

Test-Optional Admissions

Wouter Dessein (Columbia Business School)

Alexander Frankel (University of Chicago Booth School of Business)

Navin Kartik (Columbia University)

Abstract:

The Covid-19 pandemic has accelerated the trend of many colleges moving to test-optional, and in some cases test-blind, admissions policies. A frequent claim is that not requiring standardized test scores allows a college to increase the diversity of its student body. This argument is unsatisfying: how can a college make better decisions with less information? Our paper instead argues that test-optional policies may be driven by social pressure on colleges' admission decisions. We show that, when social pressure is important, a college can use a test-optional policy to reduce its “disagreement cost” with society and obtain a student pool the college prefers. We discuss which students either benefit from or are harmed by a test-optional policy. In an application, we study how a ban on using race in admissions may result in more colleges going test optional or test blind.