

## **State Exit Exams Harm the Students Who Fail Them and Do Not Benefit the Students Who Pass Them. Now What?**

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December 16, 2008 (2,940 Words)

A generation ago, high school students earned their diplomas by showing up for classes, keeping up their grades, and staying out of trouble. Since the late 1970s, a growing number of states have also required aspiring graduates to pass “exit exams” --- standardized tests that assess mastery of basic skills --- in order to graduate. This spring about two in three American high school students will have to pass an exit exam on their way to earning their diplomas.

After evaluating the effects of high school exit exams on a variety of student outcomes using nationally representative data spanning nearly 30 years, we conclude that exit exams hurt students who fail them without benefiting students who pass them (or the taxpayers who pay for developing, implementing, and scoring them).<sup>1</sup> Exit exams are just challenging enough to reduce the high school graduation rate but not challenging enough to have any measurable consequences for how much students learn or for how prepared they are for life after high school. Using the cases of Florida and California as examples, we argue that political pragmatism rather than academic benchmarks have led states to implement fundamentally flawed exit exam policies. Given this evidence, we conclude that policy makers should either revamp exit exams to be sufficiently challenging to make a real difference for how much students learn or abandon them altogether.

### *Arguing About Exit Exams*

Proponents of exit exam policies say that too many students simply get credit for “seat time,” graduating without basic literacy and numeracy skills. With the decline in the manufacturing sector and rapid growth of the information economy, the architects of exit exam policies have sought to bolster the value of the diploma. Supporters claim that these policies have increased pressure on students, parents, teachers, and school systems to boost academic achievement and to better prepare young people for college and for the 21<sup>st</sup> century global economy.

Critics contend that such policies are fundamentally counterproductive and unfair. First, they contend, exit exams deny diplomas to some students and lead others to drop out of high school without offering much in the way of improved academic outcomes. Second, exit exams force educators to narrow the curriculum by “teaching to the test,” neglecting to adequately cover subjects not covered on the exit exam. Third, these policies are expensive to develop, implement, and score, diverting resources from instruction. Finally, critics argue that these policies are unfair to students who have not had sufficient opportunity to master the tested material, either because of disabilities or limited English proficiency or because of inequities in educational resources.

Besides the similarity of the rhetoric and claims for and against exit exam policies over time and

across states, these debates have also typically proceeded in the absence of sound empirical evidence on either side.

#### SIDEBAR

What led some states to adopt high school exit exam policies while others did not? Of the sixteen states that implemented exit exam policies by 1986, eleven were in the southern United States. Of those that have adopted such policies since then, most have been Midwestern or Western states. In a recent paper we showed that, while policy makers in all states want to improve the academic achievements of their students, relatively low achieving states are no more likely to adopt exit exam policies than relatively high achieving states.<sup>2</sup> Instead, states are most likely to adopt exit exam policies when they face difficult economic circumstances and when there are relatively more African American and Latino students in their schools --- a situation faced by many Southern states in the 1980s and by many Western states since then.

#### *Do State Exit Exams Lower Graduation Rates?*

At first glance, it seems obvious that exit exam policies should reduce high school graduation rates, at least during the initial years of their implementation. By design, these policies deny diplomas to students who do not meet basic proficiency standards in core curricular areas and who, presumably, would have earned diplomas prior to the imposition of the exit exam requirement.

On the other hand, there is reason to suppose that exit exams may have very minimal consequences for graduation rates. First, it may be that the only students who cannot exceed the low bar imposed by exit exam policies are likely to have dropped out anyway. Second, it may be that the basic proficiency standards set by most states are so low that nearly all students who continue in high school through their senior year would eventually be able to meet those standards. Third, schools and districts may “game the system” to artificially increase their test scores and graduation rates by selectively exempting students for whom exit exams would present a serious barrier to graduation.

The results of our analyses indicate that state exit exams reduce high school graduation rates.<sup>3</sup> Using information about each state’s exit exam policies and a new measure of state high school graduation rates for all graduating classes between 1975 and 2002, we find that in states with “minimum competency” exit exams (assessing mastery of material that students should learn prior to beginning 9<sup>th</sup> grade) graduation rates decline by about one percentage point. In states with “higher competency” exit exams, graduation rates decline by about two percentage points. Nationally, each percentage point reduction in the graduation rate means that about 35,000 fewer young people leave high school with a diploma each year.

We also find that exit exams have a greater impact on graduation rates in states’ that are more racially/ethnically diverse and have higher rates of poverty. This does not necessarily mean that exit exams increase the dropout rates of disadvantaged students more than advantaged students but is consistent with that claim.

### *Do State Exit Exams Improve How Much Students Learn?*

Exit exams deny diplomas to some students but they may also increase the academic achievement of others by raising the bar. If diploma recipients learn more than they would have in the absence of exit exams, it may be that exit exams are redistributive rather than capricious. They may increase the rewards to those who succeed as well as the costs to those who fail. However, surprisingly little empirical research has investigated the impact of state exit exams on students' proficiency in core academic subject areas.

In a paper recently published in *Educational Policy*, we utilize data from the long-term trend component of the National Assessment of Educational Progress (or LTT NAEP) to answer this question.<sup>4</sup> LTT NAEP includes a set of achievement test items that are the same from year to year in order to allow for methodologically sound assessments of trends over time in reading, mathematics, and science achievement. In combination with the detailed information that we collected about exit exam policies in each state, we asked whether exit exams increased the reading and math achievement of students between 1971 and 2004. Beyond asking whether exit exams improved *average* levels of achievement in reading and math, we also asked whether exit exams improved the achievement of students closer to the top and the bottom of the achievement distribution. Exit exams might do the most to improve the achievement of marginal students and the least to improve the reading or math test scores of already high-achieving students. We also asked whether exit exams matter more or less for racial/ethnic minority students and for students from different social class backgrounds.

We found no evidence for any effects of (minimum competency *or* higher competency) exit exams on reading or math achievement at the mean or at any of several cut-points of the achievement distribution. These results hold for 13 year olds and for 17 year olds and do not vary across students from different racial/ethnic or social class backgrounds, undermining claims of disparate impact.

### *Do State Exit Exams Prepare Students for the World of Work?*

Even though exit exams have no discernable effects for reading or math achievement, it is still conceivable that exit exams could affect graduates' employment prospects and wages. First, employers, like many other members of the public, may *believe* the exit exams have increased the academic achievement of high school graduates. Second, employers of relatively less skilled workers --- that is, those without a college education --- generally value traits like trustworthiness, reliability, and sound work ethics at least as much as they value academic skills in reading and math. Exit exams may signal to employers that diploma holders are able to follow through on a more rigorous set of high school graduation requirements and thus certify that graduates possess the non-cognitive skills that employers value.

If exit exams produce graduates who are better prepared for work, then we should expect to observe lower unemployment rates and higher wages among young people who had to pass exit exams to obtain their diplomas. These effects should be most pronounced among young people who do not go on to college; the effects of post-secondary training and credentials are probably much larger than any effects of exit exams.

We use data from the 1980 through 2000 U.S. Censuses and from the 1984 through 2002 Current Population Surveys to evaluate the labor market returns to exit exams.<sup>5</sup> Both data sources include large, nationally representative samples of American young people. We limited our focus to 20 to 23 year olds with no college education (and along the way we found that exit exams have no bearing on 20 to 23 year olds' chances of having attended college). Young high school graduates who obtained their diplomas in exit exam states fared no better in the labor market than their peers who obtained their diplomas in other states. These findings held in states with minimum competency exit exams and in states with higher competency exit exams. They also held for students from different racial/ethnic backgrounds.

### *How Did We Get Here? Lessons from Florida and California*

Our research suggests that exit exams fail to improve either academic achievement or early labor market outcomes. At the same time, the direct costs of developing, implementing and scoring exams, as well as the indirect costs of denying diplomas to thousands of otherwise eligible students each year, are substantial. How is it that 23 states (and counting) have implemented policies that appear to do such harm without doing any good?

We believe that the answer has more to do with political pragmatism than sound policy. Below we briefly review relevant details of the history of exit exam policies in Florida and California. In these and other states, exit exam policies were shaped by fears of unacceptably high exam failure rates, resulting concerns about lowered graduation rates, and legal challenges on behalf of various classes of students. These factors may very well minimize the potential benefits and costs of exit exams.

Florida first adopted exit exams for the graduating classes of 1979, but the exam was quickly challenged in court. In *Debra P. v. Turlington*, attorneys representing 10 African American students argued that the test was racially biased and imposed without adequate notice. The U.S. District Court sided with the plaintiffs, delaying the implementation of the exit exam requirement until the 1982-1983 school year and compelling the state to demonstrate the instructional validity of the test, which it did. The class of 1983 was the first cohort of Florida students required to pass a high school exit exam. Florida revised and first administered a more difficult version of its exit exam in October 1994 --- first affecting students in the class of 1996.

Not surprisingly, many fewer students did well on the more difficult Florida exit exam. Two months after first administering and scoring the revised exit exam in the fall 1994, the Florida Department of Education opted to set the passing threshold at the point on the test score distribution that would guarantee that the same percentage of students failed the revised (more difficult) exam as failed the previous year's (less difficult) exam. In the end, the state based decisions about which students had "mastered" key curricular materials on fear of politically unacceptable failure rates.

The California High School Exit Exam (CAHSEE) was originally scheduled to go into effect for the graduating class of 2004. In the face of very high failure rates --- just under half of the class of 2004 had passed both components of the exam by the summer of 2003 --- the state Board of

Education voted unanimously to postpone the exit exam as a graduation requirement until the class of 2006. At that time, the Board also opted to revise the CAHSEE, making the mathematics portion of the exam easier to ensure that the failure rate was lower.

As in Florida and other states, plaintiffs challenged California's exit exam in the courts based on claims that the state had inadequately prepared racial/ethnic minority and economically disadvantaged students for the exit exam. Weeks before the class of 2006 was to graduate, a Superior Court judge struck down the CAHSEE on these grounds. The CAHSEE was eventually upheld after a series of appeals.

This same basic pattern of exit exam policy evolution has played out in a number of states. States begin by setting moderate to high standards and then spend hundreds of thousands of dollars designing exit exams that purport to hold students to these standards. In short order, however, high failure rates and much-publicized legal challenges built on inequities in states' education systems test the political will of policymakers to hold students to these standards. In the end, politics wins out over principle and the exit exam, the passing threshold, or both are altered to increase the share of students that passes the exam. In the end, most states set the bar for passing exit exams at a point that is too low to make any real difference for academic achievement or workplace preparedness but just high enough to prevent a modest number of would-be graduates from obtaining diplomas.

### *Where Do We Go From Here?*

Our research suggests that state exit exams do harm to students who fail them but provide no discernable benefits to students who pass them. Obviously, states did not set out to implement ineffective and punitive educational policies. Exit exam policies are broken and states should either fix them or get rid of them, but either option requires a political will we fear is in scarce supply among policy makers and politicians.

If states wish to fix exit exams policies they will need to set substantially higher standards for passage --- requiring mastery of more challenging and advanced curricular materials --- and actually hold students to those standards. While educationally sound, the cost of raising standards would be daunting, especially in the current fiscal climate. First, more students will be initially unprepared to meet these higher standards, more time, money, and other resources will need to be devoted to preparation and remediation. Second, such policies will reduce high school graduation rates, at least in the short term. The social costs of denying greater numbers of would-be graduates their high school diplomas should not be born lightly. The high school diploma is now a prerequisite for social and economic success in American society.

If states choose to abandon exit exams altogether they would be on sound scientific ground. Many researchers question the wisdom of basing something as important as the decision about which students deserve diplomas on the score from a single standardized test. The ethics of high school exit exams are questionable at best. According to the American Educational Research Association, "[d]ecisions that affect individual students' life chances or educational opportunities should not be made on the basis of test scores alone."<sup>6</sup> As noted above, there are also persistent concerns about the disparate impact of such policies. However, public opinion determines the

outcomes of elections, not science. Anyone with the courage to advocate for the abolition of high school exit exams would likely be portrayed by opponents as ‘soft on education.’

### *Conclusion*

We came to our work on exit exams not as policy advocates but as researchers. We believed that the claims proponents made about the benefits of high school exit exams were just as plausible as those made by opponents of those policies. We still believe that arguments in favor of exit exams as policy levers may have merit. However, arguments in favor of the exit exam policies in place today do not. Exit exams, as currently implemented, appear to have real downsides and none of their purported upsides. After a quarter of a century of experience with exit exams, states have reached a crossroads. The policies that we have now are not working and it is time to try something else.

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<sup>1</sup> With funding from the Spencer Foundation, Warren has compiled detailed data on exit exam policies by state and year from 1977 to the present. These data are publicly available at <http://www.hsee.umn.edu/>.

<sup>2</sup> Warren, John Robert, and Rachael Kulick. 2007. Modeling States’ Enactment of High School Exit Examination Policies. *Social Forces* 86:215-230.

<sup>3</sup> Warren, John Robert, Krista N. Jenkins, and Rachel Kulick. 2006. High School Exit Examinations and State-Level Completion and GED Rates, 1973-2000. *Educational Evaluation and Policy Analysis*.

<sup>4</sup> Grodsky, Eric, John Robert Warren, and Demetra Kalogrides. Forthcoming. State High School Exit Examinations and NAEP Long-Term Trends in Reading and Mathematics, 1971-2004. *Educational Policy*.

<sup>5</sup> Warren, John Robert, Eric Grodsky, and Jennifer C. Lee. 2008. State High School Exit Examinations and Post-Secondary Labor Market Outcomes. *Sociology of Education* 81 (1):77-107.

<sup>6</sup> AERA *Position Statement on High-Stakes Testing in Pre-K – 12 Education*. <http://www.aera.net/?id=378>