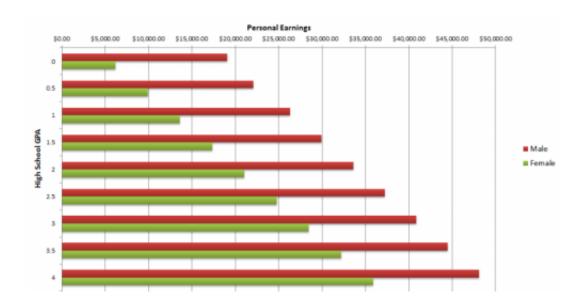


## Your high school GPA could affect your income

May 19 2014



The data indicate that overall high school GPA is significantly higher among women, but men have significantly higher annual earnings. For this reason, the researchers analyzed men and women separately. Credit: University of Miami

A team of researchers led by Michael T. French, professor of health economics at the University of Miami (UM), finds that high school grade point average (GPA) is a strong predictor of future earnings.

The findings, published recently in the *Eastern Economic Journal*, show that a one-point increase in high school GPA raises annual earnings in adulthood by around 12 percent for men and 14 percent for women.



Although previous studies have found a relationship between higher levels of education and greater earnings, less is known about the association between academic performance in high school and income.

"Conventional wisdom is that academic performance in high school is important for college admission, but this is the first study to clearly demonstrate the link between high school GPA and labor market earnings many years later," says French, director of the Health Economics Research Group (HERG) in the Department of Sociology at the UM College of Arts and Sciences, and corresponding author of the study.

The data indicate that overall high school GPA is significantly higher among women, but men have significantly higher annual earnings. For this reason, the researchers analyzed men and women separately. Even so, the study finds that a one-point increase in GPA doubles the probability of completing college—from 21 percent to 42 percent—for both genders.

The results also show that if GPA and other measures of performance are excluded from the analysis model, it gives the impression that African-American men achieve lower educational levels than their white counterparts. But, when these predictors are part of the analyses, it demonstrates that African-American men and women attain higher educational levels than white students with the same high school GPA and background characteristics.

"The results suggest that African-Americans with poor high school GPAs are less likely to graduate from high school and attend college, but once GPA and other factors are included in the models, they are actually more likely than other races to graduate from college and continue to graduate school," French says.



"One possible explanation for this finding is that African-Americans with relatively high GPAs are more motivated and determined than whites to attend college and obtain an advanced degree."

The findings can have important implications for policymakers, teachers and school administrators who wish to promote academic achievement for students.

"High school guidance counselors and teachers can use these findings to highlight the importance of doing well in high school for both short term (college admission) and longer term (earnings as an adult) goals," French says.

The study used multiple waves of data from the National Longitudinal Survey of Adolescent Health. The information included high school records, demographic and background information from more than 10,000 males and females. Educational attainment and income information was obtained when the respondents were between 24 and 34 years of age, approximately ten years after <a href="high school">high school</a> graduation.

**More information:** The study is titled "What you do in high school matters: High school GPA, educational attainment, and labor market earnings as a young adult."

## Provided by University of Miami

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