

Increasing Financial Success for Students and Colleges ***Financially literate students can increase retention, graduation rates***

Baton Rouge, La., May 3, 2017—When college students drop out of school, finances are a common reason. According to a study at The Ohio State University, 70 percent of college students are stressed about their finances and 60 percent are worried about having enough money to pay for school.

Studies on Generation Z attribute this financial stress to a lack of education. A [2014 Ameritrade study](#) found that only 10 percent of Gen Z report learning financial lessons from a teacher or course at school. Financial education is lacking in colleges across the country. One recent study by U.S. Bank shows that most students do not budget or save money, and while students understand the importance of a budget, they have little practical knowledge. When students graded themselves on their money management skills, 83 percent of respondents gave themselves a C, D or F grade.

To combat this problem, many colleges and universities are building retention programs that include financial literacy to reduce student stress and improve student outcomes.

“Building financially literate students can help colleges increase student retention and graduation rates,” said Susan Windham, chief executive of [The EDSA Group](#). She agrees with research reporting that retention initiatives are estimated to be three to five times more cost-effective than recruitment efforts. The EDSA Group is the creator of [Good Money Habits for Students](#) (GMHS), an online money management curriculum that teaches students to manage their finances. “Good Money Habits for Students delivers interactive education and tools to empower them to take action and improve their financial situation,” Windham said.

Louisiana State University (LSU) introduced financial literacy in 2011 in a personal finance class that uses GMHS as its curriculum to teach the importance of taking care of finances early. “The (GMHS) program offers information on things that many students haven’t thought about before, such as budgeting and credit scores. Some students think of those as their parents’ issues, not theirs,” said Hannah Plauche, Ph.D., a LSU adjunct instructor, who has taught the class since its inception.

Grant Nelson, a 2016 graduate of LSU, took the college’s personal finance course in his sophomore year, “I was managing my money very poorly. My bank account would hit zero often. Fortunately after I finished the course with an A, my bank account never hit zero again.” Nelson now works as a financial representative in Lafayette, Louisiana and attributes GMHS for opening his eyes on what he was spending money on. “The information was all-encompassing. You’d be missing out if you didn’t take it,” he said.

As a pre-med major at LSU, Taylor Marcus used the personal finance class to start budgeting for the first time. “Prior to taking this class I had no idea about money. I know some students who have dropped out of school due to money issues. Good Money Habits for Students could make a difference for them staying in school. It’s incredibly beneficial,” Marcus said.

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About Good Money Habits for Students

Good Money Habits for Students™, developed by The EDSA Group, Inc., is an interactive learning tool that teaches critical money management skills that are essential for students to succeed in school—and throughout their lives. Lessons, calculators, and activities help students understand, take action, and gain control over personal finances. For more information visit www.gmhstudents.com .