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Parents go the Extra Mile to Offer Children the Best Career Opportunities and Want Universities to Make their Investment Work Harder

- *Parents expect to spend 6.7 years repaying borrowing for child's education*
- *77% would consider sending their child abroad to university*
- *84% of parents expect universities to teach their children to become financially responsible*

A new HSBC report conducted in 16 countries reveals that 64% of parents say that being happy in life is one of the most important goals they have for their child, compared to only 30% who say career success.

The survey of more than 5,550 parents found that 79% of parents consider university a 'must have' for their children to achieve their life goals, and they expect universities to deliver more than just academic skills with over eight in ten parents saying they must teach children to become independent and financially responsible.

HSBC's *Learning for life* report, the second in The Value of Education series, found that many parents have high expectations of education for their child, with 50% saying that a postgraduate degree is the minimum qualification required for their child to achieve their most important goals in life. It also reveals that 47% of parents think it will be harder for their children's generation to find a job after finishing education than it was for their own generation. In order to increase their children's chances of standing out from their peers, parents are considering topping up a domestic university education – and are willing to pay more for it.

Study found that to give their child a head start in the job market 77% of parents would consider sending their child abroad for either an undergraduate or postgraduate education. Recognising that international education comes with higher costs, HSBC report shows that around 70% of parents would consider paying more for a university education abroad than for a domestic one. The reports also reveals that the cost of an international university education is the main barrier for 34% of parents who would not consider this option.

Another way parents choose to boost their children's achievement potential is through extra tuition; 78% of parents have paid or would consider paying for additional tutoring during their children's education. Cost is a barrier for 19% of parents who are not considering additional tutoring.

72% of parents with a pre-primary school child think they will save up to cover their future university costs; however, only 53% of those with a child at university are funding or planning to fund their contribution from savings. Parents who think they will borrow money to fund their child's university costs expect to be paying it off on average for 6.7 years after their child graduates, and expect their child to be paying off their own university debt for 7.5 years.

The report found that 83% of parents have a specific occupation in mind for their child, and their preference is for professional, science-based careers, which typically combine relatively high income and job security levels. Medicine takes the top spot, preferred by 19% of parents. Other desirable occupations favoured by parents are engineering (11%) and computer science (8%). Among many reasons why parents prefer one occupation over another for their child, the job's income-earning potential and benefit to society (both 35%) are key considerations.

According to Armstat's latest available data¹ on higher education, while medicine is less popular (5%) in Armenia, economics and management (20%) and human sciences (30% all together) hold the top position among most desirable occupations. Out of 19,000 students admitted to universities in 2013, 1343 students decided to study arts (7%), another 7% chose pedagogics and agrofood (7%).

Aside from academia, parents think it is most important that a university education teaches their children how to become independent (86%), financially responsible (84%), and socially confident (83%), suggesting that to succeed in life, parents expect universities to provide softer as well as academic skills.

Mariam Adamyany, Manager Communications of HSBC Bank Armenia cjsc, commented: "Education of children is extremely important to Armenian parents. An increasingly competitive job market and better access to higher education has made it more difficult for graduates worldwide as well as in Armenia to stand out from their peers. Both, parents and children acknowledge that children need to get to the highest educational level possible. Interestingly, we saw the same trend when we looked at numbers provided by ArmStat in their *Education and Culture* section. In 2013/14, the number of students excelling in their education by doing Masters degree has increased by more than 300% against the same numbers for 2009/10, which is a drastic increase. However, a postgraduate education also comes with higher costs, that's why parents should start planning and saving early for their child's education."

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Media contacts

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Notes to editors

The Value of Education *Learning for life*, was published in July and represents the views of 5.550 parents in 16 countries and territories around the world: Australia, Brazil, Canada, China, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, Turkey, United Kingdom, United Arab Emirates and United States.

The survey was conducted online in by Ipsos MORI in March and April 2015. The findings are based on a nationally representative survey of parents in each country who have at least one child aged 23 or younger currently (or soon to be) in education, and who are solely or partially

¹ Armenian Statistical Service of Republic of Armenia
<http://www.armstat.am/file/doc/99489193.pdf>

responsible for making decisions about their child's education. There was a minimum sample of 300 parents in each country.

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HSBC in Armenia

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