

## Parents' financial help linked to lower college GPAs, higher graduation rates

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College students who aren't studying hard may have their parents' financial support to blame.

A new study by University of California, Merced, sociology professor Laura T. Hamilton found that students' GPAs decreased with increased financial support from their <u>parents</u>. The study also found that students with financial aid from their parents were more likely to complete <u>college</u> and earn a degree. The study, "More is More or More is Less? Parental Financial Investments during College," will appear in the February issue of the <u>American Sociological Review</u> and has been posted on the publisher's website.

"Students with parental support are best described as staying out of serious academic trouble, but dialing down their academic efforts," Hamilton wrote in the study.

Over the past several decades, colleges and universities have responded to deep cuts in external funding by increasing tuition. The costs increasingly fall on the shoulders of American parents, who often make difficult <u>financial decisions</u> to send their children to college. Hamilton wanted to know whether parental dollars translated to better college outcomes for children or whether they created disincentive to excel.

The answer turned out to be complex, with parental support reducing academic achievement but improving the <u>likelihood</u> of graduation.



"Regardless of class background, the toll parental aid takes on GPA is modest," Hamilton wrote. "Yet, any reduction in student GPA due to parental aid—which is typically offered with the best of intentions—is both surprising and important."

College students may spend their time in ways that don't reflect their parents' wishes, Hamilton said. A different study found today's college students spend an average of 28 hours a week on classes and homework combined, less than an average high school student spends in school alone. The same study also found college students spend an average of 41 hours a week on social and recreational events.

According to Hamilton's study, parental aid increased the odds of graduating within five years. Students with no parental aid in their first year of college had a 56.4 percent predicted probability of graduating, compared with 65.2 percent for students who received \$12,000 in aid from their parents.

Hamilton said students might be satisficing—trying to be adequate on multiple fronts rather than trying to excel in one particular area. This makes sense in the context of today's young adult college experience, where there are great freedoms, little oversight, and many social opportunities.

Hamilton notes that many other funding sources such as grants and scholarships, work-study, student employment, and veteran's benefits do not have negative effects on student GPA. Unlike parental aid or loans, these other funding sources may come with a sense of having been earned by the student. With decreased state and federal support for higher education, however, such funds are increasingly hard for families to access.

Hamilton cautions that her results do not mean parents should cut off



financial support altogether—particularly given the importance of parental funds for getting a degree. However, it is important for parents to set standards, such as a required GPA, and keep <u>students</u> accountable for their performance.

For the study, Hamilton relied on two nationally representative datasets collected by the National Center for Educational Statistics. The research was supported by a grant from the American Educational Research Association.

## Provided by American Sociological Association

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