

Stakeholder Summary

University Entrance Scholarships Show Limited Results Improving Student Success

While entrance scholarships and bursaries may attract stronger students to a particular university, a new study by the **Higher Education Quality Council of Ontario (HEQCO)** finds that these types of financial aids have limited use in promoting student success. The study found that first-year scholarships and bursaries have very modest effects on student grades and generally no association with degree completion.

Project Description

The authors used data from two Ontario universities to analyze the relationship between entrance scholarships and bursaries, and success in university. As the two universities had different financial support tools and requirements, their results are presented in the report individually. The data included all students who entered a full-time degree program in September at one of the two participating universities directly from an Ontario high school. One university provided data from 1994-2004 and the other from 1999-2006.

The study only focuses on scholarships and bursaries provided by the institutions themselves, and not any loan or non-repayable grant received through sources such as the Ontario Student Assistance Program. As a number of the individual characteristics associated with receiving a bursary or scholarship, such as being from a low-income family or having strong high school grades, are also likely to be tied to university performance, the study used regression analysis in an effort to control for these effects.

Findings

Even with scholarships that guaranteed additional funds in future years for students who maintained strong grades, there was no apparent impact on academic performance beyond a minor effect on first year grades. This was as true for students from low-income neighbourhoods as those from more advantaged areas.

These findings may have significant implications as considerable resources are provided for these types of financial assistance. If entry-level bursaries and scholarships have minimal impact on student performance, it is possible some of these resources could be better directed to higher quality programs or more instructors. More examination is required as the data are only from two universities and have significant limitations, including a lack of information on additional sources of financial support and broader socioeconomic characteristics of the individual families.

The Impact of Scholarships and Bursaries on Persistence and Academic Success in University was prepared by Martin D. Dooley, A. Abigail Payne and A. Leslie Robb of the Department of Economics, McMaster University.