albeit statistically not statistically significant. If, however, the positive debt coefficient for private school applicants is correct, it may suggest that students view debt as a proxy indicator for quality. It is unclear why this might be the case, but the tuition coefficient for top tier private institutions is also positive but not significant, suggesting that students at top tier private institutions are willing to pay more for law school, likely because they believe the signaling ability and prestige they will gain from attending a top school will outweigh the costs in the long run.

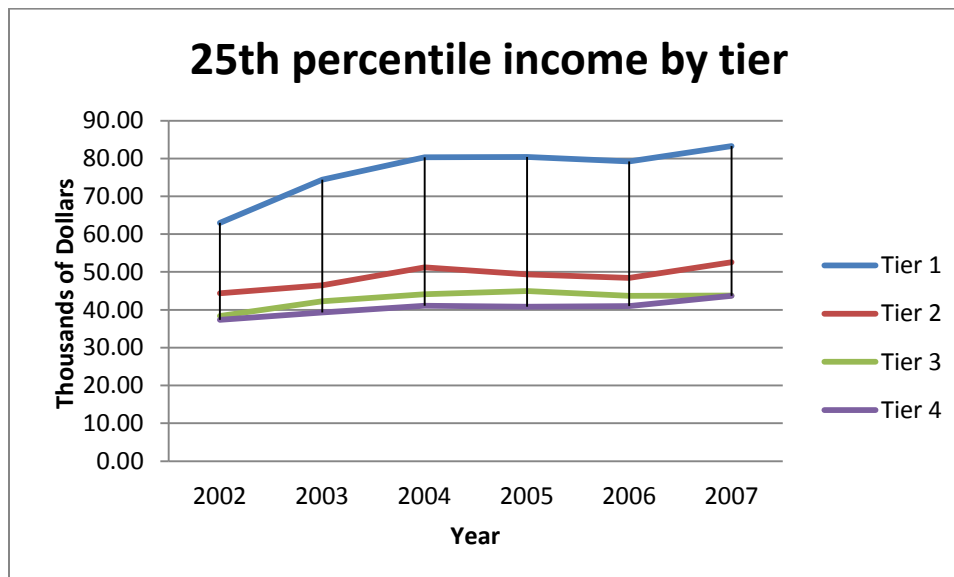
The effects of rankings on the percent of students who matriculate to law school are much less clear over the 2002 to 2007 period. The yield rates for private institutions overall appear to be most affected by changes in tier, but the effects appear generally to be negative, with private law schools moving from the third tier to the second tier being least affected by changes in matriculation patterns. The influence of rankings on matriculation is not observable for public school, unless that school is in the top tier, in which case increase in numerical rank decrease matriculation rates. While students appear to use *America's Best Graduate Schools* for aiding in their application decisions, for the matriculation rate my analysis suggest—for both public or private datasets—income, debt, and tuition data do not factor into the final student matriculation decision.

The results of this paper show that the directory information in the *U.S. News and World Report Graduate School Rankings* is used by law school students, but that different types of students appear to use the data differently at different stages in the application process. Applicants to private schools are much more likely to use the rankings section to make application decisions, while public school applicants are much more likely to compare and contrast schools using directory information; hunting to find schools that may provide the best returns on investments. However, the importance of this information changes when looking at law school in all tiers versus looking at those in the top tier. For those students applying to the top ranked schools, the advertised 75<sup>th</sup> percentile income has a consistent

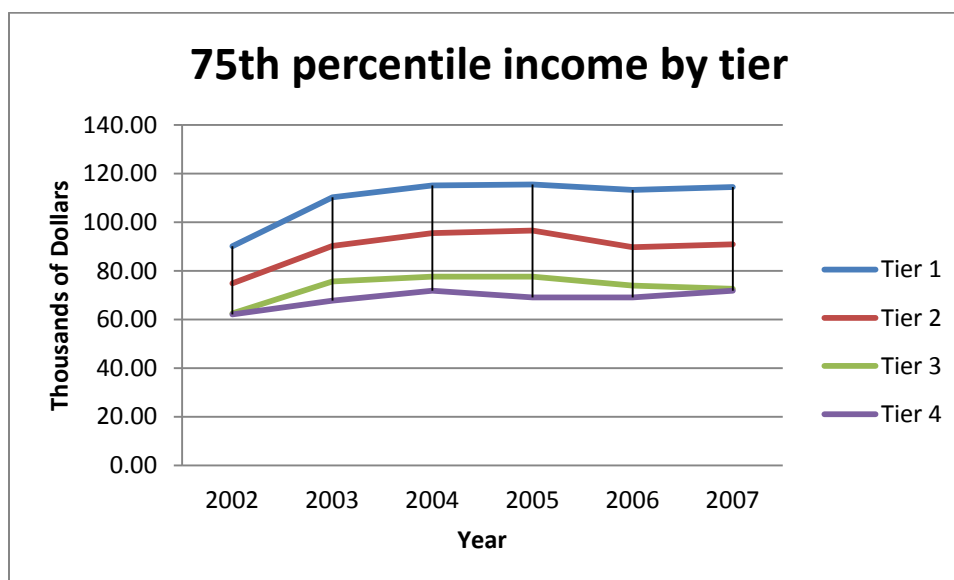
and statistically significant impact on school applications suggesting that law school students in general—and specifically high ability students—are in it for the money.

## Appendix: Law school figures and statistics

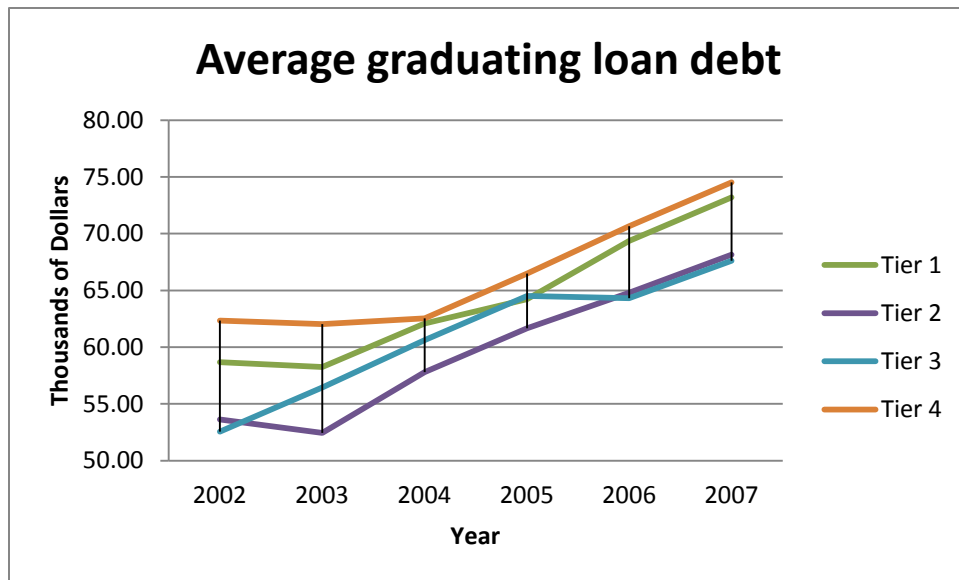
25<sup>th</sup> percentile earnings by tier (Source: U.S. News and World Report, 2002-2007)



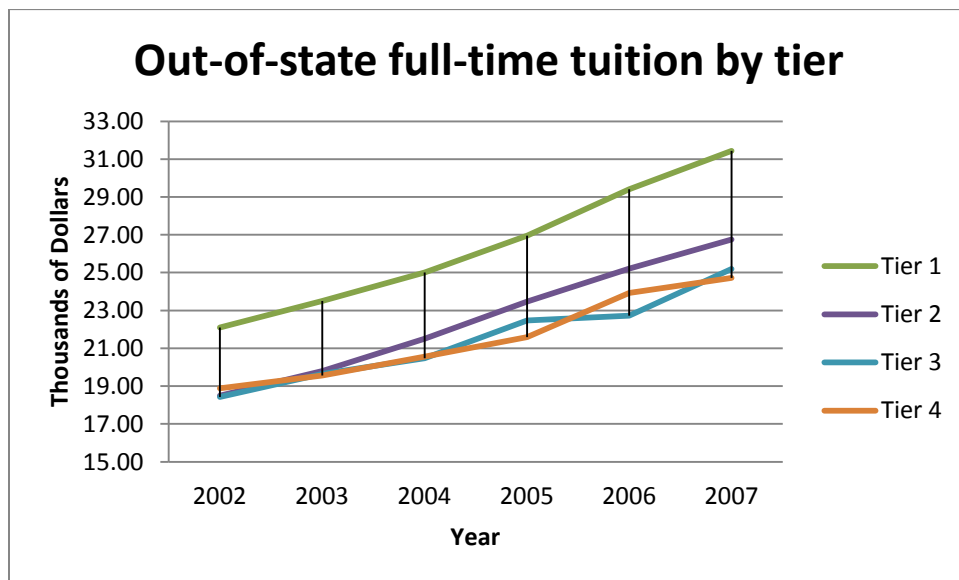
75<sup>th</sup> percentile earnings by tier (Source: U.S. News and World Report, 2002-2007)



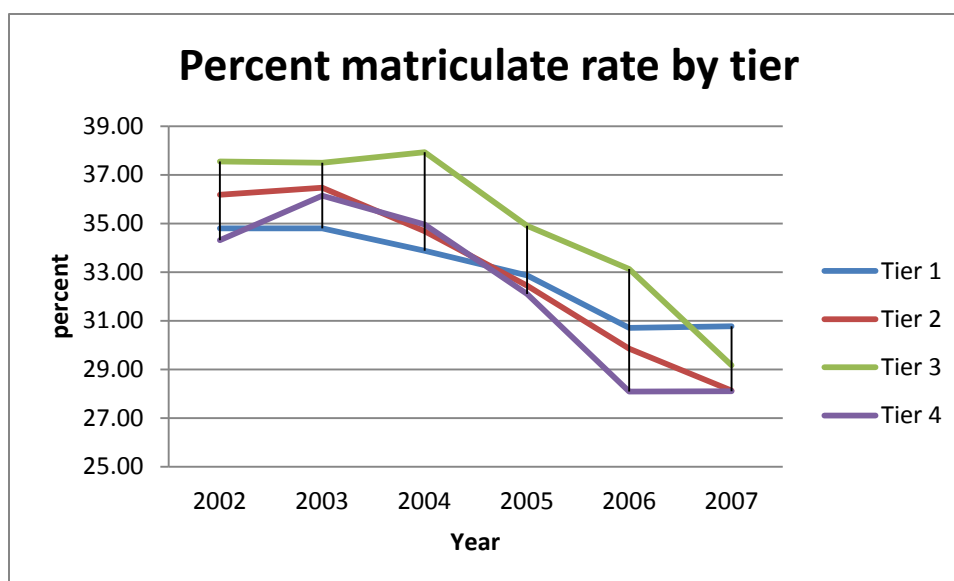
Average graduating debt by tier (Source: U.S. News and World Report, 2002-2007)



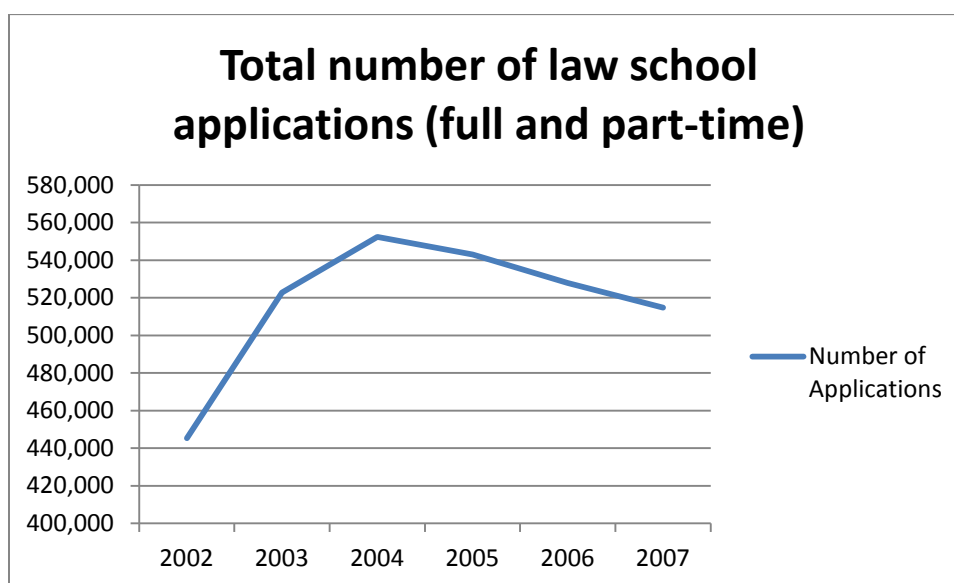
Out-of-state full-time tuition by tier (Source: U.S. News and World Report, 2002-2007)



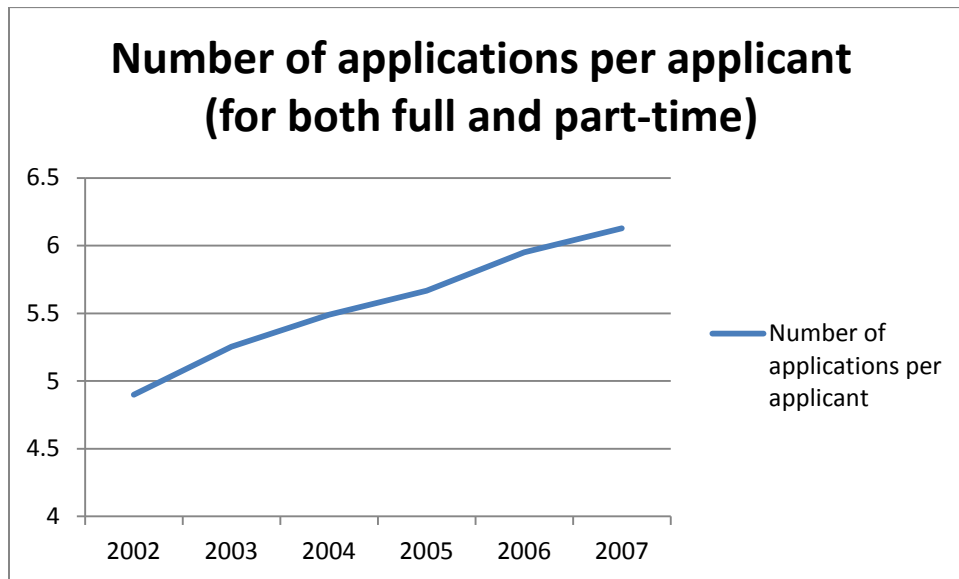
Percent matriculations (Source: U.S. News and World Report, 2002-2007)



Total number of law school applications (Source: LSAC 2011)



Number of applications per applicant (Source: LSAC 2011)





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## ACADEMIC VITA

**William Scott Gerhardt**  
*wsgerhardt@gmail.com*

### EDUCATION

**The Pennsylvania State University, University Park** May 2011  
Bachelor of Science in Economics  
Minors in *Information Sciences and Technology; Statistics; Mathematics*

**Schreyer Honors College**  
*Honors Program in Economics*

### WORK EXPERIENCE

**Summer Economic Consultant** *Bates White, LLC* Washington, DC June 2010 — August 2010  
Collaborated with firm managers and consultants on a variety of data-intensive client projects

- Worked extensively with merging and manipulating large datasets using STATA
- Learned Python; designed and wrote Python scripts that identified and extracted data from PDFs
- Worked with a team of consultants on database cleaning; gained advanced proficiency in Excel

**Research Assistant** *PSU Department of Economics, REU Program* September 2009 — January 2009

- Worked with Professor Suet-ling Pong on analyzing generational trends in student performance
- Summarized journal articles, ran regressions, and created professional tables for a book chapter

**Archive Technician** *Himalayan International Institute, Honesdale, PA* June 2008 – August 2008

- Helped maintain an online article database for *Yoga International* magazine
- Streamlined article formatting process and aided in redesigning the admin user interface

**Website Administrator** *David Coulter, Ph.D. (author), Honesdale, PA* April 2006 – December 2007

- Performed basic upkeep on published author's website and personal computers, part time

**Resident Assistant** *Penn State Office of Resident Life, University Park, PA* June 2009 – May 2010

- Resided on a hall of 42 freshmen students; Built a close and vibrant community while enforcing policy

### ACTIVITIES

- Participated in *The Great Debate V*; was part of a student team that debated two PSU economic professors about the 2008 financial crisis. Audience for event was 1000+ students
- Chaired the *Resident Hall Student Cinemas*; worked with a distributor to get screening rights for popular Hollywood films; supervised a staff of seven student projectionists
- Member of the *Problem Child Literary Magazine* club; discussed poems and short stories, submitted by students, with other club members and voted on which should be published by the magazine