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PARENTAL PERSPECTIVES ON FINANCING HIGHER EDUCATION: KEY INFLUENCING FACTORS

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ABSTRACT

This research paper investigates the factors influencing parental decisions regarding the financing of children's higher education. It employs a descriptive survey method to examine parents' attitudes using a sample of 198 parents in Delhi. By analyzing responses to a scale covering motivational, economic, social, and institutional factors, the research aims to inform educational policies and support initiatives to enhance access to higher education. Findings indicate that a significant majority of parents prioritize their child's interests and aspirations, viewing education as a critical pathway to future security and personal growth. Financial stability, both current and past, plays a pivotal role in these decisions, with parents adopting a pragmatic approach to budgeting and exploring various funding options, including informal income streams and student loans. The reputation of educational institutions and the choice of courses significantly impact parental choices, as parents aim to maximize the potential returns on their investments. The study identifies the need for enhanced financial literacy and greater access to financial aid information, emphasizing the importance of transparency from educational institutions regarding outcomes and placement rates. Recommendations include developing financial education programs, community support systems, and tailored financial assistance strategies to accommodate diverse socioeconomic backgrounds. By addressing these factors, the paper aims to contribute to a deeper understanding of parental decision-making in higher education financing and promote a more equitable educational landscape.

Keywords: Parental Financing, Higher Education, Motivational Factors, Financial Literacy, Educational Policies

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1. INTRODUCTION

The decision to finance a child's higher education is one of the most significant financial commitments that parents face in today's increasingly complex economic landscape (Buchmann & Hannum, 2001). As tuition costs continue to rise, and the demand for advanced degrees grows in the competitive job market, parents find themselves navigating a multitude of factors that influence their ability and willingness to invest in their children's education (McPherson & Schapiro, 1998). This research paper aims to explore the various factors that affect parents' perspectives on financing higher education, examining elements such as financial resources, cultural values, and the availability of financial aid. In

recent years, the conversation around higher education financing has gained prominence, with discussions centering on student debt, financial literacy, and equitable access to education (Dynarski, 2014). As policymakers and educational institutions strive to create solutions to ease the burden of rising costs, understanding parental perspectives becomes crucial. Parents serve as primary decision-makers, and their experiences, expectations, and concerns can provide valuable insights into the broader implications of educational financing. This study employs a survey to capture the diverse viewpoints of parents from various socioeconomic backgrounds. By examining the motivations, challenges, and perceptions that influence parents' decisions, this research seeks to illuminate the complex dynamics at play in the realm of higher education financing. Ultimately, the findings aim to contribute to a more nuanced understanding of parental perspectives, offering guidance for educators, policymakers, and financial planners dedicated to supporting families in achieving their educational aspirations. The financing of children's higher education is influenced by a complex interplay of factors that shape parents' perspectives and decisions. A lack of financial literacy often hampers parents' ability to navigate education financing effectively, suggesting that enhanced financial education could empower them to make more informed decisions (Joo, 2008). Together, these factors highlight the need for policies and support systems that address the diverse challenges families face in financing higher education. This study aims to explore parents' attitudes, motivations, and challenges in financing their children's education, filling a critical gap in existing literature. By understanding these perspectives, policy decisions can be informed, financial literacy can be enhanced, and support systems for families navigating educational financing can be improved

2. OBJECTIVES

- To investigate and analyze the motivational factors that influence parents' decisions regarding financing their children's higher education, including aspirations for academic achievement, career goals, and personal values.
- To explore the economic and institutional factors that affect parents' financing decisions, such as household income, savings, financial aid availability, perceptions of student debt, institution recognition and course choice.
- To assess the impact of social and future considerations, including peer influence, community expectations, and cultural attitudes toward education, future job market trends, potential return on investment, and long-term financial implications affect their commitment to financing higher education for their children.

3. METHODOLOGY

This study utilized a descriptive survey method to explore parents' attitudes toward financing their children's higher education. This approach provided a comprehensive understanding of the various factors influencing parents' perceptions of financial decisions. A sample of 198 parents residing in Delhi, whose children are currently enrolled in higher education programs, was selected using a convenient sampling method. This enabled the recruitment of participants who were willing and able to provide insights relevant to the study. An attitude scale developed for this research aimed to investigate the motivations and influences behind parents' financing decisions. An attitude scale developed for this research aimed to investigate the motivations and influences behind parents' financing decisions. It comprises 20 statements grouped into four dimensions: Motivational Factors, Economic Factors, Institutional Factors and Social & Future Considerations, ensuring reliability and validity through pilot testing and expert review. Data collection was done using Google Form. The responses were analyzed to provide valuable insights into parents' attitudes towards financing higher education.

4. RESULTS AND DISCUSSION

DIMENSION-1: MOTIVATIONAL FACTORS

Motivational factors play a critical role in shaping parents' decisions to finance their children's higher education. These factors encompass a range of personal aspirations, beliefs, and values that drive parents to invest in their children's academic futures. Table 1 presents a summary of parents' responses on the motivational factors affecting their financial commitments to higher education.

Table 1: Parents' Responses on Motivational Factors Affecting Financing Children's Higher Education

S. No	Statement	Strongly Disagree (%) (n)	Disagree (%) (n)	Neutral (%) (n)	Agree (%) (n)	Strongly Agree (%) (n)
1	My child's interest in higher education is important for me.	1.0 (2)	1.0 (2)	5.6 (11)	21.7 (43)	68.7 (136)
2	Placement opportunity is important for me to finance higher education of my ward.	0.5 (1)	4.5 (9)	14.6 (29)	43.9 (87)	33.8 (67)
3	I like to finance higher education of my child to increase employability and raise income level of my child.	1.0 (2)	4.5 (9)	13.6 (27)	42.9 (85)	32.3 (64)
4	I like to finance higher education of my child to grow his academic career.	2.0 (4)	0.5 (1)	8.1 (16)	39.4 (78)	43.9 (87)
5	I finance higher education of my child because i want him to experience life in a different way.	2.0 (4)	4.0 (8)	17.2 (34)	43.9 (87)	27.3 (54)

The responses to motivational factors influencing parents' decisions to finance their children's higher education reveal significant trends. A notable 68.7% of parents strongly agree that their child's interest in higher education is crucial, indicating a strong alignment between parental support and their children's aspirations (Lareau, 2011). In terms of practical considerations, 43.9% recognize placement opportunities as important, with 33.8% strongly agreeing, highlighting awareness of the economic implications of education (Manlagaylay & Mariza, 2022). Additionally, 42.9% of parents finance education to improve employability and income prospects, reflecting a pragmatic approach focused on securing better job outcomes (Martin et al., 2020). Furthermore, 39.4% express that their financial support aims to foster their child's academic career growth, emphasizing a long-term perspective on educational benefits (Khusaini et al., 2013). While 43.9% believe that education provides unique life experiences, the lower percentage of strong agreement (27.3%) suggests that this is not the primary motivator compared to factors like employability and academic development. Overall, these findings illustrate that parents are driven by a combination of their children's aspirations and practical considerations regarding future success.

DIMENSION 2: ECONOMIC FACTORS

This dimension highlights the critical role of financial resources, stability, and awareness of funding options in shaping parental attitudes toward educational investments. Table 2 presents parents' responses regarding the economic factors that influence their decisions to finance their children's higher education.

Table 2: Parents' Responses on Economic Factors Affecting Financing Children's Higher Education

S. No	Statement	Strongly Disagree (%) (n)	Disagree (%) (n)	Neutral (%) (n)	Agree (%) (n)	Strongly Agree (%) (n)
1	I realize that income source motivates me for higher education.	2.5 (5)	8.6 (17)	12.1 (24)	32.8 (65)	41.9 (83)
2	My current income is important for me to finance higher education of my child.	0.5 (1)	6.6 (13)	15.7 (31)	41.9 (83)	29.8 (59)
3	I keep in view my past savings to finance higher education of my child.	0.5 (1)	6.1 (12)	13.1 (26)	50.0 (99)	24.7 (49)
4	I consider my child's income from informal sources to finance higher education.	2.5 (5)	9.1 (18)	25.8 (51)	33.8 (67)	19.7 (39)
5	I consider availability of student loan to finance higher education.	4.0 (8)	7.6 (15)	16.2 (32)	43.9 (87)	22.2 (44)

6	I like to finance higher education of my child if university gives student loan.	2.5 (5)	11.6 (23)	20.2 (40)	33.8 (67)	25.8 (51)
7	Course fee is important for me to finance higher education of my child.	2.0 (4)	9.1 (18)	14.1 (28)	42.9 (85)	24.7 (49)

The findings regarding financial motivational factors for financing children's higher education offer valuable insights into parental perspectives and decision-making processes. Notably, 41.9% of parents strongly agree that their income sources motivate their support for higher education, aligning with McDonough (1997), which emphasizes the crucial role of financial resources in educational investment. Furthermore, 32.8% of parents acknowledge that their income influences their decisions, highlighting the importance of financial standing in accessing higher education opportunities. The fact that 41.9% consider current income essential for financing their child's education reinforces the idea that ongoing financial stability is a key factor in funding decisions, echoing Choy's (2001) findings on the influence of current financial situations. Additionally, 50.0% of respondents indicate that they consider past savings when financing education, suggesting a proactive approach to financial planning, as noted by Perkins & Neumayer (2014). However, the lower percentage of strong agreement (24.7%) may imply a greater reliance on current income for immediate financial needs. The recognition of informal income sources by 33.8% of parents indicates an awareness of broader financial contributions, though the low strong agreement (19.7%) suggests these may not be viewed as substantial compared to formal income. This complexity aligns with Edin & Lein's (1997) discussion of informal labor markets affecting educational funding decisions. Finally, 43.9% of parents recognize the availability of student loans as significant, with 22.2% strongly agreeing, reflecting a growing awareness of financial aid options. However, the lower percentage of strong agreement may indicate a preference for other funding sources due to concerns about debt and its long-term implications, echoing the findings of Dearden et al. (2011). Overall, these insights underscore the complex interplay of financial resources and parental motivations in educational financing decisions. The data also indicates that 33.8% of parents prefer financing their child's higher education if student loans are available, while 42.9% view course fees as a critical factor, highlighting the significant role of financial support in their decision-making.

DIMENSION 3: INSTITUTIONAL FACTORS

This dimension emphasizes the significance of institutional reputation, course selection, and career outcomes in shaping parental perceptions and choices, reflecting their desire to ensure a favourable return on investment in education. Table 3 outlines parents' responses concerning the institutional factors that impact their decisions on financing their children's higher education.

Table 3: Parents' Responses on Economic Factors Affecting Financing Children's Higher Education

S. No	Statement	Strongly Disagree (%) (n)	Disagree (%) (n)	Neutral (%) (n)	Agree (%) (n)	Strongly Agree (%) (n)
1	Institution recognition influence me.	3.5 (7)	4.5 (9)	12.1 (24)	45.5 (90)	34.3 (68)
2	I give priority to course choice to finance higher education of my child.	0.5 (1)	4.0 (8)	16.2 (32)	39.4 (78)	35.9 (71)
3	Carrier reputation of my ward is important for me to finance higher education.	0.5 (1)	4.5 (9)	16.2 (32)	43.9 (87)	29.3 (58)
4	Placement of university/college influence me to finance higher education.	4.0 (8)	4.5 (9)	11.1 (22)	42.9 (85)	31.8 (63)

The responses regarding institutional factors provide valuable insights into how parents perceive the role of educational institutions in financing their children's higher education. Notably, 45.5% of parents agree that institutional recognition influences their decision, with an additional 34.3% strongly agreeing, underscoring the significance parents place on the reputation of educational institutions (Amado et al., 2022). The low disagreement percentage (8.0% combined) suggests that most parents believe an institution's prestige can impact future opportunities for their children. Regarding course selection, 39.4% of parents prioritize courses that enhance their children's educational and career prospects, with 35.9% strongly agreeing. This reflects a thoughtful approach, as parents recognize that study choices can significantly affect future employability (Pascarella & Terenzini, 2005). Additionally, 43.9% of parents agree that a child's

career reputation influences their decision to finance higher education, though only 29.3% strongly agree, indicating that while career reputation is important, it may not overshadow institutional recognition or course choice. Lastly, 42.9% of parents acknowledge the influence of university placement records on their financial decisions, with 31.8% strongly agreeing. This demonstrates an awareness of how a university's placement record can affect future employment opportunities. The relatively high neutral response rate (11.1%) may suggest uncertainty among some parents regarding the extent to which placement impacts their decisions or indicates that they consider it alongside other factors.

DIMENSION 4: SOCIAL AND FUTURE CONSIDERATIONS

This dimension highlights the importance parents place on long-term security, social reputation, and the desire to alleviate future responsibilities through educational investments. Understanding these factors provides insight into the broader social dynamics that shape parental attitudes toward financing education. Table 4 presents parents' responses regarding the social and future considerations that influence their financial decisions related to their children's higher education.

Table-4: Parents' Responses on Social and Future Considerations Affecting Financing Children's Higher Education

S. No	Statement	Strongly Disagree (%) (n)	Disagree (%) (n)	Neutral (%) (n)	Agree (%) (n)	Strongly Agree (%) (n)
1	Future security is important for me to finance higher education of my ward.	1.5 (3)	1.5 (3)	10.6 (21)	36.4 (72)	45.5 (90)
2	I like to be free from future responsibility of my child, so I finance higher education.	2.0 (4)	11.1 (22)	16.2 (32)	31.3 (62)	36.9 (73)
3	My intention behind financing higher education of my ward is to maintain social reputation.	3.5 (7)	11.6 (23)	19.7 (39)	37.4 (74)	21.2 (42)
4	I finance higher education according to subject choice.	4.0 (8)	9.1 (18)	19.2 (38)	36.4 (72)	23.2 (46)

The responses related to social and future considerations provide important insights into the motivations behind parents' financial decisions regarding their children's higher education. Notably, 45.5% of parents strongly agree that future security is a critical factor in their decision, with an additional 36.4% agreeing. This indicates that many parents view higher education as a pathway to ensuring long-term security for their children, aligning with Becker's (1993) assertion that education is a key determinant of economic stability. In terms of parental motivations to be free from future responsibilities, 36.9% of parents strongly agree, while 31.3% agree. This highlights a desire among parents to mitigate ongoing obligations by investing in their children's education, fostering independence and self-sufficiency. However, the higher disagreement percentage (13.1% combined) suggests that some parents still feel a sense of ongoing responsibility, regardless of their children's educational achievements. Regarding social reputation, 37.4% of parents agree that maintaining social standing influences their decision to finance higher education, though only 21.2% strongly agree. This indicates that while social perceptions play a role, they may not be the primary motivator, resonating with Asimaki (2018) findings that practical considerations often outweigh social factors. This reflects a reliance on financial assistance to alleviate education costs, highlighting a trend toward seeking flexible financing options, alongside 36.4% who finance education according to subject choice.

5. CONCLUSIONS

A significant majority of parents prioritize their child's interests and aspirations, emphasizing that personal motivation and future employability are critical considerations in their financial decisions. The strong inclination toward supporting academic growth and unique life experiences indicates a holistic view of education that extends beyond mere economic returns. Parents recognize that fostering their children's passions can lead to fulfilling careers, thus motivating them to invest in higher education as a means to support their children's long-term success and personal development. Financial stability, both current and past, plays a pivotal role in financing education. Parents demonstrate a pragmatic approach by relying on their income sources and savings while also acknowledging the potential of informal income streams. This dual focus highlights their understanding of the complexities involved in educational financing. Moreover,

the awareness of student loans reflects a growing interest in financial aid options, though concerns about debt may temper reliance on such resources. Parents are increasingly seeking ways to navigate the financial landscape of higher education, balancing immediate financial capabilities with long-term financial implications.

The reputation and recognition of educational institutions significantly influence parental decisions, underscoring the importance of institutional prestige in shaping career trajectories. Parents often emphasize course choice and career reputation, illustrating a strategic approach to education financing where they seek to maximize the potential benefits of their investments. By prioritizing institutions known for strong placement records and reputable programs, parents aim to enhance their children's future employment opportunities, aligning educational choices with long-term career goals. Parents largely view higher education as a pathway to future security for their children. This perspective drives a strong desire to mitigate future responsibilities through educational investments, as many believe that a solid educational foundation will foster independence and self-sufficiency in their children. While social reputation is acknowledged as a factor in financing decisions, it emerges as a less dominant motivation compared to practical considerations. Additionally, the evaluation of course fees and subject choice further underscores a pragmatic approach, as parents weigh the costs of education against the anticipated long-term benefits, ensuring that their financial commitments align with their aspirations for their children's success.

6. RECOMMENDATIONS

To enhance the financial capabilities of parents navigating the complexities of higher education financing, several initiatives can be implemented. First, developing and implementing financial literacy programs aimed at parents can help them understand the costs associated with higher education, various funding options—including scholarships and loans and effective budgeting strategies. Increasing access to financial aid information through centralized platforms can also empower parents by providing easy access to information about government grants, scholarships, and student loans, complete with clear guidelines on application processes and eligibility criteria. Moreover, educational institutions should promote transparency by offering clear information on placement rates, course outcomes, and the overall return on investment for different programs, enabling parents to make informed decisions regarding their educational investments. Supporting informal income opportunities through policies that facilitate skill development can further enhance financial capability, allowing families to invest more effectively in education. Strengthening partnerships between educational institutions and industries can align curricula with job market needs, thus enhancing the perceived value of higher education and fostering parents' confidence in their investments.

Community support systems should also be considered, offering workshops, peer support groups, and mentorship programs to assist parents in navigating the educational financing landscape. Additionally, financial assistance programs need to be tailored to meet the diverse socioeconomic backgrounds of families, which may involve offering flexible repayment options or subsidies for low-income households. Finally, encouraging research initiatives that explore the impacts of educational financing on long-term student outcomes, particularly in developing contexts, can inform better policy and funding decisions, ultimately leading to a more equitable educational landscape.

CONFLICT OF INTERESTS

None.

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