Students Research Peers' Financial Concerns

URBANA, IL – Academic research often focuses on people and issues far removed from the researcher, but for 14 University of Illinois students last fall the subjects were their fellow students.

Research Methods in Consumer Economics and Finance was offered in the Department of Agricultural and Consumer Economics by Mary Arends-Kuenning, an associate professor and an affiliate of the U of I Center for Economic and Financial Education.

"The work pushed a lot of students out of their personal comfort zones," she related. "We ended up talking about the personal impact of some decisions on students."

Researching U of I topics at the undergraduate level is part of a six-year-old campus-wide initiative, Arends-Kuenning explained. Although the initiative, Ethnography of the University of Illinois, was launched from the College of Liberal Arts and Sciences, it is available to other colleges, including the College of Agricultural, Consumer and Environmental Sciences.

"The idea is to encourage students to do research on the University of Illinois, and this is the second such course offered in the College of ACES and the first in the Department of ACE," she said.

Following discussions about potential topics, the 14-member, all-senior class divided itself into five research areas, she said. The topics were as follows: student spending on textbooks; student use patterns of a new campus athletic center; student spending on food, including groceries and meals out; student use and perceptions of tuition loans; and international students' choice of the U of I.

Each research group developed an online survey and recruited and organized focus groups of fellow students to address the respective topics.

"The focus groups were particularly valuable," said Arends-Kuenning. "They provided some 'ah-ha' moments for the students."

She recalled one focus group dealing with student use of tuition loans and possible concerns about the length of time it would take to pay them off.

"One student said he was 'living in a bubble' in terms of thinking about his long-term debt. He simply was postponing thinking about it," she said.
The group that examined student use of tuition loans concluded that students at the U of I are not particularly worried about their student loans while attending college. They found little relationship between current consumption and expectations of tuition debt. Students have a high expectation of future earnings and use this to justify their spending.

One of the students who studied tuition loans reflected on his group's research and noted, "Tuition increases have become so significant that college students simply accept the fact that they will be in debt when they graduate and just really don't want to think about it. I don't think that's the way it should be. Something needs to be done about the recent spike in education costs over the years. If it continues to increase at the same rate, no one will be able to afford a college education without loans."

Another group working with student spending and attitudes on textbooks is anxious to share its findings with the rest of campus.

"This group found that freshmen spend the most on textbooks, and the longer one is a student, the less he or she spends. By the time a student reaches his or her senior year, they are spending much less than the average freshman," Arends-Kuenning said.

"However, the group also found that most students continue to use textbook stores rather than look for cheaper alternatives on the internet. This group is quite eager to share this information in hopes that fellow students will save some money. They also hope to influence professors to consider costs to students when they assign textbooks."

While the future of the course is unclear, Arends-Kuenning said she hope it continues.

"It was a very fun and rewarding teaching experience," she said.

Arends-Kuenning's students apparently agree. She was named to the U of I's List of Teachers Ranked as Excellent by Their Students for the fall 2008 semester.

Students indicated that they valued the research experience. As one student noted, "I also never pictured myself doing such a broad range of original research. Conducting the survey, and even more so leading a focus group, were projects that I never imagined doing as an undergraduate. The complete process will definitely be mentioned in future interviews, and I look forward to the day when I can hand a future employer this paper as a sample of my writing."

Another student noted, "I would say that the most important thing I learned from this experience is that research is an evolving process. When you answer one question, it opens another."

Finally, another student observed, "Up until now, I had never really had to do a real research paper. I always thought research was all about looking through a book and quoting others. Now I realize that real research is actually getting data yourself."

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