

# Study spotlights cultural barriers to student financial success

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Portland State study spotlights cultural barriers to student financial success

The college financial aid process ignores the cultural needs of minority students, causing many of them to not receive adequate financial aid and dropping out because they've run out of money, according to a Portland State University study.

PSU School of Business instructor Brenda Eichelberger concluded in her paper "Uncovering Barriers to Financial Capability: Underrepresented Students' Access to Financial Resources" that the process that these college students go through in discussing, applying for and receiving financial aid is often a hardship for them because of cultural barriers.

The study, published in the *Journal of Student Financial Aid*, points to the need for greater financial literacy among minority students and first generation students - those who are the first in their families to go to college.

Eichelberger and her fellow researchers conducted surveys and held focus groups that included students and college financial aid professionals. They uncovered culturally specific barriers that may prevent students receiving adequate financial aid or surviving financially throughout their college attendance, such as:

- Students often don't trust advisors and staff who don't share their

background and circumstances, including ethnicity, gender, sexual orientation, military service, disability or first-generation status.

- Transgender students are often put off by having to use their legal names on financial aid forms. Legal names are often reflective of assumed gender identity. To a transgender person, that may not reflect their true identity.
- Native American students are often palpably uncomfortable talking about money due to their spiritual beliefs.
- Muslim students are often religiously opposed to paying interest, yet colleges will charge them interest if they are late on late payments.

The problem of financial survival is particularly acute for first-generation students, who comprise nearly a quarter of all college and university students. They often are low-income, come from families that don't save money or discuss money with their children, and are largely unaware of the many costs of college as well as the financial benefits of getting a degree. As a result, only 11 percent of low-income, first-generation students earn a bachelor's degree after six years, compared to 55 percent of their non-first-generation peers.

Eichelberger, who teaches a popular course on financial literacy at Portland State, suggests an array of solutions to these problems, including culturally-specific financial counseling held in campus cultural centers and greater sensitivity to cultural differences on federal [financial aid](#) forms.

"As our national demographics shift and our need for [college](#)-trained employees grows, it is critical to expand public policy to identify and include the needs of all students," she said.

Provided by Portland State University

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