

Reflections

By Sarah Hopper, Sound Philanthropy

February 2013

Dear Friends,

Like me, you may have heard reference to the recently released study “More is More or More is Less” that shows that kids whose parents give them money to pay for college get worse grades. Personally, I just couldn’t wrap my head around this simple correlation, so I decided to do some thinking about what might really be going on.

The study was conducted by assistant professor Laura Hamilton of The University of California at Merced, and indicates that the students with financial support from their parents and the lowest grades are also the ones (generally) whose parents are “shocked” by the low marks, and failed to set any expectations around grades for their kids. She concludes that these findings support the idea that financial support of college can be a “moral hazard” – meaning that students are unable to take their studies seriously if they haven’t made their own financial investment in the education and experience. Hamilton acknowledges that the key issue is that many parents pay for college without setting expectations, or linking the money to certain goals around grades, graduation, jobs, etc. she encourages parents to consider the “investment” of their funds, and not “assume that all spending during college years has equal value.”

After reading the article [***Spoiled Children***](#) about this study (by Scott Jaschik, posted on InsideHigherEd.com on January 14) and the abstract (see link above), and perusing the comments of parents who are celebrating that they no longer need to pay for their kid’s education, I started to develop my own opinion about how we’ve missed the boat on what’s really going on here. Hamilton is on the right track, but I would take it a step further. Perhaps the motivation and drive to get good grades does not come from linking tuition payments to academic success, but rather in the preparation of the student to receive the gift of debt-free education? Consider this:

As parents (or grandparents!) how do we convey the “gift” of paying for college to our kids?

Paying for college – or any education – is a gift because the giver has the opportunity to offer the recipient a way to grow, develop as an individual, and enhance their lives – resulting in a more fulfilling existence, and a positive influence on the world. In order to allow it to take the form of a gift, the giver must tell the story of how it happened; how they are able to do this, and what it means to them, including their hopes and fears for the recipient.

Tangible idea to convey this message: Write a letter. Celebrate the milestone of getting into college with special dinner or experience that includes a conversation about the gift, as well as the responsibilities and opportunities that come with this new phase of life. Talk about what it means to be an “adult” member of the family, and express enthusiasm about the perspective and gifts that the young person will bring to the table in this role.

Reflections

By Sarah Hopper, Sound Philanthropy

February 2013

What is the “spirit” of this gift?

The spirit of the gift (a term from *The Cycle of the Gift* referenced below) comes from the giver’s intentions, and communication of those intentions to the beneficiary. These, coupled with the qualities of the gift to inspire and ignite the recipient, have the power to cause a cycle to happen – with the recipient perpetuating the gift to future generations.

Tangible ideas to convey the spirit of the gift: intentions can be communicated as part of the letter suggested above, or in the form of a special, personalized covenant or agreement between the giver and the recipient. The important part of keeping the “spirit” of the gift alive is on-going communications, and discussion about how these intentions are working (or not) for the recipient, and celebrations of significant milestones and achievements that happen along the way.

Is the recipient of this gift (the student) prepared to receive it?

The recipient is prepared to receive the gift if the giver, and other adults and mentors in his/her life, have helped him/her to build resilience, and an ability to adapt. This means that through respectful, honest, age-appropriate engagement, the recipient has participated in the growth of the idea of the gift, and discussions about what this means in terms of their own participation and responsibility. In this scenario, it is not necessary to “link” grades to tuition funding, because the motivation to succeed comes from the recipient him/herself, who has been included in the planning – as appropriate – from early on.

Tangible ideas to build resilience: Start money and values conversations early. Celebrate achievements, milestones and personal growth along the way – with real rituals and events that are meaningful for your family.

These questions and ideas were inspired in part by the recently published book, *The Cycle of the Gift*, by thought-leading authors Jay Hughes, Susan Massenzio, and Keith Whitaker. In it, they describe the necessary process and intentionality that must accompany a gift in order for it to have the desired effect of enhancing the life of the recipient. The buzz around this study was timely, as I was in the process of reading this book. I think it’s a perfect example of what Jay, Susan and Keith are talking about. I encourage you to both read the book, and also to think about the “gifts” in your life – both received and given – and how the spirit of these gifts has affected the outcome.

Some food for thought.

With warmest regards, and wishing you all the best in 2013.

Sarah

Sarah Hopper
Founder, Sound Philanthropy