

# The Relationship between Socio-Economic factors on Academic Performance of Undergraduate Students.

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## Abstract

*Education is a very important and valuable factor for creating value at individual to global context. The Academic performance considered as one of the most important tasks of the academic institution which is entrusted with the task of preparing skilled and qualified graduates. Although, large amount of money and greater extent of efforts have been taken by the state and relevant authorities, the level of academic achievement of undergraduate students have not been reached to the level expected. Researchers identified that, quite a number of factors have been found to influence students' achievement. The purpose of the study was to determine the contributions of socio-economic factors on academic performance in state universities in Sri Lanka. The study used descriptive survey and correlational research designs. The study was also guided by a conceptual framework. The targeted population was 72 students. . The author has collected data from 72 university students studying in the final year Bachelor of Business Administration (BBA) degree programme in the Eastern University, Sri Lanka. The association between socio-economic factors and academic achievement was checked by using descriptive analysis. The study found out that there is a positive and significant relationship between socio-economic factors and academic performance of university students. For the*

*purpose of data analysis, Statistical package of SPSS 22.0 has been used.*

**Keywords:** *University students, socio-economic factors, academic performance.*

## 1. Introduction

Education is fundamental every citizen and it plays a vital role in the development of the country, because it is the source of growth of any country (UNESCO, 2001). Nowadays, education is under increasing pressure to create successful students. In the present day context, is perhaps the single most important means for individuals to improve personal endowments, build capability levels, overcome constraints and, in the process, enlarge their available set of opportunities and choices for a sustained improvement in well-being. It is not only a means to enhance human capital and productivity but it is equally important for enabling the process of acquisition, assimilation and communication of information and knowledge, all of which augments a person's quality of life. Thus, it is a critical invasive instrument for bringing about social, economic and political inclusion and a durable integration of people. The process of education and attainments thus has an impact on all aspects of life. It therefore plays a crucial role in shaping the citizens of tomorrow, citizens who are responsible,

accountable, sincere, robust, emotionally healthy and resilient.

Adeyemi (2008), opined that performance is a measure of educational output. Academic performance can be viewed as the extent to which an individual learner acts or does a piece of work, how well or poor he/she does the job or the activities within a learning process. Poor performance, however can be regarded as having performed below the required academic performance. Charles (1994), referred to poor performance as performance that fall below the desired standard.

## 2. Research Problem

Despite the growing body of literature focusing on factors contributing to academic success, unfortunately, most studies were conducted in western context. It is still not clear whether similar antecedents of academic success can be observed in Asian context.

Further, in Sri Lanka few research studies have been conducted to examine the factors contributing to Academic performances of students. Hence, the clear knowledge gap is explicit. This knowledge gap becomes a problem to planners, policy maker and the administrators. Therefore, this research study examines the problem and attempts to fill this knowledge gap.

### 2.1 Research Questions

The following research questions are advanced in this study.

1. What is the level of socio-economic factors of the students in the BBA degree

programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?

2. What is the level of academic performance of the students in the BBA degree programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?
3. What is the relationship between socio-economic factors on academic performance of the students in the BBA degree programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?

### 2.2 Objective of the Study

The specific objectives of this study are given below. These objectives have been derived from the research questions and purpose of the study.

1. To identify the level of socio-economic factors of the students in the BBA degree programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?
2. To identify the level of academic performance of the students in the BBA degree programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?
3. To Measure the relationship between socio-economic factors and academic performance of the students in the BBA degree programme in the Faculty of Commerce and Management, Eastern University, Sri Lanka?

### 3. Literature Review

Socio-Economic Status (SES) and education of parents have a significant role in the overall Academic performance of the students (Farooq et al., 2011). He also concluded that girl students perform better than the male students. Educated parents can better communicate regarding academic activities and assist them in their work (Fantuzzo et al., 2000). So the academic success depends on parental involvement as they help students to attain a higher level of quality (Barnard, 2004). Eamon (2005) concluded that the students from low socio-economic status show low performance in studies and obtained low scores as compared to the other students. In other studies also, socioeconomic status of families is considered to have a direct impact on students' Academic performance (Sirin, 2005). Recently, Singh et al. (2016) concluded that the factor which affects academic performance the most is learning facilities followed by proper the guidance of parents.

According to Graetz (1995), one's educational success depends very strongly on social economic status of the parents. Considine and Zappala (2002) argue that families where the parents are advantaged socially, educationally and economically foster a high level of achievement in their children. The researcher agrees with Considine and Zappala (2002) because students from high social economic backgrounds are well exposed to scholastic materials, which aid their intelligence.

Social Economic Status (SES) according to Considine and Zappala (2002) is a person's overall social position to which attainments in both the

social and economic domain contribute. They add that social economic status is determined by an individual's achievements in, education, employment, occupational status and income. In this study social economic status (SES) was characterized by family income, parental education and parental occupation. Graetz (1995) argues that children from high social economic status families perform much better compared to children from low SES families.

According to Sentamu (2003) universities are social institutions in which groups of individuals are brought together to share educational experiences and such interactions may breed positive or negative influences on learners.

Research done in America by Downing (2004) placed guidance and counseling as a social factor that influence learning. Schools with active Guidance and Counseling Departments may perform better since, guidance and counseling services on students' academic performance supplement, strengthen and adds real meaning to the students' regular experience. It improves students self –understanding, making students become more active in studies, they become realistic and enlightened about themselves (Downing, 2004). Bright students may not be aware of their potential and aptitudes; and so guidance and counseling may provide helpful information for proper educational function to them. In England, Gross (2010) holds that through guidance and counseling students get to understand their teachers and appreciate them, thereby boosting their academic performance.

According to Velocia and Ronald (2002) who studied Mexican children, argued that students

whose parents are learned are more fluent in English than their counterparts. The study established that educated parents' functional value attached to education is a function of their education achievement. Conversely, Ogunlando (1995) from Nigeria also argued that children from illiterate homes perform poor than their counterparts from rich homes. Smart (2000) concluded that in most cases today it is apparent that parents 'education level correlate positively with academic performance. Good and Brophy (2004) stressed that educated parents usually show

interest in their children academic performance. However, Hawkes (2006) confirmed that student's academic performance in most cases do not necessarily depend on parental enlightened occupation or education attainment.

## 5. CONCEPTUALIZATION

Following conceptual framework was developed based on literature survey. This conceptual framework highlights the relationship between the socio-economic factors and academic performance of students.

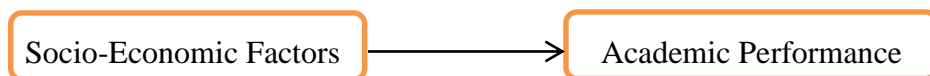


Fig. 1. Conceptual Model

## 6. METHODOLOGY

The purpose of this research is to empirically investigate the assumption that socio-economic factors influence academic performance of students of the final year Bachelor of Business Administration degree program of the Faculty of Commerce and Management, Eastern University, Sri Lanka.

### 6.1 Sample Selection

Eastern University, Sri Lanka is one of the 15 state universities in Sri Lanka and its located in the district of Batticaloa to provide free undergraduate higher education. It has five faculties. Faculty of commerce and Management (FCM) is among them. The FCM has 6 special degree programmes which is a 4 years programme. Bachelor of Business Administration (BBA) is one of them.

This study is limited to the BBA programme. The total numbers of students of the programme amounting to 395 thus 72 students from the final year were considered as the population sample, and the questionnaires were distributed accordingly.

### 6.2 Data Collection Methods and Instruments

This study was carried out based on primary data. Structured questionnaire was used to collect data. The Questioner comprised of statements on the variable. Hence questioner was given to all students from final year Bachelor of Business Administration degree program Faculty of Commerce and Management of the Eastern University, Sri Lanka who regularly attend to lectures have been selected for this study.

Likert scale of 1-5 which ranges from "Strongly Disagree" to "Strongly Agree" was applied in the

questionnaire to identify responses. The numerical values were given for the purpose of quantification of variable as follows:

1. Strongly disagree
2. Disagree
3. Neither Agree nor Disagree.
4. Agree
5. Strongly agree

### 6.3 Data Presentation, Analysis and Evaluation

Data has been presented using tables. Meanwhile descriptive analysis was used for data analysis. Hence under the descriptive analysis, mean and standard deviation were derived from the analysis of 72 respondents. Statistical package of SPSS 22.0 has been used for this purpose. Furthermore criteria shown in table were adopted to evaluate mean values. This was established to determine the degree socio-economic factors and Academic performance.

Table 1. Decision rule for univariate analysis

Range	Decision attributes
$1 \leq X_i \leq 2.5$	Low level
$2.5 < X_i \leq 3.5$	Moderate level
$3.5 < X_i \leq 5.0$	High level

Source- Formed for this research

## 7. ANALYSIS AND FINDINGS

### 7.1 Sample Profile

The final year students from Bachelor of Business Administration degree program Faculty of

Commerce and Management of the Eastern University, Sri Lanka who regularly attend to lectures have been selected for this study. It consists of 72 students from 04 year study Programme as per the Table 2. The response rate of this study is 100%.

Table 2. Sample and Response rate

Gender	Number of Students	Proportion	Response rate (100%)
Male	30	42	100
Female	42	58	100
	<b>72</b>	<b>100%</b>	

Source-Data analysis

### 7.2 Descriptive Statistics

Univariate analysis was carried out for evaluating the attributes of variables as individually based on

the responses. Here, the frequency, mean values and standard deviation of variables were considered for analysis. Mean values have been distributed based on Likert's scale which represent "Strongly Disagree" to "Strongly Agree" of between 1 to 5. Meanwhile mean values were evaluated based on the established evaluative criteria which range from "Low level" to "High level".

### 7.2.1 Socio-economic factors of the Respondents

Table 3. Socio-economic factors of the respondents with related mean and Sd.

Dimensions	Mean	Sd
Socio-economic factors	3.52	0.73

(Source: Survey data)

### 7.2.2 Academic performance of the Respondents

Among the sample of the respondents analyzed, 28% of the respondents were in favour of higher level of Academic performance, and 64% were in favour of moderate level of Academic

Table 4. Academic performances with related mean and Sd.

Dimensions	Mean	Sd
Academic performance	3.25	0.55

(Source: Survey data)

### 7.3 Relationship between socio-economic factors and Academic performance

By observing the data a significant positive relationship exists between the independent

Table 5. Coefficient of Correlation between socio-economic factors and Academic performances of students.

Among the sample of the respondents analyzed, 63% of the respondents were in favour of higher level of socio-economic factors, while only 37% of the respondents indicated lower level of socio-economic factors. The average mean value and standard deviation (sd) for socio-economic factors of students were 3.52 and 0.73 respectively (Table 3). The mean value indicated higher level more than the range of moderate scale of  $2.5 < x_i < 3.5$ . Thereby, the level of socio-economic factors of students became high level.

performance, while only 8% of the respondents indicated lower level. The average mean value and standard deviation (sd) for Academic performance were 3.25 and 0.55 respectively (Table 4). The mean value indicated within the range of moderate scale of  $2.5 < x_i < 3.5$ . Thereby, the level of Academic performance became moderate.

variables and dependent variable, that is; socio-economic factors and Academic performance. Table 5 shows a correlation matrix, which describes such relationship between the variables.

Variables	Socio-economic factors	Academic performance
Socio-economic factors		
Pearson Correlation		0.460
Sig.(2-tailed)	1	0.000
No	72	72

(Source: survey data)

(Pr = Significance level, the model is significant at 5%)

The Table 5 shows that Academic performances have a positive significant relationship with socio-economic factors (SA) ( $r = 0.460$ ,  $Pr < 0.000$ ). In addition, the correlation analysis describes how the relationship between dependent variable and independent variables exists at 5% significance level. The correlation between socio-economic factors and Academic performances shows a moderate positive significant relationship

## 8. CONCLUSION AND RECOMMENDATION.

The purpose of this study was to show how socio-economic factors are related to students' academic success. The students who excel in the academic programmes would enjoy the efforts taken by the institution and by them at the maximum. Therefore, identifying their level socio-economic factors in favour of their Academic performance is very important.

This present study was conducted to identify the relationship between socio-economic factors and Academic performance of students from the final year BBA programme of the Faculty of commerce and Management of the Eastern University Sri Lanka. The study found that student's socio-

economic factors can influence the student's Academic performances. The proper socio-economic factors are important to improve the performance of the students. The students should be properly guided and motivated by the academics, mentors, and parents from time to time to improve their socio-economic factors. A proper and conducive environment to study should be created. If the student knows well about the abilities, competence, and requirement, then he/she performs well.

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