# An Analysis of the Influence of Family Socioeconomic Status on Students' Academic Performance

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*Abstract:* Socioeconomic status (SES) is widely recognised as an important factor in children's academic performance within academia. Disparities rooted in SES have become more pronounced as social inequities have increased, and parental expectations for academic success have risen. This study aims to elucidate the intricate dynamics that affect student academic success. This study examines the critical role of family SES in contributing to student academic performance and identifies key factors that shape this relationship based on existing literature and research data. The study examines the direct impact of SES on academic performance and the mediating effect of parental educational contributions, demonstrating how parental participation might alleviate the challenges encountered by kids from lower SES families. To address this issue, the government and community can intervene to a certain extent. For educators and legislators to create successful interventions that assist underprivileged kids and advance educational equity, they must have a thorough understanding of these variables.

*Keywords:* Socio-economic Status, Developmental Psychology, Educational Expectations, Academic Performance, Human Capital.

## 1. Introduction

With the increasing pressure of competition in society, the importance that parents place on their children's education has increased dramatically and their expectations of their children's academic performance have gradually become higher. SES plays a critical role in this process. Ren asserts that the primary prerequisite for fostering access and equity in education is to ensure equal chances for all students, irrespective of their financial status, racial identity, or any physical or mental disabilities[1]. SES is a metric utilized to assess the social and economic level of pupils' familial members[2]. Numerous studies have demonstrated a strong association between socio-economic position and pupil development[1]. Generally, adolescents from households with a greater socio-economic level have superior average academic performance compared to their counterparts from families with a lower socio-economic status[3]. According to Vellymalay, a child's academic achievement is contingent upon the effectiveness of parental management within the home setting[4]. Vellymalay asserts that a child's academic success depends on the efficacy of parental administration in the home environment[5]. To help educators and policy makers better understand and support students who are disadvantaged, and to promote the rational allocation and effective use of educational recourses, this study was conducted on the impact and factors of family socio-economic status on students.

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## 2. The Concept of SES

The term SES refers to a measurement of a person's social and economic standing. It is typically derived from elements like income, professional standing, and educational attainment. Levels of socioeconomic status are based on how much social capital a person has influence over. Antonoplis's theory suggests that, "to utilize individual socioeconomic status variables (such as income, education, or occupational prestige) as indicators of socioeconomic status based on their theoretical significance to relevant outcomes, while entirely eschewing composite indices of socioeconomic status."[6]

Educational expectations include three aspects: parents' expectations for their children's education, teachers' expectations for their students' education, and students' expectations for their own education. This article focuses on parents' expectations for their children's education. According to the expectancy theory of American psychologist Fromm, motivational power equals valence multiplied by expected value. The motivation (driving force) for people to take a certain action depends on the probability (expected value) of achieving the expected goal and the value evaluation (valence) of the action result. Parents' expectations for their children's education. It will inevitably affect the investment in children's education, which in turn will affect their academic performance[7].

Family education investment refers to the money, time, and emotions parents invest in their children's education. For example, material resources available at home, external resources available to the family such as visiting museums or extracurricular tutoring classes, etc.; the interaction and emotional atmosphere between them.

The family investment theory explains the key mechanism of SES on individual development from an economic perspective.

#### 3. Impact of Family Socio-Economic Status on Children's Academic Performance

#### 3.1. Direct Impact

Research has repeatedly demonstrated a significant correlation between parental socioeconomic status and academic performance among children and adolescents. Both independent studies and large databases demonstrate that family SES influences children's academic outcomes. Homes with elevated socioeconomic status can offer more substantial material and emotional resources, resulting in enhanced cognitive development and, therefore, superior academic performance relative to children from lower socioeconomic status homes[8].

The correlation between family socioeconomic status and children's educational attainment was extensively corroborated across many countries, as evidenced by a meta-analysis[9]. The positive relationship between family SES background and child achievement is universal. However, the strength of this association varies globally and depends on factors such as social background and the education system. A recent meta-analysis of the linkage in developing countries indicated that the advantages were more pronounced in emerging nations with elevated economic development, and that the overall correlation between socioeconomic status and academic achievement was diminished[10]. In addition, Elstad also pointed out through traditional regression analysis and sibling analysis with a fixed effects model that parental income differences in the Norwegian region did not have a significant effect on the lower grades of lower secondary school, but that the lack of income in the lowest 5% of income households hindered children's opportunities to attend school[11].

In summary, most studies supported the positive impact of family SES on children's academic performance. Nonetheless, such an effect is not stable and may be subject to some extremes or only stabilise such a correlation within a certain range. Also, the link may not be due to a single factor and may be influenced by other mediating factors such as family involvement in education, community environment, school quality, and children's intrinsic motivation.

### 3.2. The Mediating Effect of Educational Inputs

At present, research on family SES and children's academic performance is still being explored, and comprehensive research has found that the mediating effect of educational investment is particularly important when exploring the relationship between family SES and children's academic performance. The types of investment in education can be categorised as both material and spiritual. Material inputs include learning resources provided by the family, such as books and tutorials, while spiritual inputs are reflected in parents' emotional support and educational expectations for their children. Both of these inputs have a significant impact[12].

Material influences from the family and directly related to economic level are an important mediating factor. The family's socio-economic position profoundly influences the quality of schooling attained by the child. Families of elevated socio-economic status typically offer superior learning settings for their children, encompassing direct financial contributions, school selections, and participation in extracurricular activities, while also demonstrating greater generosity in educational resource allocation[13]. In contrast, Abduh et al. found that students with low socioeconomic status tend to have poor access to family resources, have lower levels of self-concept, and are evaluated more negatively by teachers and peers.[14] At the same time, the study also showed that families with higher socioeconomic status were more active in educational activities, including parent-child communication about school activities and plans, parent-teacher communication, and more home-school interactions, all of which contributed to children's academic performance. However, disadvantaged students lack positive environments and support related to family, teachers, and school, which exacerbates academic difficulties[15].

Besides economic elements, psychological components of parental inputs serve as significant mediating variables between family socio-economic position and children's academic success[16]. Research indicates that parental educational expectations mediate student academic performance, with families of higher socioeconomic status generally able to establish elevated educational expectations for their children, resulting in enhanced academic performance[17][18]. The prevalence of higher educational expectations is especially pronounced among Asian families, and conversely, parents in low socioeconomic status families, especially certain minority parents, typically lower their expectations for their children's academic performance due to a lack of trust in the education system, creating a negative cycle that inhibits children's academic performance.

In conclusion, parental socioeconomic situation significantly influences educational dedication, which is crucial for comprehending children's academic achievement. Research repeatedly demonstrates that elevating educational expectations and supplying additional learning resources effectively enhances children's academic performance, particularly in families of low socioeconomic position. This discovery not only establishes a foundation for the development of educational policy but also indicates the trajectory for future research.

#### 4. Discussion

In order to minimise the negative impact of the socio-economic status of families on the academic performance of students, the following policy intervention approaches could be implemented. Firstly, the government can provide free or low-cost after-school tutoring, study materials, and online educational resources for students from low SES families to help them bridge the knowledge gap during their after-school hours. Apart from this, the government can establish a special scholarship or grant program for low-SES students to alleviate their family financial burden and encourage them to continue to receive higher education. In addition, the community can send volunteers to visit families with low SES on a regular basis to understand their needs and can educate them about the importance of education.

## 5. Conclusion

With an emphasis on the mediating function of educational inputs, this study thoroughly investigates the relationship between children's academic achievement and the SES level of their families. The results align with a substantial corpus of literature that highlights the beneficial correlation between increased socioeconomic status and superior academic achievements. However, the research also highlights the complexity and nuances of this relationship. The direct impact of SES on academic outcomes is well known, with families with higher SES typically providing more resources, better learning environments and higher educational expectations. These advantages translate into better academic performance for children. However, this relationship is not absolute. Differences in the strength of this relationship across backgrounds and populations suggest that other factors, such as cultural expectations, school quality and the wider community environment, also play a crucial role. Also, the study also highlights the key mediating role of investment in education. Families with higher SES are better able to invest in the physical and psychological aspects of their children's education. Physical inputs, such as books, extracurricular activities and better educational choices, directly improve children's learning environment. Conversely, psychological inputs, such as parental expectations and emotional support, indirectly improved academic performance by fostering more positive and proactive attitudes towards learning in children. This study reveals that educational inputs can alleviate certain disadvantages linked to lower SES. Although families with lower SES may lack the financial resources to provide the same level of material support, increased parental involvement and expectations can still lead to improved academic achievement. This research implies that programs targeted at raising expectations and parental participation might be more helpful for students from lower socioeconomic backgrounds. The study does acknowledge, though, that there are many outside influences on the complex link between SES, academic achievement, and educational involvement. The variation in findings across studies and contexts suggests that a more nuanced understanding of how these factors interact is needed.

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