FINANCIAL LITERACY FOR COMMUNITY COLLEGE STUDENTS:
EXPLORING HOW CONSUMER SOCIALIZATION INFLUENCES LEARNING IN A
FINANCIAL LITERACY SEMINAR

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ABSTRACT

Financial literacy knowledge is limited among college students causing students to graduate with a lot of debts and make the wrong financial decisions. Financial literacy is necessary for young adults to set them up for success after graduation. This research aims to understand how community college students make sense of their learning at a financial literacy seminar through an Interpretative Phenomenological Analysis to emphasize the voice and lived-experiences of the participants. The consumer socialization theory is used to examine the way in which learning from parents, family members and others influence the students’ experiences with personal finance knowledge.

Key Words: Financial literacy, financial capability, financial well-being.
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CHAPTER ONE: INTRODUCTION TO THE STUDY

The purpose of this interpretative phenomenological study is to understand the influence of a financial literacy seminar on the financial behavior of community college students. In this study, financial literacy is defined as the set of skills and knowledge to manage one’s finances (Beverly & Burkhalter, 2005; Jump$tart Coalition, 2008). Findings from this study will aim to inform educators how to effectively teach financial literacy at community colleges so that the knowledge acquired can be applied in real life.

This chapter begins with a brief overview of the research related to financial literacy to provide context and background to the study. The rationale and significance of the study is discussed next, drawing connections to potential beneficiaries of the work. The problem statement, purpose statement, and research question are presented to focus and ground the study. Finally, the theoretical framework that serves as a lens for the study is introduced and explained.

Context and Background

College student debts in the United States have exceeded a trillion dollars (Selingo, 2015). Undergraduate student financial burden is a combination of student loans and credit card debts (Kamenetz, 2010 Selingo, 2015). College students lack financial literacy and therefore borrow more money than they can repay after graduation (Avard, Manton, English, & Walker, 2005; Becchetti, Caiazza, & Coviello, 2013; Seyedian & Yi, 2011). If college students do not receive the appropriate financial literacy education in their freshman year, they will continue to borrow student loans and apply for credit cards without understanding the implications of these loans resulting in high debts right after graduation (Norvilitis et al., 2006).

There are many efforts in place to educate college students about their personal finances, including the creation of numerous organizations, such as the Jump$tart coalition and the
Financial Literacy and Education Commission (FLEC) (Kobliner, 2013). However, the knowledge acquired does not necessarily lead to positive changes in spending behaviors and financial decision-making (Avard et al., 2005. Becchetti et al., 2013; Seyedian & Yi, 2011). Therefore, this research seeks to understand how a financial literacy seminar may be effective in improving the financial behavior of students beyond the acquisition of knowledge.

**Rationale and Significance**

The purpose of this study was to understand how a financial literacy seminar influenced the decision-making of college students in community colleges about incurring personal debt. The study sought to allow educators to understand how students perceive the knowledge received from a financial literacy seminar. The study aimed to give a space for undergraduate students to share their experiences in trying to apply the concepts learned in the classroom to their financial situation. Findings from this study can inform educators on effective methods to teach financial literacy to help students with their financial decisions. This study also sought to shed light on supplementary factors that may impact students’ financial behavior outside the classroom. Moreover, it had the goal of providing necessary evidence for administrators to promote incorporating financial literacy in the curriculum for college freshmen and possibly even sooner in high school. Following high school graduation, many students find themselves facing major decisions about student loans and credit (Martin & Lehren, 2012). Many community college students are first-generation college attendees and may not be able to rely on their families for guidance when it comes to financing college education (Adams, 2011). This lack of support from family is intensified by over-optimism from college students who believe that they can easily repay their student loans after graduation (Adams, 2011).
Community college students face additional challenges when accessing resources. Certain websites, such as FAFSA.gov, that can provide financial aid can be confusing to students and their families who have to navigate many pages and provide detailed information (Venegas, 2006). Students are also not aware of additional resources, such as the college scorecard, that can inform their decision when deciding on a college (Kobliner, 2013). A nine-month study including 16 focus groups with 150 parents in eight cities and a telephone survey of 2,000 randomly selected adults between the ages of 21 and 70 concluded that the public knows very little about higher education resources, costs, and financial aid (Ikenberry & Hartle, 1998). Even parents with children in college or whose children are about to go to college are surprisingly uninformed (Ikenberry & Hartle, 1998). This study confirms the need for targeted personal finance education for freshmen at community colleges so that they can be aware of all resources available to them and understand how to take advantage of those resources. Lastly, this study sought to be helpful for families and communities. Families could benefit from financial literacy education as well and be able to advise their children going to college about appropriate spending behaviors. Communities could benefit from this study by investing in financial literacy programs to educate their residents and ultimately help their student population and young adults become more effective in making financial decisions.

**Positionality Statement**

I have over 10 years of retail banking experience and 8 years of teaching personal finance experience. I have familiarity in dealing with customers facing financial difficulties due to uninformed decisions and lack of awareness about resources. I worked in three different banks handling large portfolios of clients as well as working in low-income areas. I believe that I have a respectable understanding of financial products and their implications. I have been teaching a
personal finance course, a corporate finance course, a money and banking course, and a financial literacy seminar during my teaching career. All these courses combined offer a broad perspective on how a customer’s micro decisions fit in the broader concept of macroeconomics. Personally, I am a community college student alumnus, and I have college debts. I believe that if I had financial literacy offered to me in my early years in college, I would have made different choices for my education and how to finance my studies. My work and personal experiences represent my bias in this research, as I firmly believe that financial literacy education can be beneficial to decrease students’ debts. However, this study will be objective, and I will not impose any conclusions that the study’s findings do not support. I will be diligent in separating my beliefs from the facts that ultimately present themselves. I will also be cautious in my interpretation of the data collected from the interviews and not let my positionality influence my findings.

Research Problem and Research Question

The problem of practice investigated how community college students make meaning of their learning in a financial literacy seminar. The purpose of this study was to explore the perception of students on financial knowledge and debts after completing a financial literacy seminar. This study sought to understand how family members and peers influence the consumer socialization of students. This research involved a qualitative study using interviews with first-year students who have already completed the financial literacy seminar and asking about the influence of the seminar on their financial capability as well as asking about their experiences with socialization agents, such as parents, peers, and family members, who may have impacted their financial attitudes.

Financial education has been subject to many studies looking to gauge its influence on college students’ behaviors (Avard et al., 2005; Becchetti et al., 2013; Seyedian & Yi, 2011).
This study sought to complement the previous studies by focusing on community college students and their financial situation. Although numerous studies have looked at financial literacy for college students, a very limited number of studies have specifically looked at the population of community college students (Lyons & Hunt, 2003; Roggenkamp, 2014). This study sought to complement the previous ones by focusing on first-year students at community colleges and to explore the application of the knowledge acquired at least one year after completing a financial literacy seminar.

**Research Question**

The overall research question guiding the inquiry:

What are the experiences of the students with consumerism and financial literacy?

**Definition of Key Terms**

While conducting research related to financial literacy, several terms need to be defined. These terms are financial capability, and financial well-being. Prior to providing those definitions, financial literacy itself is defined in many ways by many scholars.

**Financial literacy.** There are many definitions of financial literacy (Beverly & Burkhalter, 2005; Fox, Bartholmae, & Lee, 2005; Jump$tart Coalition, 2008; Thaden & Rookey, 2005; Vitt, 2001). According to Vitt,

[Financial literacy is] the ability to read, analyze, manage, and communicate about the personal financial conditions that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future, and respond competently to life events that affect every day financial decisions, including events in the general economy. (p. 12)
Additional definitions include, “one’s understanding and knowledge of financial concepts” (Fox et al., 2005, p. 195) and the “knowledge and skills related to money management and can include the ability to balance a checkbook, manage a credit card, prepare a budget, take out a loan, and buy insurance” (Beverly & Burkhalter, 2005, p. 121). Financial literacy is the knowledge and the ability to use that knowledge to manage one’s financial choices. According to a non-profit organization, Jump$tart Coalition (2008), financial literacy is the ability to reach lifetime financial security by acquiring knowledge and skills to manage one's financial resources effectively. This definition is similar to the one adopted by the President’s Advisory Council on Financial Literacy “the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial wellbeing” (Jump$tart Coalition, 2008). Thaden and Rookey (2005) define financial literacy as the ability to make sound financial decisions based on the understanding of financial concepts, and principles and the use of technological tools. These definitions differ from the concept of financial capability.

**Financial capability.** Financial capability results, “when individuals develop financial knowledge and skills, but also gain access to financial policies, instruments, and services” (Johnson & Sherraden, 2007). Financial capability includes financial literacy but goes a step further in incorporating social and emotional factors that influence how a consumer manages money and gets access to financial services (Jump$tart Coalition, 2008).

Although the terms “financial literacy” and “financial capability” are sometimes used interchangeably, it is important to note the difference before starting the research. When discussing the financial knowledge acquired by youth, “the term “financial literacy” might be more accurate, as it focuses on building knowledge and skill, rather than immediate access or applicability” (Jump$tart Coalition, 2008). Financial literacy and financial capabilities have
become critical because of the rising debts of college students. Another concept that has been related to financial literacy is financial well-being.

**Financial well-being.** Many scholars have researched the topic of financial wellbeing (Joo, 2008; Xiao, Tang, & Shim, 2009; Vlaev & Elliott, 2014). Some define it as satisfaction with one’s current financial status (subjective measure) and level of debt (objective measure) (Joo, 2008; Xiao, Tang, & Shim, 2009). Financial well-being is one’s overall satisfaction with one’s financial situation (Joo, 2008). Financial well-being is defined as “a state of being financially healthy, happy, and free from worry” and is based on subjective appraisals of one’s financial situation (Joo, 2008, p. 22). Vlaev and Elliott (2014) conducted a study that researched the factors impacting financial well-being (FWB) and discovered that FWB is increased when individuals experience a greater sense of overall control of their money. The results of this study concluded that control was more important for individuals than the amount of money available to them. In many studies, (Grohmann, Roy, & Menkhoff, 2015; Shim, Barber, Card, Xiao, & Serido, 2010) financial well-being and financial literacy were explored in relation to another concept: financial or economic socialization.

These key definitions are important to understand prior to diving into the next part of the chapter related to theoretical framework. The following section of this chapter includes a description and discussion of consumer and financial socialization theories, which will serve as the theoretical lens for this study.

**Consumer and Financial Socialization Theory**

The theoretical framework considered for this study is consumer and financial socialization theory. Ward (1974) defined consumer socialization as “processes by which young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the
marketplace" (p. 2), in other words, how young people are being socialized into becoming consumers. Financial socialization, as defined by Danes (1994) is "the process of acquiring and developing attitudes, standards, norms, knowledge, and behaviors that contribute to the financial viability and well-being of the individual" (p. 128). Financial socialization is a process learned by young children that enables them to acquire knowledge about money management and developing skills in various areas, such as budgeting, saving, and credit card use (Bowen, 2002). The family is considered one of the major sources of children’s socialization. Children become financially socialized through observing their parents, participating in financial practices, and tutoring (Beutler & Dickson, 2008; Danes, 1994; Pinto, Parent, & Mansfield, 2005). Hayta (2008) argued, “Socialization of the consumer is the process in which the individual constantly harmonizes himself or herself with the environment by learning or changing new attitudes, values, and current norms” (p. 167). Consumer socialization theory was developed several decades ago from the field of sociology and applied to the socialization of the young adult into becoming a consumer. In the following sections, a historical trajectory as well as the seminal and contemporary authors are presented.

**Historical Trajectory**

The first publications on consumer and financial socialization theories were published by many influential sociologists during the 1950s, who focused on topics such as, money concepts (Strauss, 1952), brand loyalty (Guest, 1955) and conspicuous consumption (Reisman & Roseborough, 1955). Later, additional research focused on the impact of parents and peers on teenage consumption patterns. In 1964, McNeal examined “children's understanding of marketing and retail functions narrowing in on the learning process of consumer behavior” (p.
In 1978, Moschis and Churchill studied socialization agents, such as family, peers, culture, and mass media. According to Moschis (1985),

> Parents influence their children’s consumer learning through several different communication processes, including overt interaction about consumption matters, reinforcement in which a child has the opportunity observe their own behavior, and direct transmission of specific values from parent to child. (p. 32)

Many researchers agreed that parents have a significant influence on their child’s future spending patterns (Bowen, 2002; Edwards, Allen & Hayhoe, 2007; Palmer, Pinto & Parente, 2001).

**Seminal and Contemporary Authors**

The seminal authors of both financial socialization and consumer socialization are the early sociologists who studied the relationship between socialization agents and consumption. They include Reisman and Roseborough (1955), two earlier consumer socialization scholars who claimed that children learn from peers. Moschis and Churchill (1978) conducted a large-scale study of adolescent consumer socialization that outlined several socialization variables. The authors departed from the hypothesis that the frequency of adolescent peers’ communication is linked to consumption matters, individual's social motivation, and materialistic attitudes. The results of the study found that adolescents' interactions with their peers about consumption matters is more likely to be an influential social agent (Moschis & Churchill, 1978).

Additional scholars who have made contributions to the field of financial literacy overall and consumer and financial socialization specifically are Danes and Hira (1987) and Ward (1974). Each studied theories of socialization and researched the impact of the different socialization agents. Additional scholars who have contributed to the field of financial literacy overall are Mandell (2006), Xiao, Tang, Serido, and Shim (2011), Anderson and Card (2015),
and Vitt (2001). There were also many articles and studies written about these theories (Allen, Edwards, Hayhoe, & Leach, 2006; Fox, Bartholomae, & Gutter, 2000; Hayhoe, Leach, & Turner, 1999; Masuo, Malroutu, Hanashiro, & Kim, 2004; Newcomb & Rabow, 1999; Yang & Lester, 2001). All these studies addressed the different agents that contribute to the consumer socialization process.

**Counterargument**

Financial learning differs from one individual to another because of the differences in family structure, demographics, and life cycle events that unfold within the natural environment of today's youth (Ward, 1974). Some of these variables include parents’ income, parents’ education levels, students’ education, occupation, gender, and race (Fox et al., 2005). The biggest pushback against consumer and financial socialization theories is that, although virtually every study included demographic variables, only a few studies offered empirical evidence for why these variables predicted financial outcomes (Dotson & Hyatt, 2005; Moschis & Churchill, 1978). The critics argue that the link between demographics as socialization agents and financial outcomes should be researched prior to assuming demographic factors as variables in studies using financial and consumer socialization theories (Dotson & Hyatt, 2005).

Another criticism of the Ward’s (1974) consumer socialization theory is that the individual family members are lumped into one unit labeled, “the household” (Aldous & McLeod, 1974). For instance, there is no distinction made between the roles of mothers versus fathers. However, parents’ interactions socialize children differently based on gender. Mothers are typically assigned shopping duties, while fathers are stereotypically responsible for buying more expensive items (Aldous & McLeod, 1974). Due to this distinction, the influence of each parent may be different and needs to be considered separately.
An additional criticism to the theory of consumer socialization is that the changing society and technology has altered how adolescents are being influenced. The media was not as present when the theory of consumer socialization was created. The family structure was standardized including both parents versus the single-parent family structure that exists today. Presently, media play a big role in the socialization of youth and the theory needs to include media as a socializing agent. It needs to consider the shift in the role of parents and how mothers have become the “bread winners” in many families (Dotson & Hyatt, 2005).

Although the critics of financial and consumer socialization theories have some valid points, these two theories are the best fit for this study. To respond to the critique of not distinguishing between the role of mothers and fathers in socializing their children, interview questions can be more specific. Instead of asking, “How have your parents influenced your financial knowledge?” the question could ask, “How did your family influence your financial knowledge?” These theories of consumer and financial socialization shed light on additional factors that impact how students internalize financial literacy information and how they apply it in their everyday life. Understanding this impact of socialization on young adults’ financial literacy is key to designing activities that would link in-class learning with agents who contribute to students’ socialization into consumers, such as parents and family members.

The theories of financial and consumer socialization expand the lens from which the problem of practice of financial literacy of college students may be seen. The consumer socialization theory explains how children become consumers and how different agents participate in their socialization. The financial socialization theory explains how children develop financial acumen and become financially literate. There are many factors outlined by the financial and consumer socialization theories, including family, peers, and other demographics.
For example, sociologists Riesman and Roseborough (1955) found that children learn consumption necessities from their parents, while they learn styles and moods of consumption from their peers (Ward, 1974). A more recent study that used the theory of financial socialization collected data from a total of 217 students over three semesters at a large Midwest university (Solheim, Zuiker, & Levchenko, 2011). The qualitative study addressed the following questions:

- When and from whom did you learn about money and how to manage it?
- If your family talked about money, what topics were discussed and what did you learn?
- If your family didn’t talk about money, why do you think money conversations were avoided?
- What did you learn about money management from observing how finances were handled in your home? (p. 100)

The consumer socialization theory aligns with this study because it provides an interesting lens to interpret the findings of this study.

**Rationale**

Consumer and financial socialization theory was the best fit for this study because it offers the ability to interpret the influence of socialization agents of financial learning of community college students. Evaluating the knowledge before and after taking a financial literacy seminar, without taking into consideration the consumer socialization factors of students, does not offer a complete and true reflection of the experiences of students in the seminar. Consumer socialization theory allowed the study to consider external factors, such as family and peers in understanding why gained financial knowledge is or is not applied in real life. This theory informs educators who wish to understand how young adults, including college students, process environmental “stimuli” so they can function as effective consumers (Moschis &
Churchill, 1978). It also assists in understanding the impact of marketing activities on the development of consumer behavior and gauges the effectiveness of consumer education materials (Moschis & Churchill, 1978). Consumer socialization theory helps frame the research questions and guides the interpretation process of the findings by stressing the socialization factors responsible for shaping the college students into consumers.

**Application to the Study**

The consumer socialization theory was important in shaping the research questions. Interview questions with community college students who have completed the seminar will seek to understand how they reconcile what they learn in the financial literacy seminar and their earlier experiences with money from family and friends. The findings of this study may influence future financial literacy curriculum by showing the importance of self-reflection from students on their earlier experiences with money. This study will also offer recommendations on which topics the students have found to be the most relevant and interesting based on their personal socialization experience. Last, this theory focused the interpretation of the findings within the lens of consumer socialization theory. The literature review in Chapter Two explores financial literacy from diverse angles, including benefits, disadvantages, and efforts pursued at the state and federal level to promote financial education.

In conclusion, the knowledge generated from this research is expected to provide practitioners in the financial literacy field with information on how students make sense of their learning at a financial literacy seminar. This chapter provided an overview of the research related to financial literacy to provide context and background to the study; and provided discussion of the research study’s rationale and significance, problem statement, purpose statement,
introduction of the main research question, definitions of key terminology and an introduction of the theoretical framework. The following chapter is a review of financial literacy literature.
CHAPTER TWO: LITERATURE REVIEW

College student loans have exceeded a trillion dollars (Selingo, 2015) and credit card usage is increasing among college students in the United States (Sallie Mae, 2016). It is even more alarming that college students lack the financial acumen necessary to make sound financial decisions. Many studies have concluded that students graduate from high school with poor knowledge of financial literacy leading to financially illiterate college freshmen (Avard, Manton, English, & Walker, 2005; Becchetti et al., 2013; Norvilitis et al., 2006; Seyedian & Yi, 2011). Lack of financial knowledge is a significant predictor of debt in an undergraduate population (Norvilitis et al., 2006). Therefore, financial literacy has become critical in providing college students with the knowledge that can lead to better decision-making (Anderson & Card, 2015; Becchetti et al., 2013; Ning & Peter, 2015; Shim et al., 2010).

Understanding how college students acquire financial knowledge and apply it to their lives has been the focus of many studies that explored different factors contributing to the consumer socialization of students (Anderson & Card, 2015; Avard et al., 2005; Becchetti et al., 2013; Norvilitis et al., 2006; Seyedian & Yi, 2011). However, the majority of these studies have not explored how students perceive and make meaning of their own financial learning through college courses and family experiences.

This literature review explores the different factors leading to increased student debts. It also presents numerous studies researching the benefits of financial education offered to students. Although the study is focused on first-year students at a community college, this literature review is larger in scope and includes high school and college students to offer a more in-depth perspective on the topic of financial literacy for young adults. Terms, such as financial education, financial literacy, financial capabilities, college students, high school students,
community college students, student debts, consumer socialization and financial socialization, were used to search for literature in EBSCOhost Academic Search Premier and Gale Cengage Academic databases. Literature was also reviewed based on articles and dissertations relevant to the topic of financial literacy.

This literature review explores six different themes. First, it explores the environment contributing to high student debts (Holsendolph, 2005; Kamenetz, 2010; Selingo, 2015). Second, it presents the benefits of financial education on changing students’ self-awareness and financial behavior (Anderson & Card, 2015; Baumann & Hall, 2012; Becchetti et al., 2013, Borden, Lee, Serido, & Collins, 2008; Carlin & Robinson, 2012; Ning & Peter, 2015; Shim, Barber, Card, Xiao, & Serido, 2010). Third, it examines the factors influencing the financial behavior and decisions of college students (Gutter & Copur, 2011; Jarecke, Taylor, & Hira, 2014; Seyedian & Yi, 2011; Zhan, Anderson, & Scott, 2006). Fourth to be explored are the different methodologies used to teach financial literacy (Borden et al., 2008; Deng, Chi, & Teng, 2013; Mandell, 2008; Mason & Wilson, 2000). Fifth, this literature review addresses the challenges facing financial literacy efforts (Collins, 2010; Mandell, 2006; Meier & Sprenger, 2013; Willis, 2011). Last, this review examines the distinctive efforts conducted by different institutions and organizations to promote financial literacy among young Americans (Adams, 2011; Bernheim, Garrett, & Maki, 2001; Kobliner, 2013).

Why So Much Debt in College?

The first strand in the literature review focuses on the environment contributing to high students’ debts. College students’ debts have reached record numbers in the last decade (Holsendolph, 2005; Kamenetz, 2010; Selingo, 2015). College loan balances have reached $1.4 trillion after jumping by $833 billion in the last decade (Dickler, 2017). This increase in student
loan debts is nearly 150% in one decade (Dickler, 2017). College tuition, which is one of the main factors impacting student debts, has outpaced inflation (Dickler, 2017). Kamenetz (2010) states, “Between 1990 and 2008, tuition and fees rose 248 percent in real dollars, more than any other major component of the Consumer Price Index” (p. 15). These excessive debts are caused by several factors: extravagant practices and loose regulations from colleges and universities, and unrealistic students’ beliefs.

**Extravagant Practices and Loose Regulations**

Universities are engaged in a competition of name recognition and amenities to attract students (Hacker & Dreifus, 2010; Kamenetz, 2010; Selingo, 2015). Universities spend millions of dollars on marketing campaigns, new buildings, and new medical schools. Some universities build giant pools, lazy rivers, and conduct college visits in golf carts (Selingo, 2015). These costs are then passed on to students in the form of tuition increases that continue to increase year after year. These institutions do not put student learning at the forefront of their mission (Selingo, 2015). Instead, they resemble businesses looking to maximize profits (Kamenetz, 2010; Selingo, 2015). Additional extravagant costs that are passed on to students are the costs of college sports (Zimbalist, 2010). Universities spend millions of dollars on their college sports teams and although some of them profit from these sports, not all institutions are able to recoup the costs of sports (Selingo, 2015). Therefore, college sports expenditures are billed to enrolled students (Zimbalist, 2010). Adding to the problem of extravagance in spending, the issue of loose regulations on college campuses exacerbates the situation. The lack of regulations to hold institutions liable for their spending contributes to these extravagant expenditures. Unlike financial institutions, colleges and universities have more flexibility in moving their institution’s budget around different divisions and departments, masking the truth about where the money
really goes (Selingo, 2015). Colleges and universities allow financial institutions to set up tables on their campuses and sell credit cards and student accounts (Irby, 2016). There are no policies to limit financial institutions presence on campuses (Irby, 2016). These entities sell student credit cards and student financial products to a population of students unaware of the implications of these financial products. Even though the law prohibits credit card companies and banks from offering free, tangible products on campuses to sell their products to students, it allows them to give intangible products, such as coupons to statement credits (Irby, 2016). These credit card companies lure students with marketing, “free stuff” to make them apply for financial products (Irby, 2016). College students lack financial literacy to understand interest rates and terms of credit cards and loans, which makes them an easy target (Avard et al., 2005; Becchetti et al., 2013; Seyedian & Yi, 2011). Federal regulations require financial aid officers to provide counseling to students who are taking federal loans. However, the counseling only requires a brief online course about student loans and repayment that is not sufficient to educate students about these products (Martin & Lehren, 2012). The lack of stricter policies or regulations to advice and council students about financial products and debts puts students at risk of living on debts beyond graduation (Kamenetz, 2010; Selingo, 2015). This problem of extravagance in spending and loose regulations at American colleges and universities is intensified by the lack of knowledge and over-optimism of college students.

**Students’ Over-optimism**

In the US, there is a culture of tolerance when it comes to debts (Davies & Lea, 1995). This tolerance from college students is fueled by over-optimism because of the belief that they can easily repay their student loans after graduation (Adams, 2011; Norvilitis et al., 2006; Slowik 2012; Xiao, Tang, Serido & Shim, 2011). The culture of, “Borrow today, pay later,” is
encouraged by catchy slogans from colleges and universities. For example, at Ohio State University, the website says, “College can be a reality for everyone, no matter your income or background,” while at Ohio Northern, future students are urged to get over the “sticker shock” and focus instead on “return on investment” (Martin & Lehren, 2012). What these college students do not realize is “after interests and penalties, repayments can reach three times the face amount, making this the first generation of young people to embark on adulthood in debt” (Hacker & Dreifus, 2010, p. 129). College students overspend using credit card debt and take on too many student loans, then they are shocked six months after graduation when the repayment period begins (Adams, 2011). Some studies specifically addressed the relationship between student debts and attitudes (Davies & Lea, 2005; Lyons, 2004; Norvilitis, Szablicki, & Wilson, 2003). The findings showed that the students who are in the high-debt group had relatively tolerant attitudes toward debt. These studies concluded that the students, who come from relatively prosperous socioeconomic groups but have low incomes, perceive their situation as temporary. Thus, to sustain their expected life style, they accept some level of debt and their attitudes then adjust to tolerance of debt (Davies & Lea, 2005). Students and families willingly accept to pay the ever-escalating cost of college degrees because of a firm belief that it is the key to moving up the ladder of economic status (Martin & Lehren, 2012).

Conclusion

These extravagant practices from colleges and universities coupled with students’ over-optimism is the cause of the large financial burdening that college students are facing today. Students are accepting student loans without a clear understanding of the terms for repayment. They also use credit cards to overspend, optimistically thinking that they will be able to repay the balances after graduating and getting a highly paid job (Davies & Lea, 2005). The administration
of financial literacy can alleviate this burden by increasing awareness and improving financial decision making and spending behaviors.

**Benefits of Financial Literacy**

Many scholars have conducted studies to gauge the benefits of financial education on consumers and college students (Anderson & Card, 2015; Baumann & Hall, 2012; Becchetti et al., 2013; Borden et al., 2008; Carlin & Robinson, 2012; Ning & Peter, 2015; Shim et al., 2010). Some studies targeted the benefits from a behavioral change perspective (Anderson & Card, 2015; Baumann & Hall, 2012; Becchetti et al., 2013). Other studies examined the impact of financial education on financial well-being of participants (Bernheim et al., 2001; Ning & Peter, 2015). The next strand of literature explores how financial literacy increases awareness about financial products and improves decision-making.

**Increased Awareness**

Receiving financial education brings awareness about spending habits (Anderson & Card, 2015; Carpena et al., 2011; Greenspan, 2002). In a study conducted by Anderson and Card (2015), over 500 first-year students participated in a pre-test and post-test after receiving financial education. The post-tests show that students were more financially literate and aware of their spending behaviors. The benefits of financial education go beyond increased awareness. According to the former chairman of the Federal Reserve Bank Alan Greenspan (2002), “Financial education can equip consumers … with the financial knowledge necessary to create household budgets, initiate savings plans, and make strategic investment decisions” (p. 1). Financial literacy effectively improves basic awareness of financial choices and attitudes toward financial decisions (Carpena, Cole, Shapiro, & Zia, 2011). The gain of financial knowledge and the skills necessary to manage and take control of financial resources is key for building a solid
and stable future for individuals and their families (Rhine & Toussaint-Comeau, 2002). The lack of financial literacy has a negative impact on one’s financial situation because of lack of awareness of consequences of bad spending habits (Gerardi, Goette, & Meier, 2010; Lusardi & Tufano, 2009; Moore 2003; Stango & Zinman, 2009). Lack of awareness due to low financial literacy leads to negative credit behaviors, such as high cost borrowing and high debt accumulation (Lusardi & Tufano, 2009; Stango & Zinman, 2009) as well as poor mortgage choice, mortgage delinquency, and home foreclosure (Gerardi et al., 2010; Moore, 2003).

**Better Decision-making**

Financial knowledge can lead to better decision-making (Anderson & Card, 2015; Bechetti et al., 2013; Ning & Peter, 2015; Shim et al., 2010). Overall, studies have found a positive relationship between financial knowledge, wealth accumulation, and the likelihood of engaging in sound financial practices, such as paying bills on time, tracking expenses, budgeting, paying credit card bills in full each month, saving regularly, developing an emergency fund, diversifying investments, and setting smart financial goals (Ameriks, Caplin, & Leahy, 2003; Hilgert, Hogarth, & Beverly, 2003). In a study conducted in a theme park at which students received 19 hours of financial education, results have shown an improvement in financial welfare of participants. According to Carlin and Robinson (2012), “Trained students were more frugal, paid off debt faster, and relied less on credit financing” (p. 306). Financial education, when applied properly, teaches students beyond consumption. It trains them for life (Baumann & Hall, 2012). After receiving financial education, students reported intending to engage in significantly more effective financial behaviors and fewer risky financial behaviors (Borden et al., 2008). Providing financial education to college students will allow them to know and access financial capabilities resources. In their work on the impact of financial education, Bernheim et al. (2001)
found that middle-aged individuals who attended a personal financial management course in high school had more savings than those who did not take the course. Financial education also helps consumers plan for the future (Kimball & Shumway, 2006; Van Rooij, Lusardi, & Alessie, 2011, 2012). Financial knowledge increases the likelihood of investing in the stock market, better diversification in stock trading, and is positively related to retirement planning and starting a savings plan that ultimately helps build financial wealth (Choi, Laibson, & Madrian, 2011; Graham, Harvey, & Huang, 2009).

Conclusion

Being financially literate is to understand how to effectively handle money and have the capacity to adapt and respond competently to life events that affect every day financial decisions (Miley, 2008). The benefits of financial education are several (Ameriks et al., 2003; Anderson & Card, 2015; Baumann & Hall, 2012; Bechetti et al., 2006; Borden et al., 2008; Carlin & Robinson, 2012; Hilgert et al., 2003; Ning & Peter, 2015; Shim et al., 2010). It brings awareness to students about their spending habits. It allows students to have better control of their impulses and makes them feel satisfied with their financial well-being. It improves students’ financial choices and yields to a future with fewer debts and less credit financing. In the next part, studies that addressed the impact of gender, parents, and race on financial education learning and behavior are presented.

Factors Influencing Financial Behavior of Students

Many studies have researched the different factors influencing the financial behavior of college students (Chen & Volpe, 1998; Danes & Hira, 1987; Goldsmith & Goldsmith, 2006; Goldsmith et al., 1997; Gutter & Copur, 2011; Jarecke et al., 2014; Seyedian & Yi, 2011; Zhan
et al., 2006). There are a wide array of factors impacting students’ financial learning and behavior, such as gender differences, motivation, race, and the role of family.

**Gender and Financial Literacy**

Research has shown that financial education for females and males is different (Chen & Volpe, 1998; Danes & Hira, 1987; Goldsmith & Goldsmith, 2006; Goldsmith et al., 1997, Jarecke et al., 2014; Seyedian & Yi, 2011). These studies claim that women, in comparison to men, are more risk-averse and less confident when making financial decisions and are consequently less financially literate. Data from the Cognitive Economics Survey, which includes measures of financial literacy for a set of husbands and their wives, examined the level of financial knowledge in married couples and showed that wives have a lower average level of financial literacy than their husbands (Hsu, 2011). This difference in the level of financial knowledge is a result of men being more responsible for managing household finances (Hsu, 2011). Lusardi and Mitchell (2008) found similar results affirming that women display much lower levels of financial literacy than the older population as a whole and are less likely to plan for retirement and be successful planners. In a study conducted by Danes and Hira (1987), 323 Iowa State University students were investigated around knowledge about credit cards, insurance, personal loans, financial record keeping, and overall financial management. The study concluded that males, upperclassmen, and married students were more knowledgeable than females, lowerclassmen, and single students in two areas of personal finance (insurance and personal loans). These findings about the males’ financial knowledge being better than females are also claimed in a different study by Volpe, Chen, and Pavlicko (1996). This study investigated 454 students at Youngstown State University and concluded that female students were less knowledgeable about personal investment than were males. However, these findings
have been contradicted in other studies (Seyedan & Yi, 2011). Research has shown that women, prior to receiving any financial education, are more knowledgeable about personal finance than men (Seyedan & Yi, 2011). It also shows that after taking personal finance courses, women learn better (Seyedan & Yi, 2011). Schubert, Brown, Gysler, and Brachinger (1999) suggested that under controlled economic conditions, women do not generally make less risky financial choices than men. Risk attitudes about female investors and managers may be more prejudice than fact (Schubert et al., 1999).

Unlike men, “women have particular preferences and unique needs when learning about financial education” (Jarecke et al., 2014, p. 38). Due to these unique needs, specific pedagogical approaches need to be used when teaching women. Jarecke et al. offer four strategies to teach women about finance: a constructivist approach, a critical stance, contextualized learning, and relationship building. In 2009, a study of 204 first-generation female college students (FGFCS) sought to understand their financial literacy needs (Eitel & Martin, 2009). The researchers found that even though FGFCS had considerable perceived needs relating to financial literacy, those needs did not result in information-seeking behavior (Eitel & Martin, 2009). The study recommends financial literacy education to be integrated in higher education, taking into consideration the distinct needs of female students.

**Race and Financial Literacy**

In addition to gender, race and other demographics were also explored as factors influencing financial literacy of students (Anderson & Card, 2015; Kim, 2004; Lusardi & Mitchel, 2011; Murphy, 2005). Kim explored the impact of specific types of financial aid on students’ college choice, with particular focus on racial differences. In a study that explored students’ college selection based on financial aid, race was an important factor. For overall
student populations, receiving grants with loans had a positive impact on attending first choice institutions. At the opposite, students who received only loans but no grants had no significant difference on attending their first-choice institutions. The results showed a difference in the effects of financial aid on college choice by racial groups. White students were more likely to attend their first-choice institutions when receiving grants or a combination of grants with loans. Asian American students were significantly impacted by having loans or a combination of grants with loans when they decided to attend their first college of choice. In contrast, Latinx and African American students were not influenced by financial aid when attending their first college of choice (Kim, 2004). The results of this study show that race is an important factor when making financial decisions. Lusardi and Mitchell (2011) studied the knowledge patterns by race and found differences between Whites, Blacks, and Hispanics. Specifically, fewer than half of the Hispanics were able to answer correctly the financial literacy question from the study, and a sizable fraction of the remainder stated they did not know the answer. Many studies have found a gap between the financial knowledge of White students and students of color (Eitel & Martin, 2009). Murphy (2005) conducted a study at a predominantly Black institution and explored the influence of parental educational level and other factors, such as race, gender, age, and major. She concluded that race, major, and parental educational level were important factors in explaining whether students had lower or higher levels of financial acumen. As Murphy (2005) discovered, parents have an important role in the financial behavior of college students.

**Parents and Financial Literacy**

Parents are the top personal resource college students use to learn about money management, cited by 71% of college students (Sallie Mae, 2016). The role of family on financial behavior has been considered (Grinstein-Weiss, Spader, Yeo, Taylor, & Freeze, 2011;
These studies explored financial and economic socialization. Lachance and Choquette-Bernier stated that many students learn basic financial knowledge through parental communication and observation. Shim et al. found that parents substantially influenced their kids financially more than the role played by work experience and high school financial education combined. Grinstein-Weiss et al. claimed that adults who reported receiving higher levels of money-management instruction from their parents during childhood through modeling, reinforcement, and intentional teaching of skills were able to maintain higher credit scores and lower amounts of debt. Jorgensen and Savla conducted a study using a sample consisting of 420 college students. The findings from this study suggest that perceived parental influence had a direct and moderately significant influence on financial attitude and had an indirect and moderately significant influence on financial behavior. Another study found that college educated students whose parents had stocks and retirement savings were about 45% more likely to know about risk diversification confirming that financial literacy is strongly related to family financial sophistication (Lusardi, Mitchell, & Curto, 2010). These studies support that parents have an important role in the financial knowledge that young adults acquire and how they behave financially.

**Motivation and Financial Literacy**

Extensive academic research has been dedicated to understanding what motivates individual behaviors. When applied to financial behavior, motivational theories suggest that students do not benefit from financial knowledge unless they perceive it as relevant to their lives (Johnson & Sherraden, 2007; Mandell & Klein, 2007; Peng, 2007). Targeted financial education is more effective when students are motivated to learn. Goal-setting theory suggests that
students, who have clear financial goals, and an appreciation of how financial literacy can help achieve those goals, are more motivated to learn and retain financial education (Mandell & Klein, 2007). Johnson and Sherraden argued that within the financial capability theoretical framework, the need for immediate access can be resolved by appropriate financial products. According to Peng, owning a bank account or asset while receiving financial education motivates the students who can apply the knowledge received immediately.

In a study on child development accounts, by which children are enrolled in financial education programs that combine financial education with the ownership of a savings account, results show that financial learning is more likely to occur than in the absence of account ownership (Elliott & Kim, 2013). These findings are based on the idea that children are more motivated to learn when they can practice or apply what they have learned in their daily lives. In a study from a four-year school-based financial education and saving program, Sherraden, Johnson, Guo, and Elliott (2011) found that participants who are in the program have higher financial literacy scores than a comparison group of children who were not in the program. In a study of self-selection into adult financial literacy programs, Meier and Sprenger (2013) examined the issue of motivation acquiring and applying financial knowledge and recommended, “Future research should investigate the relationship between time preferences and abilities like planning, imagination, and motivation in general” (p. 13). Motivation thru developing financial goals and owning financial products is closely associated with higher level of financial literacy (Johnson & Sherraden, 2007; Mandell & Klein, 2007; Meier & Sprenger, 2013; Peng, 2007).

The lack of financial resources impacts the motivation of students to complete college. According to the 2006 Community College Student Engagement Survey, more than 50% of first-
generation college students answered that it is likely or very likely that lack of financial resources would force them to withdraw from college (Eitel & Martin, 2009).

**Conclusion**

There are many factors that influence how students learn financial knowledge and apply it to their everyday financial decision-making behavior. These factors include demographics, race, parental influence, and motivation. Although most studies agree that these factors have a direct impact of financial knowledge acquisition, some had contradictory findings about males and females financial literacy learning and application. Regardless of the differences in the findings, it is important to consider a methodology that recognizes these differences and applies effective teaching techniques to distinct student populations.

**Teachers’ Concerns and Methodology**

Educators face many challenges in today’s environment, including increasing complexity and accountability and the lack of tools necessary to succeed in this environment (Drago-Severson, 2009). These challenges are intensified in the field of financial literacy because of the lack of guidance and support to educators (Borden et al., 2008; Deng et al., 2013; Mandell, 2008; Mason & Wilson, 2000). Indeed, how can a teacher educate others about financial literacy when they have not been trained on the subject? What methods should be used to teach financial literacy? Numerous scholars have addressed these questions and offered some interesting recommendations (Borden et al., 2008; Deng et al., 2013; Mandell, 2008; Mason & Wilson, 2000).

**Teachers’ Knowledge of Financial Literacy**

Educators’ beliefs about teaching usually tell something about how and why they teach (Tisdell, Taylor, & Fortéé, 2013). Fewer than 20% of teachers report that they feel confident in
their ability to teach financial literacy (Thompson, 2018). Some scholars examined the impact of teachers’ personal financial literacy on the effectiveness of their financial education teaching (Deng et al., 2013). The results substantiated that there is a positive correlation between teachers’ financial literacy and financial education teaching. The results indicated that teachers did not demonstrate significant differences in highest degree earned, college major, number of years of teaching social studies, or school location in terms of financial literacy as well as financial education teaching (Deng et al., 2013). This study concludes that the highest degree earned is not what makes a teacher more qualified than others in teaching financial literacy. It is the teachers’ own knowledge of financial literacy that makes him or her better at facilitating financial literacy learning.

Another study looked at the effectiveness of teachers’ training to improve their knowledge of financial literacy (Baron-Donovan, Wiener, Gross, & Block-Lieb, 2005). This training prepared teachers to teach the curriculum, help prioritize and structure the class time, and provided an instructor’s manual that includes material for classes, such as in-class exercises and unit-by-unit strategies (Baron-Donovan et al., 2005). Teacher trainees reported a better attitude and a higher confidence in their ability to teach financial literacy after receiving the training. These results strongly suggest the importance of ensuring proper training for teachers in financial literacy before asking them to educate students about personal finance. Training is offered for many different purposes. Therefore, a well-designed training should start with an assessment study that begins with selecting evaluative criteria that match the goals of training (Goldstein & Ford, 2002; Guion, 1961; Wherry, 1957). Another factor that impacts the quality of the learning is the methodology used.
Methodology

The method used to teach financial literacy is important. Different methods may be used for diverse audiences and may yield distinctive results (Borden et al., 2008; Chang & Lyons, 2007; Kozup & Hogarth, 2008; Lusardi, 2008). A seminar format may be useful in reaching a wider audience of college students (Borden et al., 2008). Other formats include traditional classroom instruction and peer financial counseling (Chang & Lyons, 2007; Kozup & Hogarth, 2008; Lusardi, 2008). Hathaway and Khatiwada (2008) found that the best program design advice is to target specific audiences and areas of financial activity (such as credit or retirement planning) and to offer just-in-time training relevant to the audience’s emerging financial need. These different methods can all make an impact if teachers are well prepared and have the right support from leadership at their institutions. Therefore, there is a need to support teachers in delivering financial literacy content in order to promote better financial learning with students. Drago-Severson (2009) suggested that there is a “direct link” between supporting adult learning and promoting student achievement (p. 7). Mason and Wilson (2000) claimed that financial literacy instruction, when delivered properly, provides individuals with the knowledge and the skills necessary to become inquisitive and informed consumers of financial services, manage their money effectively, evaluate different financial alternatives, and demonstrate an awareness of the likely financial consequences for individuals when they do not behave responsibly with their money.

Baker (2002) argued that teachers should be the architects and arbiters of a reflexive and reflective curriculum intentionally designed for their students. From the Jump$tart surveys, Mandell (2008) found a consistency in high school students who play a stock market game for being more financially literate than those who do not play the game. These studies reveal that
interactive classes that are relevant and fun may be more effective than lecture-based courses (Mandell, 2006). The use of reflection and teacher’s engagement is necessary for the success of financial education.

**Conclusion**

Addressing teachers’ concerns about their personal financial knowledge and finding the most effective methodology to teach financial literacy remains a challenge depending on the student population and the teacher’s ability. Teachers’ highest degree earned did not necessarily translate into more effective teaching of financial literacy. However, teachers’ own knowledge of financial literacy appears to be the key factor in making an instructor more effective than others. Teachers often lack the training, time, and financial resources to conduct effective financial education using engaging techniques. However, methodology is not the only challenge facing financial literacy education.

**The Challenges of Financial Literacy**

Some scholars have looked at financial education from a critical lens (Collins, 2010; Mandell, 2006; Meier & Sprenger, 2013; Willis, 2011) and have argued that financial education is not as beneficial as presumed by most people because of the many challenges it faces. Some scholars believe that financial education is too costly, too invasive, impossible to customize and not really effective.

**Too Costly, Invasive, and Impossible to Customize**

Each student has a unique situation based on her or his household income, aspirations, and job outlook. In short, a “one size fits all” financial education may not be the solution for college students’ excessive borrowing (Willis, 2011). In this case, financial education needs to be catered to each individual’s unique financial situation. Although, there are many free resources
available to consumers to teach them financial literacy, the effectiveness of the in-person training has the most impact (Hirad & Zorn, 2001). The success of the financial education program deteriorates with increasing distance between the counselor and the individual, which suggests that face-to-face interactions focused on each individual’s particular needs are the most successful (Hathaway & Khatiwada, 2008). To provide such a targeted education will require significant funding. It will be too costly for any state to offer such a catered financial education because of budget limitations. Moreover, such a customization will require an invasion of consumer privacy (Willis, 2011).

To be able to educate each consumer based on his or her own unique financial situation, the consumer will need to share a lot of sensitive information, such as income, debts, and personal budget. Sharing so much information may feel invasive for customers (Willis, 2011). This invasion of privacy may push people away from learning financial education. Some consumers may feel that it is not worth their time (Meier & Sprenger, 2013). But assuming that consumers are willing to share their financial information, does it really work?

**Does it Really Work?**

Many scholars argue that although financial education may improve financial knowledge and improvement in self-reported behaviors, it does not necessarily translate into improvement in real life spending habits and financial management skills (Collins, 2010; Gartner & Todd, 2005). Consumers may possess basic financial skills but still choose to overspend following impulses. There is plenty of financial literacy material available to consumers for free offered by financial institutions. However, consumers choose not to spend their time learning about financial skills because they do not see the value in it (Meier & Sprenger, 2013; Willis, 2011). Therefore, according to these scholars, the problem is that financial education is not perceived as important
by consumers; thus, its benefit is limited. Mandell and Klein (2007) concluded that high school students receiving a financial literacy course in three high schools in the community experienced no meaningful positive impact versus those who did not. And after several years, those who attended the course were no more financially literate than those who did not.

Gartner and Todd (2005) analyzed a randomized study conducted by the Saint Paul Foundation’s Credit Card Project that explored whether online credit education led to responsible behavior, such as prudent credit card usage and improved spending patterns among first-year college students. This study was unable to confirm definitive evidence for the effectiveness of online education. Other studies found little or no effects of financial education programs on savings (Duflo & Saez, 2003; Madrian & Shea, 2001). These findings may suggest that the teaching methodology used to administer financial education is not effective (Lusardi, 2008).

**Conclusion**

Teaching financial literacy in silos without integrating it in the curriculum or providing the possibility to apply the knowledge quickly makes it challenging for students to remember, see the value of financial education, and apply what they learn. In light of the challenges facing financial literacy, many articles have looked at the different efforts led by government agencies, non-profit organizations, and other institutions to disseminate financial education among young Americans.

**Efforts to Promote Financial Literacy**

Due to low levels of consumer financial literacy among American youth, a number of federal agencies, research institutions, colleges and universities, and task forces got involved in different initiatives to address American youth financial spending patterns (Adams, 2011; Bernheim et al., 2001; Kobliner, 2013).
Efforts at the Local Level

There are many colleges and universities that have created financial literacy programs to educate their students. A study that ranked financial literacy programs around the country done at Texas Tech University created a program that covers using credit, budgeting, and student loans. Texas Tech also introduced America Saves Week to offer different financial literacy workshops (Brown, 2018). Syracuse University has one of the best money awareness programs that incentivizes students by awarding them grants to replace their student debts (Brown, 2018). Students can also become peer financial coaches in which they help others with financial difficulties. University of Montana offers a program called “transit,” covering 401(k) loan default protection and offer students 30 to 60 minutes of private counseling sessions with a financial expert. Ohio State University developed the Scarlet and Gray Financial program that employs 56 financial advisors available for one-on-one consultation with students (Brown, 2018).

In 2014, MIDAS, a non-profit organization, launched an Invest in College Success program (ICS) to help community college students make informed decisions about their finances. Over 1700 students participated in three community colleges: Bunker Hill Community College, Northern Essex Community College, and Springfield Technical Community College partnered with MIDAS to offer the ICS program to their students (The Midas Collaborative, 2016)

Efforts at the State Level

According to Bernheim et al. (2001), 29 states have adopted legislation between 1957 and 1985 to mandate some form of consumer education in secondary schools. Out of the 29 states, 14 states specifically required coverage of certain topics, such as budgeting, credit
management, and balancing checkbooks. The objective of these curriculum mandates was to allow students to use practical decision-making skills to manage their finances in their adult lives (Bernheim et al., 2001). Alabama, for example, introduced a free educational videogame called, Financial Football, developed by the NFL and Visa, Inc. to stimulate high school students’ interest in financial literacy (Prah, 2014).

More than a decade ago, Financial Literacy Month was introduced by the National Endowment for Financial Education (NEFE) as an activity of its High School Financial Planning Program. NEFE turned Financial Literacy Day over to Jump$tart to promote among its network of national partners and state coalitions. Jump$tart expanded the day into Youth Financial Literacy Month and later, simply, Financial Literacy Month. In 2003, April was formally recognized as Financial Literacy Month in resolutions by the U.S. Senate and U.S. House of Representatives (Jump$tart Coalition, 2008). However, these efforts are not enough. The 2016 Survey of the States shows that there has been slow growth in personal finance education in recent years and no improvement in economic education (Council for Economic Education, 2016). A key finding of the survey is that while more states are implementing standards in personal finance, the number of states that require high school students to take a course in personal finance remains unchanged since 2014 (just 17 states). A second finding is that only 20 states require high school students to take a course in economics; that is less than half the country and two fewer states than in 2014 (Council for Economic Education, 2016). To complement state efforts, the federal government has implemented many steps to promote financial education among young adults.
Efforts at the Federal Level

A key institution that was established to promote financial literacy efforts at the federal level is the Financial Literacy and Education Commission (FLEC), which was established under the Fair and Accurate Credit Transactions Act of 2003 (U.S. Department of Treasury, 2017). FLEC was tasked to develop a national financial education web site (MyMoney.gov) and a national strategy on financial education. It is chaired by the Secretary of the Treasury (U.S. Department of Treasury, 2017).

Former President Obama led many efforts in promoting financial literacy. First, he created the advisory council in 2008 to guide him on young American’s financial capabilities. Second, he signed the Credit Card Act in 2010, which requires anyone under age 21 who wants a credit card to either get a parent to cosign for it or demonstrate an ability to pay (Kobliner, 213). As a result, only 35% of college students owned a credit card in 2012, down from 42% in 2010 (Kobliner, 2013). Among the protections included for college students, there were limitations placed on credit card companies from approving credit cards to individuals who did not apply for the card and eliminating the popular practice of marketing credit cards to college students on campus (Kobliner, 2013). In addition to these efforts, President Obama improved the Income-Based Repayment (IBR) program, which now allows federal student loans to be forgiven in 20 years rather than 25 and allows borrowers to cap payments at 10% of discretionary income rather than 15% (Kobliner, 2013). Finally, and most importantly, the Obama administration created the new college scorecard, which informs families on costs, student loan default rates, and graduation rates at individual institutions when looking for a college (Kobliner, 2013). This comparison allows students to make a better decision when selecting a college. In addition to the efforts led by the Obama administration, national institutions helped with financial literacy
efforts. Consumer Financial Protection Bureau has worked to support parents and financial education providers with resources and information, “encouraging schools to integrate financial literacy into their curriculum, and providing resources to help others implement financial education programs in their community, including financial education resources in libraries” (U.S. Department of Treasury, 2017).

**Conclusion**

There are many efforts led by organizations, such as Jump$tart, The Consumer Federation of America, the National Endowment for Financial Education (NEFE), and The Federal Deposit Insurance Corp (FDIC). There are also many efforts at the local level from community colleges and four-year colleges to offer financial training and resources to college students. These efforts aim to lower students’ debts after graduation. Although, it is great to see so many organizations dedicated to financial literacy, it is difficult to evaluate the effectiveness of these efforts. Student loans are still climbing and college students are still finding themselves in considerable debt by the time they graduate.

**Summary**

The literature review above has looked at financial literacy from different perspectives. The major themes that emerged from the literature review include the many benefits of financial literacy. These benefits include the promotion of self-awareness by many adults as well as the change in financial behavior after receiving financial education. Many of these behaviors were found to contribute to a stable financial well-being. These benefits are extremely important, considering the environment that college students are facing with high tuition costs and limited knowledge of financial literacy.
This literature review also addressed how different factors impact financial learning and financial decisions of students. Race is found to make a difference when making financial decisions. Gender studies have shown conflicting results about who learns best: males or females. Motivation is another factor impacting the financial learning of students, as studies found that without motivation and being able to relate the value of financial literacy to one’s situation or goals, the learning does not last nor get applied. The role of parents has been claimed by many studies as the greatest influence in determining the future financial acumen and financial behavior of young adults. Another theme addressed through this literature review is the importance of teachers’ knowledge and methodology in conducting effective financial education. The last theme that was explored through this literature review is the many efforts conducted by governmental agencies, non-profit organizations, and institutions. These efforts have achieved important milestones in financial literacy, including the college scorecard, the Credit Card Act 2010 and the student loan forgiveness programs (Kobliner, 2013). Unfortunately, despite these efforts, college student debts are rising to astronomical figures; hence, there is need for additional research.

After conducting this literature review, it appears that many studies have looked at the results of financial literacy education on many student populations in high schools and colleges. Community college students are one of the most fragile populations because of income limitations. The combined factors of high student loans and low student financial knowledge makes financial literacy an obvious part of the solution of student debt, especially for community college students. Understanding how first-year students who have completed a financial literacy seminar make meaning of their financial knowledge acquisition through the seminar and through the learning from their parents and families can be a stepping stone in developing a curriculum
that is both effective and intentional in linking students’ previous financial experiences with present learning and future application. The next chapter discusses the research method used in this study.
CHAPTER THREE: RESEARCH DESIGN

This interpretative phenomenological analysis study investigated the experiences of financial literacy seminar students at a community college. The purpose of this study was to explore the perception of students on financial knowledge and debts after completing a financial literacy seminar. The overall research questions guiding the inquiry were: How do students make meaning of the knowledge acquired in a first-year financial literacy seminar, and how does it change their financial decision-making and spending habits? This research also sought to understand the influence of family and peers on the financial behavior of college students using the consumer socialization theory as a framework.

Qualitative Research Approach

This study used a qualitative approach to explore the research questions and the students’ perceptions of their learning in the financial literacy seminar. According to Merriam (2009), qualitative research is based on “uncovering the meaning of a phenomenon for those involved” (p. 5). Qualitative research allows the investigator to interact with the participants to seek to understand lived experiences. Qualitative methodology focuses on exploring rather than explaining a topic (Creswell, 2012). “The aim of qualitative research is to understand and represent the experiences and actions of people as they encounter, engage, and live through situations” (Elliott, Rischer, & Rennie, 1999, p. 216).

The purpose of this study was to make meaning of the experiences of the students who attended a financial literacy seminar. Therefore, the qualitative approach was the best fit because it allows the researcher to engage with the participants. Creswell (2013) claimed that qualitative research is appropriate when researchers seek to “empower individuals to share their stories, hear their voices, and minimize the power relationships that often exist between a researcher and the
participants” (p. 48). In this study, a power relationship exists between the researcher being an instructor and the participants being students. Therefore, it was necessary for the researcher to be cautious and engage participants in a way that made them feel safe to share their experiences. Reaching out to students to participate in this study only took place after students completed the financial literacy seminar and were no longer having the researcher as their faculty member. It was also important for the researcher to take an active role in discovering students’ perspectives, while bracketing or positioning herself in the research to acknowledge interpretation that flows from personal bias (Creswell, 2013; Ponterotto, 2005). Meaning revealed from this qualitative research can connect people’s lived experiences to practice and the social world (Miles, Huberman, & Saldaña, 2014).

This qualitative study falls within the interpretivist paradigm. Ponterotto (2005) explained that one of the main attributes of the interpretivist paradigm is the centrality of the relationship between the investigator and the object of investigation. Ponterotto also explained, “Reality is constructed in the mind of the individual, rather than it being an externally singular entity” (p. 129). In this paradigm, the aim is to get a deep understanding of the topic researched. Interpretivism aligns with qualitative research because it usually involves a dialogue between the researcher and the participant. As interpretivism was applied to this qualitative research, the aim was to understand how students at a community college make sense of their experience after taking a financial literacy seminar.

**Interpretative Phenomenological Analysis**

The research approach used in this study is Interpretative Phenomenological Analysis (IPA), which “aims to understand how people make sense of events, relationships, and processes in the context of their particular life worlds.” (Larkin, Eatough, & Osborn, 2011, p. 330). This
study sought to understand how students experienced the financial literacy seminar and presented their perspectives through interviews with a small group of eight participants.

In an IPA, the focus is on the lived experience. This focus is different from the European phenomenology (Valle, King, & Halling, 1989). Before IPA emerged, the focus was on the phenomenon itself. According to Giorgi (2000), if the researcher wants a subjective understanding of the experience of the phenomenon from the participant’s perspective, new phenomenology (including IPA) is the best fit. On the other hand, if a researcher chooses to explore and understand the phenomenon itself, or the object of the participants’ experience, European or “philosophical” phenomenology should be used. IPA has the potential to capture the most important and meaningful aspects of human beings (Larkin et al., 2011).

There has been some disagreement between different scholars on the value of IPA. Giorgi (2010) contended that IPA does not have a grounding in the philosophy of phenomenology and hermeneutics in critiquing Smith (1996) who has articulated IPA as one approach to experiential qualitative psychology in the mid-1990s. In a response to Giorgi, Smith (2010) argued that IPA has theoretical underpinnings in phenomenology and hermeneutics and derives from the key thinkers, such as Husserl [1931], Heidegger [1977], and Gadamer [1976]. Through intersubjective inquiry and analysis, IPA commits to understand the first-person perspective from the third-person position. Therefore, IPA is a phenomenologically focused approach that is both established and systematic (Larkin et al., 2011). The next section gives the historical trajectory of phenomenology and how hermeneutics ground IPA.

**Philosophical Underpinnings and Overview**

The term phenomenology was used in philosophical texts in the 18th century by Kant, Hegel, and Brentano. This later inspired Husserl to develop Phenomenology (Moran, 2000) and
to found an empirical philosophy, considered as both a descriptive method and a philosophical science derived from the method (Owen, 1996). Since its rise in Germany before World War I, phenomenology has led an important role in modern philosophy (Dowling, 2007). The word “phenomenon” derives from the Greek *phaenesthai* and means to appear or show itself (Moustakas, 1994).

Husserl is credited with the earlier phase of phenomenology also known as transcendental phenomenology (Larkin et al., 2011). Husserl argued that the phenomenon should be free from all prior assumptions and suppositions. To accomplish this task, reduction or “leading back” also known as epoché and bracketing is necessary (Drummond, 2007). After Husserl, many scholars followed up on his work on phenomenology, including Heidegger [1927], Merleau-Ponty [1945], and Gadamer [1947].

Heidegger, a student of Husserl’s, who was more interested in exploring consciousness, proposed a more interpretative and existential approach to phenomenology that was less theoretical (Smith, Flowers, & Larkin, 2009). Heidegger’s work claimed that “consciousness is not separate from the world of human existence, and he argues for an existential adjustment to Husserl’s writings” (Dowling, 2007, p. 133). Heidegger focused on hermeneutics phenomenology versus transcendental phenomenology advocated by Husserl.

Inspired by the writings of Husserl and Heidegger, Merleau-Ponty proposed that the goal of phenomenology is to rediscover first experience, which he termed as the *primacy of perception* (Racher & Robinson, 2003). Merleau-Ponty agreed with Husserl on phenomenological reduction, which leads to original awareness. He advocated for the phenomenology of origins to help view the experiences in a new light (Dowling, 2007. On the contrary, Gadamer built on the work of Heidegger and stated two central positions: one’s
prejudices are part of the linguistic experience that makes understanding possible and participants and researchers are connected by a common human consciousness (Dowling, 2007). Gadamer’s phenomenology is centered on the idea that interpretation is a reciprocal process with personal involvement related to being-in-the-world (Spence, 2001).

Although each one of these scholars developed a different view on phenomenology, they all helped in promoting phenomenology as an important philosophy and research method for future generations. Their work on hermeneutic phenomenology has facilitated research in many fields, especially the field of medicine that seeks to understand how patients feel. Overall, phenomenology has evolved into many shapes, including IPA. IPA is based on hermeneutics, which is the theory of interpretation. According to Owen (1996), phenomenology “is a reminder that all knowledge is human made, and not timeless and unchanging” (p. 273). Interpretative phenomenology has become popular for nursing and medical papers, especially in North America as it aims to understand the human condition as an experience rather than the phenomenon itself (Larkin et al., 2011).

**IPA and Hermeneutics**

Heidegger’s phenomenology is based on hermeneutics because he suggested that the purpose of phenomenology is to uncover the phenomenon and to examine what is hidden at first glance. Within the context of IPA, hermeneutics has a key role in using interpretation as a way to make meaning of the phenomenon studied. Hermeneutics is considered *detective work* (Smith et al., 2009) and requires multiple layers of interpretation to make meaning of the lived experiences and their contexts. These multiple layers of interpretation are known as double hermeneutics. The act of interpretation is required at two levels. First, the participants are making meaning of their own experiences. Second, the researcher is making sense of the participants’ sense-making
efforts (Smith & Eatough, 2007). Double hermeneutics include both critical and empathetic hermeneutics. Critical hermeneutics involves separating the researcher from the participants’ experiences while empathetic hermeneutics requires the researcher to place herself in the role of the participants and see the world through their eyes. This blending of critical and empathetic hermeneutics leads to a rich and multidimensional interpretation of the phenomenon (Smith & Eatough, 2007).

**Rationale for IPA**

IPA was the most appropriate method for this study because it explores the experiences of the students who have completed the financial literacy seminar and seeks to understand their interpretation of the learning acquired. Since the aim of IPA is to understand how people make sense of events, relationships, and processes in the context of their particular life worlds, it aligns with this research that seeks to interpret the experiences through inquiry and analysis focusing on the students’ perceptions of knowledge acquired from the financial literacy seminar. The idiographic aspect of the IPA ensures that every detail of the research has been exposed and shared with the reader and taken into consideration to interpret the perceptions and lived experiences of the students.

IPA provides a phenomenological requirement to understand and “give voice” to the concerns of participants (Larkin et al., 2011). In this study, the students’ voices about experiences with money were heard, and the IPA allowed the researcher to make sense of the students’ accounts of their life experiences and perceptions about the learning from the financial literacy seminar.
IPA Data Collection

IPA researchers approach the phenomenon under investigation from the research participant’s perspective. Detailed data are taken from a small number of cases, then adequately situated, described, and interpreted. Data collection in an IPA takes place thru various verbatim, first person accounts, such as interviews, diaries, and written explanations that can have different structures (Larkin et al., 2011). IPA researchers usually try to find a fairly homogeneous sample. Since IPA does not aim to generalize findings, it does not make sense to use large, randomized samples. The participants in this study were six ABC Community College students who have completed the financial literacy seminar class between 2012 and 2017. Included in this group of 6 students is a mentor. Overall, there were six participants in this study. Since this financial literacy class is a seminar, it provides additional support to first-year students by having a mentor. Typically, the mentor is a student who has completed one year at the community college and has necessary attributes to lead by example. The mentor also attends each class with the students, participates in class activities, and follows up with students who need support. This study sought to interview eight students who have attended the seminar. In order for the participants to be representative of the students who took the seminar, purposeful sampling was used to include mentors, both male and female, first-generation students, between the age of 18- and 24-years-old as well as students over the age of 30-years-old.

Smith and Osborn (2007) argued that the best way to collect data for an IPA study is through the semi-structured interviews. This form of interviewing enables the researcher and participant to engage in a dialogue. The interviewer can modify initial questions in the light of the participants’ responses. Additional probes are also permissible to encourage the investigation of interesting topics that may arise.
This study used six semi-structures interviews (See Appendix F). Each interview lasted about 45 minutes. In developing interview questions, the scholar is encouraged to construct the questions in a way that will allow the participant to speak with little intervention from the interviewer. To conduct an effective interview, the interviewer should encourage the interviewee through a gentle nudge rather than being too explicit (Smith & Osborn, 2007).

IPA studies are conducted on small sample sizes. The detailed case-by-case analysis of individual transcripts takes a long time, and the aim of the study is to say something in detail about the perceptions and understandings of this particular group rather than prematurely make more general claims. (p. 57)

After the interviews are completed, transcripts are then subjected to “systematic processes of reflection, identification, description, clarification, interpretation, and contextualization” (Larkin et al., 2011, p. 330). It is best to record the interview for a better analysis of the participants’ responses.

In this study, the data were collected via semi-structured interviews that were audio-recorded. These interviews were transcribed and reflected on for emerging themes. The process of analysis of the interviews in this study is further discussed under the data collection and analysis section.

**Research Site**

The research site selected for this study is a community college in Massachusetts that was given a pseudonym of ABC Community College. This study was tailored specifically to community college students who have attended a financial literacy seminar between 2012 and 2017. ABC Community College offers a financial literacy seminar. There are other community colleges that offer financial education to students in different forms but ABC Community
College is distinct in that the financial literacy seminar is offered as a three-credit course that counts toward graduation with an associate degree. ABC Community College offers student services, including mentors who support students in their classroom experience as first-year students and attend all classes. The mentors in this seminar were also part of the sample for this study as explained earlier under IPA data collection.

**Procedures**

Participants were recruited using purposeful sampling to select participants who are able to speak to and inform the research question (Creswell, 2013). Participants were targeted from the rosters of previous financial literacy classes from 2012 to 2017. The goal of targeting different participants from different age groups, gender, and cultural backgrounds was to gain insight into their different experiences with personal finances and how they made meaning of the knowledge learned at the seminar. Participant recruitment followed these steps:

1. An initial recruitment email (see Appendix A) was sent to all students who had completed the financial literacy seminar between 2012 and 2017. This email briefly described the study. Students who were interested in learning more about the study were asked to respond to the researcher directly.

2. The researcher sent a targeted email (see Appendix B) to specific students at ABC Community College who were personally known to her to invite them to participate in the study.

3. Two weeks later, a follow up email message (see Appendix C) was sent to all students who received the initial recruitment email to encourage a response.

4. The researcher sent a personalized email (see Appendix D) within 24 hours to all students who expressed interest in participating to share more details about the study,
including the consent form and the interview guide (see Appendices E and F) and to arrange an initial meeting. The researcher also offered to answer any questions that students may have before agreeing to participate. Participants were offered a $20 Visa gift card to thank them for their time.

**Data Collection and Analysis**

The first step before starting the research was to secure the approval from the IRB (Institutional Review Board) at both institutions: Northeastern University and ABC Community College. Then, the researcher began recruiting the participants based on the procedures outlined previously. The researcher conducted semi-structured interviews and recorded all interviews using a recorder and a back-up one. The semi-structured interviews allowed the participants to expand on their responses while answering relevant questions to the research. Once the interviews were completed, the researcher transcribed them and followed the steps offered by Smith and Osborn (2007) for the analysis of the interview:

1- Read the transcripts many times and annotate in the margins what is significant or interesting. It is important to read multiple times so that any missed details can be captured after multiple reviews of the transcripts.

2- Change initial notes from the interview to concise phrases. This step allows the researcher to organize the information efficiently.

3- Document emerging themes. As the researcher reads many times and uses some coding software, such as MAXQDA, some consistent themes may emerge.

4- List the emerging themes on a piece of paper and look for connections between them. Finding the connection between the themes allows for a deeper analysis of the transcripts and a better understanding of the data collected.
5- Produce a table of themes coherently ordered. This step organizes the information and makes it manageable to understand and comprehend. It makes it easier for the researcher to process a large quantity of information.

6- The themes emerging from the first transcript can be used to inform the analysis of the remaining transcripts.

7- Write up, moving from the final themes to outlining how the experiences of the participants are interpreted.

After the final step of analysis, the researcher proceeded to presenting the findings. In an IPA, two presentation methods are possible. The first option is to include the findings in a “results” section and the emergent thematic analysis with a separate, “discussion,” section. Another option is to discuss the links to the literature with each different theme in a single “results ad discussion” section (Smith & Eatough, 2007). The researcher in this study chose to use the first method by having a separate discussion section to present the analysis of the emergent themes.

**Ethical Considerations**

This research study complied with procedures required by the IRB at both Northeastern University and the research site, ABC Community College. Participants’ confidentiality was respected and protected. Participants selected a pseudonym that was used throughout the study to protect their identity. All physical documents or files related to this study were stored in a locked file cabinet at home. All electronic files were stored in a password protected, online file storage program and on an external data storage device. Only the researcher had access to these storage mechanisms. All data will be retained for seven years and then destroyed.
The researcher realized the sensitivity of some of the information shared by participants regarding their specific financial situation and ensured that participants feel at ease to share their experiences.

**Credibility**

This study’s validity and reliability was guaranteed by the multiple interactions between the researcher and the participants. The researcher met with each participant twice. The first meeting’s purpose was to explain the research to the participants and to obtain their consent and conduct the interview. The second meeting gave a chance for the participants to check the transcripts of the interviews and correct any errors. The participants had a chance to add or change any information that may have been miscommunicated or missed. The researcher included relevant details about each participant to guide the findings of this study and to inform the audience.

**Transferability**

Although this study is a qualitative study with a small sample of students, the knowledge generated can be useful in different settings and populations. Since transferability can be achieved when the readers feel a connection with the research, they “intuitively transfer the research to their own actions” (Tracy, 2010, p. 845). Administrators and educators from other colleges may adopt financial literacy in the curriculum taught at their institutions. Since this study collected direct testimonies from students who have attended a financial literacy seminar, asking them about their childhood experiences with money might evoke emotions for the readers that may have gone through similar experiences.
**Potential Research Bias**

As a faculty member teaching financial literacy in a community college, the researcher had numerous background factors that impacted her understandings and her bias toward the benefits of financial education (Franklin, 2014). Machi and McEvoy (2012) stated that researchers often have preconceived ideas about their research based on their lived experiences, opinions, and beliefs. In this case, it was important to recognize that the researcher as a student had experienced student debts and worked in the financial industry handling financial products, such as credit cards and personal loans. It was also necessary to disclose that the researcher has religious beliefs that stand against any interest-bearing products, such as credit cards. This belief may influence the researcher in perceiving credit card debts as negative beyond the financial burden that may impact the students. Despite these personal and professional experiences, the researcher intended to be objective in the research. To that end, the researcher kept an open mind and based the conclusions solely on the findings from the interviews and data analysis and not on any previous personal experiences. The researcher developed questions that allowed participants to share their experiences openly. For this study to be truly valuable, it needed to be based on facts and findings that are objective and not impacted by the researcher’s biases.

**Transparency**

Transparency is the act of remaining honest and vulnerable through self-reflexivity (Tracy, 2010). Therefore, the researcher in this study maintained meticulous notes and an audit trail to inform the reader on how research was conducted. Documentation was available for every research decision and activity. There was a detailed transcription and a full disclosure of challenges and twists in the research. Everyone who contributed to this study was acknowledged.
This study committed to being sincere and open in sharing all relevant details of the process with the reader.

**Worthy Topic**

According to Tracy (2010), one of the eight criteria for excellent qualitative research is a worthy topic. In other words, the topic of the research should be relevant, timely, significant, and interesting. The topic of this study was centered on financial literacy. Recently, student loans and credit card debts have skyrocketed. As of the lack of knowledge, college students are making the wrong financial decisions by spending too much and finding themselves in considerable debt by graduation. Therefore, the topic of this research is relevant.

There are many budget cuts in higher education because of the new administration in Washington, so the study is timely. The findings from this study may inform administrators and policymakers about the importance of financial literacy, so this research is significant.

Finally, shared perspectives make this research interesting for the readers. Overall, the topic of financial literacy is very pertinent at this time with the existing conditions in the economy and the increasing tuition of colleges and universities.

**Limitations**

IPA was the best choice for a study that aims to understand how participants make sense of their experiences. However, IPA focuses on a small number of participants, so the findings of this study cannot be generalized. This study also relied on the interpretations of the research that may be different from another researcher’s interpretation based on an individual’s positionality and perspective. This study only addressed financial literacy for community college students and did not research college students from other types of institutions of higher education. It also used a research site located in a metropolitan area, and the findings may not apply in another
community college located in a rural or urban area with different demographics. Students were asked to share their childhood experiences with money and may have felt uncomfortable sharing these memories if they were hurtful. This study was only focused on college students and may not be generalized to high school students who may have similar challenges and experiences with money and personal finance.

**Summary**

This qualitative study aimed to explore how community college students made meaning of the knowledge acquired in a financial literacy seminar. It studied the students’ early memories with money as well as parents’ and peers’ influences on the future financial behavior of the students. This study used IPA to interpret the perspectives of students. It used semi-structured interviews to collect the data, and it followed IPA procedures and ethical considerations to ensure that the study would be credible, worthy, and transparent. The goal of this study was to inform the reader about financial literacy and possibly trigger actions from the audience to disseminate financial education in the curriculum in higher education or even earlier in high schools.
CHAPTER FOUR: FINDINGS AND ANALYSIS

The purpose of this study is to explore the experiences of community college students who attended a financial literacy seminar. The theoretical framework used for this study is the consumer socialization theory (Ward, 1974). This framework suggests that young adults learn about money management behaviors from their parents, family members, and others.

This chapter describes the results of the analysis of individual interviews conducted with six students. The chapter discusses both the participants and the data collected from the semi-structured interviews conducted with the students. Analysis of the interview and review of the different themes were used to reach the findings in this chapter.

The Research Site

This study was conducted at a community college in the Boston area of Massachusetts. This community college has a very diverse student population and serves a large number of low-income students. It offers associate degrees, certificates, and workforce development. One of the classes offered to first-year students at this community college is a financial literacy seminar, a three-credit course that counts toward graduation requirements for some majors.

The Participants

The participants in this study are students who completed the financial literacy seminar between 2012 and 2017. They consist of six students: four males, two females. They represent different age groups with the youngest being still in his teens and the oldest in his 50s. Both females were mothers, and there was a mix of first-generation students and second-generation students. The interviews with these students were conducted between February 2018 and April 2018. The transcripts were forwarded to each participant for review before an analysis of the interviews took place.
The following section introduces the participants and provides a brief description about their experiences to complement the context in which these interviews were conducted. As this is an IPA study, it is necessary to provide these descriptions to understand the participants’ answers within their own contexts.

Michael

Michael was the oldest participant from the group. He immediately shared at the onset of the interview that he was living in a shelter. He was open to questions and shared many experiences that seemed painful. When he remembered the financial difficulties during his youth, his voice would almost crack. He shared that he was one of five children and that his mother was always struggling with finances to the point that they had utilities often shut off for non-payment, and they often did not have enough food. When sharing his own spending habits, Michael’s tone became frustrated as he mentioned, “I'm a bit lousy with money. I get money and then suddenly, it's gone. I have it, and then it's gone. I don't know what happens.” Michael had a lot of regrets about his lack of knowledge about finance. He shared that he was evicted from housing because he did not know that he could apply for an extension. He also shared that he did not know about the consequences of taking out student loans and ended up owing a lot of money for going to college. Although grateful about the knowledge received at the financial literacy seminar, Michael regretted the fact that this seminar was not offered to him earlier in his life when he was in high school in the 1970s and 1980s because it may have changed the trajectory of his life significantly. Michael answers had a lot of regrets for the many opportunities missed and many mistakes made for not understanding personal finances. He did though remain positive when asked about his financial goals and shared, “I want to pay off my student loans, maybe open my own business someday.”
Anthony

Anthony was very energetic and upbeat. He is a first-generation student. He was very proud to share all his accomplishments since the seminar. He shared that he improved his credit score from 400 to 627. He realized that he was maxing out credit cards and co-signing with family members who did not pay on time, so he made some changes after the class and was able to see the benefits on his credit score. Anthony also shared his ambition to be a business owner, like his uncle, who he considered a role model. He studies biotechnology and is not sure where he would transfer after getting his associate degree, so he said that he is focusing on this degree now and not thinking about transfer at this point. He also seemed interested in using different resources to learn about taxes and mortgages. He is planning to buy a house and is actively researching online resources related to the topic.

Nancy

Nancy is a transfer student from Florida who said that she was looking for colleges online and learned about ABC community college and decided to move to Massachusetts. Being 21 and a mother of a child, she exhibited more maturity than her age. She had a different experience from the other students because, in the state of Florida, there is a financial literacy class offered to students in middle schools and high schools. She shared that her financial goals were not only to have an investment property but to be able to save for her daughter’s college education. Nancy also shared that she worked at H&R Block during tax season. She was hired to file simple tax returns only, but when the office got too busy, she was given challenging tax returns; she learned on her own how to complete them by researching information online. Throughout the interview, Nancy demonstrated a high level of self-motivation and self-advocacy to learn about personal finance and accomplish her financial goals.
Jennifer

Jennifer was the second female interviewed in this study. In her early 30s, she was a mother of three children. Unlike the other students, Jennifer attended the financial literacy seminar for two semesters. For the first one, she was a student. In the second semester, she was a mentor to other students. The student mentor is an additional resource offered by the college in the first-year seminars to help students navigate the campus. Mentors are usually students who have successfully completed the same class and were recommended by faculty for the mentor position. The mentors attend all classes, communicate with students who miss classes, help them find resources on campus, and help those who fall behind. Jennifer shared that she enjoyed her experience in class both as a mentor and as a student. Jennifer is a first-generation student studying human services. She proudly shared that her credit score increased to 680 after she adopted better management skills after taking the class. She also showed a great deal of self-advocacy by participating in different programs and working with different organizations for housing and saving money to buy a car.

Jaden

Jaden was the youngest participant in the group, still in his teens. Jaden, who lives with his mother and sister, expressed that his financial goals included making sure that his mom retired comfortably and that his sister was in a good financial situation. He was grateful for the class because he attended a job fair during the class that helped him get a job at Whole Foods. He was also proud to share that his credit score was a 755 because right after class, he opened his first credit card and made all the payments on time, so his credit dramatically improved. He also showed a high level of self-advocacy by filing his own taxes and researching tax information
online so he can complete the returns himself. He was the one in charge of setting up bill pay for his mom who relied on him because she is not used to using a computer.

Andre

Andre was the first participant to be interviewed in this study. He had a big surprise to share at the interview. He got married to a former student who also attended the financial literacy seminar. She was no longer a student at ABC community college because she transferred to a four-year school after her graduation. Andre is on the baseball team of ABC Community College, one of the reasons why he chose to get his degree in physical therapy there. As he spoke about his experiences with money, he always spoke in the plural, “We think in years, like we learned in … class, within years having certain goals as in buying a house, buying a car.” He seemed to be making financial decision together with his new wife and have common financial goals. He mentioned that now that he is starting a family, he was trying to save more, and his friends were supporting him. He specifically shared that his friends would pick up the bill for him when they go out because they understood that he had added responsibilities. He also shared laughing that one the resources of learning about finances is “Life” as one makes mistakes and learns from them.

See Table 4-1 below with details of participants’ characteristics.
Table 4-1

**Participant Demographics**

<table>
<thead>
<tr>
<th>Participants</th>
<th>Race/ethnicity</th>
<th>Gender</th>
<th>First-generation</th>
<th>Age Group</th>
<th>Major</th>
<th>Attending</th>
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<tr>
<td>Michael</td>
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<td>Anthony</td>
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<td>Male</td>
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</tr>
<tr>
<td>Nancy</td>
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<td>Biology</td>
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</tr>
<tr>
<td>Jennifer (mentor)</td>
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<td>Female</td>
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<td>30-35</td>
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<tr>
<td>Jaden</td>
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</tr>
<tr>
<td>Andre</td>
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<td>Male</td>
<td>No</td>
<td>20-25</td>
<td>Physical Therapy</td>
<td>Part-time</td>
</tr>
</tbody>
</table>

**Conclusions**

An analysis of the six interviews shows that the participants had many themes in common. First, they all found value in the financial literacy seminar and benefited by either increasing their knowledge or changing their behavior. Three participants specifically mentioned the increase of their credit score as a direct impact from the behavioral changes adopted after the class. Second, the participants argued that this class should be offered earlier (in high school) before mistakes are made and student loans are being handed to students who do not understand the implications of debts. Last, five of the participants showed a high level of self-advocacy by researching information to be able to manage their personal finances better. What was different about the participants was that they were all at different stages of their lives with varying family responsibilities and hence distinctive financial goals and motivations. The participants who had dependents were looking for financial stability for themselves and their family members, while others were looking at improved social status, paying off debt, or accumulating wealth. In the
next section, there will be an analysis of the emerging themes and sub-themes from these interviews.

**Discussion of Themes**

There were six major themes that stood out from the analysis of the interviews. First, the students had similar reasons to attend a community college: affordability, referrals, and uncertainty about a major to pursue. Second, the students shared the same interests in attending the financial literacy seminar because of their lack of knowledge and the relevance of the topics of the seminar to their everyday life. Third, the students shared similar benefits that they received from attending the seminar and applying what they learned to their personal finances. Three of them were able to improve their credit scores, while others discussed how they were able to save, budget, and work toward achieving their financial goals. Fourth, there was a trend in the lack of financial literacy resources on campus as well as a lack of awareness about those resources. There were also differences between mandated resources in different states shared by participants. Fifth, there were also some similarities in the influence of family members, friends, and others in making financial decisions. Two participants shared that they learned from others’ mistakes, while some participants perpetuated the same behavior observed from family and friends. Last, there was a positive trend in the desire of students to learn on their own about financial literacy outside campus from different organizations or online resources.

**Why Attend ABC Community College?**

Selecting a college is a difficult decision for many students. With the increase in college student debts, there is a need to look for college options that are affordable and allow students some flexibility in changing their major if they choose to. Community colleges provide students with the opportunity to pursue a degree at a low cost. When asked about the reason for attending
a community college, four participants cited affordability and the recommendations from others. Five of the six participants were working while going to college, so affordability was an important factor for them. Another reason cited was that a community college is a good place to start in case they were unsure about their major and if they wanted to transfer afterward. Last, three of the participants selected attending ABC Community College based on referrals.

**Affordability.** Most students at ABC Community College work either part-time or full-time while attending college. These students have limited financial resources and are looking for college options that will be affordable. Both Andre and Anthony mentioned that the reason why they attended ABC CC is because of the affordability factor. Andre said, “I decided to study at ABC CC because of the financial aspect of ABC CC.” Both students were looking for a non-expensive option to continue their undergraduate degree after high school and ABC CC seemed a good option for them. Anthony mentioned that attending a community college was the best option for him. “It was more financially stable for me because I don't have funding from my parents or anything, so I rely completely on financial aid and out of my pocket.”

Limited financial resources is a common thread among these students, as one of them lives in a shelter, and all other five work to support themselves and their families while attending college. Michael, who currently lives in a shelter, explained that his financial difficulties started from when he was a child, and his mother struggled to make ends meet. His financial struggles continued throughout his life, and he had to take student loans to attend college. Jaden explained that he needed to find a job to be able to pay for his education. He shared, “I worked, and I was able to pay for my semester.” Both Nancy and Jennifer had children to provide for, which added to the importance of the affordability factor in choosing a college. Some students also selected ABC Community College based on referrals as explained in the next subtheme.
Referrals. Two of the students interviewed were first-generation students: Anthony and Jennifer. When Jennifer wanted to look for a college education, she relied on a friend recommendation. She explained, “A friend of mine told me about ABC CC. She told me that ABC CC was a great program, and she brought me here.” Jennifer could not rely on her parents to provide her with college advice since they did not attend college themselves, so she looked in her inner circle of family and friends and took her friend’s advice. Jennifer’s friend had attended ABC Community College in the past and had a positive experience, so she recommended it to her. Two additional students, Jaden and Jonathan, selected ABC Community College because of recommendations of advisors in high school. Jaden said, “A guidance counselor told me that ABC CC is a good place to go,” while Jonathan explained, “I had gotten advice from TRIO, which is like a student service in my high school, and they kind of recommended that I start with ABC CC.” The fact that students followed these recommendations in making an important financial decision linked to their education shows that friends and other entities, such as advisors, have an influence on students’ financial decision-making. Not all students were sure about the majors or careers they wanted to pursue, so ABC CC sounded like a good place to start.

A good place to start. Another reason for selecting to attend ABC Community College is that two students felt that it is a good place to start. While applying to college, many applicants are undecided about their major and/or where to transfer. They need some time to make that decision while taking general education courses that allow them to be exposed to different majors of study. Once students decide what major they would like to enroll in, they find themselves having paid for many courses that may not necessarily count toward their degrees or transfer to the four-year school they would like to transfer to after attending a community college. Therefore, selecting a community college that would allow students to take different
classes before selecting a specific major is usually a good place to start to limit money spent on courses that would not be needed in the future. ABC Community College offered the affordability factor as well as the diversity and variety of degrees that would allow students to explore which majors and careers they would like to pursue. Whether because the student is unsure about what to study, like Jaden mentioned, or whether it was a good place to get a first degree before transferring, most interviewees felt that ABC Community College would be a good start for their undergraduate education and that they could transfer later to other institutions. ABC Community College was a safer investment for them in case they changed their mind after taking some classes. Jaden explained that a guidance counselor told him, “ABC CC is a good place to go if you're not quite sure exactly what you want to do with your life. I decided, why not?” Anthony shared a similar story about ABC CC being a good place to get his first degree:

I had gotten advice from TRIO, which is like a student service in my high school, and they kind of recommended that I start with ABC … So when they told me that was the best option to get my first degree there and then transfer, I decided to come to ABC CC.

The students had similar reasons to select ABC Community College based on their similar circumstances, limited income, and added responsibilities between family, work, and school.

**Conclusion.** The limited financial resources that the participants cited was a driver in selecting a community college. The fact that they considered the cost of college in their decision to attend ABC CC indicates that the participants have a certain level of maturity as a result of their financial responsibility to support themselves and others. These participants were not traditional students who could afford to live on campuses and not work while attending college. They all needed a college choice that would fit within their individual financial situation. The
students also looked at advice from others when making the decision to select a college. They were influenced by friends and advisors in making a major financial decision about their future. The younger students coming out of high school followed their counselor’s recommendations, while a more mature student followed her friends’ recommendation. These recommendations were based on students needing an affordable college that would offer them a diverse choice of programs so they can attend college and assume the responsibility of supporting themselves and their families. This responsibility also pushed them to choose a course that would help them manage their everyday finances and achieve financial stability.

**Why Attend the Financial Literacy Seminar?**

The financial literacy seminar offered at ABC Community College has the following course description:

This course will provide you with the skills and knowledge to make informed and effective financial decisions. You will explore the basics of financial literacy, from balancing a checkbook to investing in a 401k. You will engage in activities that will help you set financial goals while learning to manage debt, understand your credit score, evaluate alternative modes of financing and plan for retirement. ([ABC Community College](https://www.abccollege.edu) website, 2018)

As students read this description, they build up different expectations about this seminar. There were three major reasons cited by all six participants to explain their choice to attend the financial literacy seminar versus another. At ABC community college, freshmen students are required to choose a seminar out of a dozen covering a variety of topics but they decided to attend the financial literacy one for specific reasons. First, they were conscious about their lack of knowledge about different financial concepts, such as savings and credit. Second, they felt
that this class was more relevant to their everyday life. Third, they hoped that the knowledge gained in this class would help them to improve their spending habits and thus improve their financial situation.

**Lack of knowledge about finances.** Lack of knowledge about finance is a common finding among college students. The participants, although from different age groups ranging from as young as late teenage years to the 50s, had a similar need to learn about personal finance. When asked about the reason for selecting the financial literacy seminar, all six students replied that they felt the need to learn how to manage their personal finances. Michael shared, “Because I'm a bit lousy with money. I get money, and then suddenly, it's gone. I have it, and then it's gone. I don't know what happens.”

Similar to Michael, Jonathan shared the reason behind attending the seminar, “Because I didn't feel like I was financially prepared enough for the real world and for having a weekly paycheck and saving. I wasn't too sure on how to handle any of that.” In addition to Michael and Jordan, Nancy and Jennifer both replied that this seminar would be beneficial to them to help them manage their money and save. Andre mentioned that he had no idea how the outside worked financially, and he wanted to learned, while Jaden said, “I thought, ‘I'm becoming an adult, might as well learn more about my financial situation.’” This class was more relevant to them than other seminars offered to them as first-year students.

**Topic relevant.** All participants explained areas of the class that they felt would be relevant to their everyday life. Michael talked about how he hoped the seminar would help him learn how to save. Michael, who was in a difficult financial situation living at a shelter without a permanent job, felt that this seminar would be appropriate to equip him with the knowledge necessary to overcome his financial struggles. Jonathan and Andre explained that they wanted to
understand how credit affected their lives. Andre shared that it was better for them to learn some topics in class, such as mortgages and credit cards, versus having to learn them on their own, the hard way. These topics were topics that they felt were relevant to everyday use, such as understanding their paycheck, checking and savings accounts, mortgages, and taxes. Andre shared:

I found myself not knowing very much about the outside world and how credit works, mortgages, things like that. I figured at some age, it's good to know. It's better to take a class that teaches you correctly instead of you just trying to learn everything the hard way.

Nancy also felt that this seminar was more relevant to her everyday finances. She said, “It felt like it was more relatable.” She also mentioned, “Of all the learning communities to choose from, I thought this one would be the most beneficial as far as applying it to your lifestyle.”

Participants wanted to learn from the seminar knowledge that they could apply to their personal finances and that was relevant to their unique financial needs. Students shared that they expected certain benefits from this course.

Expected benefits of the class. Even prior to attending class, all six participants had some expectations about the learning in this class. The course description offered an interesting overview of the topics offered in the seminar. The description mentioned learning about balancing a checkbook to learning about credit score, managing debts, setting financial goals, retirement, and investments. Students built up some expectation about the topics from which they would benefit. When asked about why he chose the financial literacy seminar instead of others offered to him, Andre said that he wanted to learn how to achieve his goal of financial stability, while Anthony and Jaden wanted to learn how credit affected them. Anthony shared:
Because I didn't feel like I was financially prepared enough for the real world and for having a weekly paycheck and saving. I wasn't too sure on how to handle any of that. I didn't know how credit affected me, and before I took the course I kind of didn't really care for credit. I was just like, "Oh, credit. It goes up and down, whatever." But then after I took the course, I was able to realize that it's more than just that.

Jaden who also wanted to learn about credit said, “Well, to be honest, none of the other seminars that they required seemed interesting … Stuff like credit was really important, and I knew nothing about it actually, until prior to … class.”

Other students had different goals about what they wanted to learn from the seminar. Michael wanted to learn how to save money. Jennifer said that she wanted to learn “a little more about finances.” Nancy thought that it would be the most beneficial to her everyday life finances. Each participant had a desired outcome from this class. Whether the class met the students’ expectations or not will be discussed in the next section.

**Conclusion.** The financial literacy seminar was selected by the participants because they recognized their knowledge deficit in personal finance, and they were eager to learn more about how to manage their money, build their credit, and apply for different financial products. The participants shared that they had hindered their credit because of cell phone bills and exceeding their credit card limits because of their lack of knowledge. They were eager to learn how they could improve their knowledge about personal finance and consequently their financial behavior. They could have chosen other first-year seminars, but they were intentional in selecting the financial literacy one. Their financial situation dictated a need to learn more about personal finance. The students believed that this class offered them beyond theory the opportunity to apply and improve their financial knowledge. In the next section, the participants share how they
applied the knowledge learned and how it improved their credit scores, helped them budget, spend money more wisely, and be more cautious with credit cards among other financial instruments.

**Actual Benefits of the Seminar**

Financial knowledge can lead to better decision-making (Anderson & Card, 2015; Bechetti et al., 2013; Ning & Peter, 2015; Shim et al., 2010). Different studies have found a positive relationship between financial knowledge wealth accumulation and the likelihood of engaging in sound financial practices, such as paying bills on time, tracking expenses, budgeting, paying credit card bills in full each month, saving regularly, and setting smart financial goals (Ameriks et al., 2003; Hilgert et al., 2003). Specifically, this seminar offered some direct benefits cited by the participants. These benefits included learning about credit and how to improve one’s credit score and learning about budgeting, savings, and changing spending habits. Finally, working toward achieving financial goals was also a common thread among the benefits cited by participants.

**Improving credit.** Three participants shared some success stories that were a result of taking the seminar and applying the knowledge learned. Anthony said that he stopped exceeding his credit card limit after he understood the impact on his credit rating. He proudly shared that his credit score went from 400 to 627:

I had about a 400 credit because I had a T-Mobile bill that I didn't care for because it was for a friend, and then that definitely brought my credit down when they didn't pay, and I left owing that, and I didn't even know that went into collections, which is tied to your credit.
Then after I took this course, I realized how that account made my credit negative. I realized that even though I was paying my credit card back, I was using more than I should have [using more that 30% of credit card limits affects one’s credit score negatively] to increase my credit [score]. So because now I knew that I should be using 30% of my credit, I was able to be like, okay, so I need to limit myself to 30%, and that way I can increase my credit [score]. By fixing all of that stuff and listening to what I had learned in class about maxing out your cards, having too many open lines of credit, allowed me to bring my credit score up to 627, which to me, it's pretty big to me because I'm at 400.

Jennifer shared a similar success story about her credit score and how she benefited from the class. She said that her credit score went up to 680 and for the first time in her life she was able to purchase a car without having anyone signing for her.

Jaden also mentioned that his credit score improved after taking the class:

So now I can boast that I have a 755 credit score. I think I wouldn't have gone that far if I did not know anything about credit, like if I just decided to open up my card without any prior knowledge to it at all. I guess that's something that I also learned in the class.

Credit seemed a top priority for participants as they started engaging in different financial transactions, such as applying for a loan or buying a car. The fact that they understood what impacted credit and how they could use it to their benefit, helped them achieve the important goal of improving credit scores. Another benefit mentioned by the participants is learning how to save and budget.
Savings and budgeting. Two participants mentioned that they learned how to save and budget from the seminar. Michael shared, “[Since the class, I try] to keep better track of my money, try to write down what I'm spending it on, try to save a little bit.” Jennifer also explained that the class helped her change her spending habits:

For example, I remember when I first started, I used to buy a Milky Way and a coffee every day. Every single day. I really didn't pay attention to spending money daily as a big deal because it was just $2. It was just $3. After I took the course, I learned how to add those, that money adds up. It is a lot of spending. Now I change things, like for example, I drink my coffee before I leave the house.

Both Michael and Jennifer were referring to a specific assignment in class that required students to have a daily spending diary and to log every expense they incurred regardless of the amount. According to both Jennifer and Michael, that assignment made them realize how much money they spent on unnecessary items and forced them to make changes to their spending behavior.

Andre shared that he learned how to budget for the class and how to save money for emergencies. He shared an example about when his car broke, and he was able to use the money from savings to fix it.

For example, my car broke the other day, a couple days ago or a couple weeks ago. It broke, but because of the money we had saved on the side, I was able to pay for it…. If I wouldn't have been able to put that aside, if I wouldn't have taken the class, I would have never got to put money in my savings, learn how to budget it, and learn how to manage my money for bills and stuff.

Nancy also shared that the seminar taught her how to learn from her previous spending mistakes:
Right. It made me more conscious of mistakes I've made. ... And it equipped me to deal with the mistakes I've made, and then equipped me not to make the same mistakes again. I actually did go yesterday to open a certificate of deposit; however, I couldn't open it because of the mistakes that I've made. So, now, you know, I have to plan accordingly, and even though I'm scared, it's like a good scared. It's like, okay, I know I did it. I messed up, but how can I make it better and then never do it again, you know? Jaden also referred to the same benefit of learning how to save. He shared that he used to spend the money freely. Then the seminar made him change his spending habits:

Well, it made me think more about how I spend my money because entering the class, I spent my money kind of freely, where I didn't really try to save too much. I knew I should because I had to pay for school somehow. Then, afterwards it really helped me when I got my credit card because I understood okay, so here's how a credit card works and here's what it's for.

Learning how to budget and save money was definitely a common benefit of the seminar cited by all participants who were working toward achieving their financial goals.

**Working toward reaching financial goals.** The participants’ financial goals were quite diverse. Two of the participants wanted to become business owners. Michael shared, “I want to pay off my student loans, maybe open my own business someday.” Anthony also had a similar financial goal. He shared, “To have enough money to be able to help myself and my brothers go through college, and be able to be financially stable so that I can start my own business.” Anthony further explained how all the learnings in the seminar would help achieve the financial goal of starting a business:
It kind of forced you to learn about every single aspect of the finance that involves personal use, and smaller parts of how to extend your financial literacy like if you were trying to do business. It had small, little pieces that if you want to extend, you can learn from. So in that course, it showed me mostly about credit, savings, and then there were certain parts where certain people asked certain questions about if you wanted to start a business, and we talked about how credit affects you being able to start a business, and how credit in businesses affect a business itself also.

Jennifer and Nancy both had the ability to pay for their kids’ college tuition and offer them a stable financial situation as a priority in their financial goal setting. Jennifer shared:

My financial goals are to be financially stable. Not to worry about money. I don’t want to be rich, but I would like to have financial stability. Having a house. Having a reliable car. Being able to pay for things for my children. Being able to pay for college for my kids.

Nancy, who had a similar goal to support her daughter’s education, shared, “My goal is to be able to consciously be able to save, and own another ... Like, own an income home, and save to send my daughter to school. Those are my two main goals.”

Andre and Jaden both had family-oriented goals as well. Andre shared:

We think in years, like we learned in your class, within years having certain goals as in buying a house, buying a car, being able to finance all those things correctly, and grow into a better family, a bigger family.

Jaden also shared his family-oriented goal:

I just want to be able to raise a family without them being in financial need, you know? Higher middle class, or something like that, and also be able to retire my mom and have her be in a good financial situation as well, and also my sister. I
want to be able to help her should she need any money at any point in time. That's all that I really thought about so far.

Overall, all participants used the learning in this seminar to work toward achieving their financial goals. They understood the importance of credit in making any future purchase, such as buying a house or a car or taking a student loan for themselves or their children. They also realized the importance of being frugal, saving money to be able to achieve those financial goals.

**Conclusion.** The participants benefited from the financial literacy seminar in many ways. They were able to understand how credit works and how to use credit cards in a way that enhances credit scores and not hinder them. They also understood some common mistakes that consumers make when co-signing with others and exceeding credit card limits. They learned how to be more frugal, track their spending, and budget their income. They also applied what they learned toward achieving their financial goals, whether it is to save for a down payment to buy a house or a car or to plan for their children’s college education. The participants then shared another common theme around the lack of financial resources on campuses.

**Financial Literacy Resources and Awareness**

There are many resources created by a number of federal agencies, research institutions, and task forces involved in different initiatives to address American youth financial spending patterns (Adams, 2011; Bernheim et al., 2001; Kobliner, 2013). College students, however, may not be aware of these resources. When asked about the availability of financial literacy resources on campus or outside campus, three subthemes emerged. First, five of six students said that they received limited financial literacy education outside the seminar on campus. One student, who moved from Florida, mentioned that financial literacy was a high school requirement in that
state. Last, all students believed that financial literacy was so important that it needed to be mandatory for students either in high school or at the college level.

**Limited resources on campus.** Four students said that they didn’t learn about financial literacy outside the classroom on campus. Two participants mentioned the financial aid office as the closest resource they can think of. Jonathan said:

No, I haven't. I haven't really spoken to anybody financial-wise about my money or anything. The closest I come to getting answers is financial aid, when they're like, "Oh, this is how much you have, this is how much you don't have." I haven't talked to any other professor, financial-wise.

Only one student, Michael, mentioned attending financial literacy workshops on campus, while the others were not aware about that resource on campus. Two students mentioned receiving some type of financial education in high school. Both of them described it as limited and not extensive.

Jaden mentioned that he filed his taxes on campus, from a program called the Volunteer Tax Assistance Program (VITA) that helps students file taxes for free, but didn’t learn much from the experience:

I did my taxes with ABC CC last year, but they didn't really tell me anything except like because you're under 24 and you still live with your parents, you can't get certain tax benefits or something like that. Other than that, no.

Michael concurred with Jaden and Jonathan about the lack of financial resources on campus. He shared that this problem of lack of financial literacy education was not new:

When I went to high school back in the 70s and 80s, there was no financial literacy. No one taught you what to do with your money. I guess I never knew what to do with my
money. I never knew how to keep track of it, or how I can get my credit report, or things like that. I'd have money, I'd spend it, and then I'd wonder where it went.

In addition to limited resources on campus, Andre shared that faculty did not inform enough about personal finance. He said that some faculty talked a little bit about finances. “No. Not at all. They'll tell you maybe a little bit out of the finances for the school, but beside that they don't really say much about it.”

Another student, Nancy, shared that she received financial literacy education at a high school in a different state.

**Financial literacy requirements by states.** Financial literacy requirements are different from state to state. According to the 2017 Financial Report Card from Champlain’s College Center for financial literacy only five states received a grade of A for their efforts to require high school students to take a personal finance course (Champlain College, 2018). Massachusetts is not one of those states, so financial literacy is not required in Massachusetts’ high schools or colleges. Four students who attended high school in Massachusetts said that they did not have any financial literacy requirement. A fifth student from Massachusetts mentioned that he had a course in high school:

Yes, I did. I took a Financial Literacy course in high school in my senior year, but it wasn't as involved with credit and other outside aspects. The course I took was more about personal taxes, and how to file your taxes, and how to save. They just kind of showed you the different kind of bank accounts that exist, and they were just kind of showing you how they each benefit you differently, and that was pretty much the whole course.
The sixth student moved from Florida and mentioned that financial literacy was a class required in high school and that she attended it. Unlike the students from Massachusetts, it was not offered in only some high school but across the state. Nancy shared her experience:

In middle school and high school, I was part of a program known as AVID, which is Advance Via Individual Determination, and it essentially teaches you how to be an adult, and how to be a successful college student. And in that class I learned, like, the difference between a bank and a credit union. Consciously, how to save money, how to finish financial aid paperwork. I don't know if they have that up here in Massachusetts. It sounds like they would, being in that class and, for seven years of my life, they should have it in Boston and Massachusetts, but this was something I took in Florida.

Nancy’s recommendation about having that program available in Massachusetts coincides with the other participants who feel that financial literacy should be mandated.

**It should be mandatory.** All participants interviewed argued that financial literacy should be mandated either at the high school level or at the college level. Michael argued that this course should be given to all students, especially before receiving any financial aid package, so students understand the consequences of student loans. He said with a tone of frustration in his voice:

I don't know why this isn't a full-time course. I don't know why they don't make you have a plan before they give you the money. To just give money with no plan, spending on whatever they do want isn't very helpful. I think this is why a lot of people are in debt. A lot of students are in debt ’cause they just don't know what to do when they get the money.
Michael continued to say that this course should be mandatory because if he had received it earlier in his life, he wouldn’t have been evicted from housing for lack of knowledge about options:

I was living in subsidized housing, and I didn’t know that you couldn't be evicted from that. If you tell them you're having problems, they have to lower your rent for you, and I didn't know that, so I ended up getting evicted. If I had known that, I would never have been homeless.

Nancy also expressed the need for this class to be offered to all students. “I think this class is extremely important. I think everybody should have this class, and I even think it should be mandatory in high school and middle school.” Nancy also concurred with Michael that this class should be mandated at an earlier stage of life before young students have access to credit and get in too much debt. She wished she received the financial literacy sooner:

The point is that we should know this before it’s time to actually do it, you know? You're already ... You know, I'm 21 now, but my debt is from when I was 18 and 19. So, it's like ... I wish I would have known this when I was 14 because I had the mental capacity to understand it.

Participants expressed that all youth should be exposed to financial literacy at a young age before making mistakes, getting into too much debt, and learning the hard way. Unfortunately, financial resources are still limited on campuses, and states have varying levels of financial literacy requirements.

**Conclusion.** Participants recognized from their own experiences that there was a lack of financial literacy education at high schools and colleges. Two of them, Michael and Nancy, shared that if they had learned about financial literacy earlier, they would have avoided many
mistakes. Michael felt the strongest about mandating financial literacy for young adults. Being the oldest participant and reflecting on his negative experiences with money that led him to be living in a shelter and having a lot of student debts, he truly believed that if he had received financial education earlier, his life would be different. Other participants who are much younger also felt the need for mandated financial literacy, but they were still early enough in their lives to make quick changes to their financial behavior after this class to improve their financial situation. A situation that was largely influenced by their learning from others as the next section explains.

Influence of Others

Parents are the top personal resource college students use to learn about money management, cited by 71% of college students (Sallie Mae, 2016). The role of family on financial behavior has also been addressed by many studies (Grinstein-Weiss et al., 2011; Jorgensen & Savla, 2010; Lachance & Choquette-Bernier, 2004; Lea, Webley, & Walker, 1995; Ning & Peter 2015; Shim et al., 2010). When asked about which family members influenced their spending habits, five participants cited their parents. Two participants cited siblings. Each of them has a different experience, some positive, some negative. Four participants were inspired by family members who were successful at managing their money and considered them as role models, while others learned from their mistakes.

Positive influences. Some participants had positive experiences with their parents and family members that helped them learn about money management skills. Andre shared the advice that his dad gave him about always putting money on the side:

The little bit that I learned from money is just how I saw my parents move the money around. Even when they didn't have very much, they found the little that they did find to
be able to move it around and pay for what's necessary, instead of going around and just spending it like youngsters do all the time. And I learned a little bit, my dad always used to tell me, always put money on the side. Don't spend $110 when you only have $100. Always, if you get $100, put $60 on the side. Put whatever you don't need on the side, so that someday in the future, you can afford things that you need.

Andre also had a positive experience with his brother who “was very big on saving money”.

Jennifer also explained that her sister positively influenced her about saving money:

She used to work from, since she was very young. One of my sisters used to love to save money. She used to always tell me to put money aside, don't spend it all. She was a little different from the rest of the family.

Anthony shared that not only he was positively influenced by his mother who always saved a little bit on the side but that his uncle was his role model because he was able to own his own business by savings:

My mom was ... she likes spending money but somehow she tends to always have a little bit of money on the side saved up. That always got me in the urge that I want to have a little bit saved up to the side also. And then my uncle, from when I was younger, he started, he used to work as an auto body technician, and he was an employee to somebody, and he worked his way up to owning his own auto body [business], and now he doesn't even work anymore. So seeing the way that he saved up his money to buy a house, saved up from there and buy a business, kind of urges me that I want to do more, and I want to save up more also.

Nancy also shared some positive experiences from her dad. “Yes, my father made sure he taught me, you know, pay your bills first. Bills come first. He did teach me different things about taxes,
at least, he told me things nobody else was telling me.” These positive influences that Jennifer, Nancy, Anthony, and Andre shared were a big contrast to what the other participants shared.

**Negative influences.** Not all students had positive influences from family members. A couple of them, Michael and Jennifer, discussed the negative role models they had when learning about money matters. Michael shared that when he was young, his family was always in financial troubles:

> My mother was a single mother with five kids, and there was never any money. She was the oldest of 13 kids, and her parents had adopted 4 others, so there were 17 of them. She always had to take care of them, and she just never really knew what to do with the money. Never balanced the money. We were always getting bills, lights were being cut off, the electricity being cut off. It was just one thing after another. She worked for the government for most of her life, so .... Even then, it was just a struggle to make ends meet all the time. She had to lie to get on to welfare to get food stamps.

Michael went further to say that because his mom never saved, he did not either. He was also living paycheck to paycheck like she did:

> I'm pretty much like my mother. I'm irresponsible with money and just, I don't know, I get it, and then it's gone, I don't know what happens. I try to be better than she was, but I end up doing the same thing she does. Getting bills all the time, saying this is due, that is due, and I guess, I don't know why.

Jennifer who was positively influenced by her sister had a different experience with her mother:

> With my parents, my mom is a spender. She will spend money even without having it. She calculates, "This amount of money is coming in," so she spends money, and then she
borrows money and cover for whatever. That's basically what I understood about money.

She never had money in the bank.

Jennifer also shared that her mom did not believe in bank accounts, so Jennifer didn’t open a savings account at first; it wasn’t until later that she opened one.

**Learning from others’ mistakes.** Learning about money from family members came in different forms for different participants. While some participants learned by observing their parents and family members be successful at savings, like Andre and Anthony, others, like Nancy and Michael, learned by watching their loved ones make financial mistakes. Nancy mentioned that she learned from her grandmother’s and friends’ mistakes. She shared that her grandmother got into debt for going to three different colleges and asking for more student loans:

> My grandmother is a ..., her biggest, biggest secret is her student loan debt, and, so, she always is just warning me, like, education is important, always put it first, but if you do not plan it accordingly, you will be in debt, and it will follow you for the rest of your life, and in the meanwhile, you know, it took her about 30 years to finally get back on track.

Nancy learned from her grandmother’s mistakes as she explained that she was going to college practically for free because she planned for it, unlike her friend:

> My best friend, that being, once again, her mistakes that she's been telling me, you know? I've been able to, from things I learned about financial aid, I'm going to school virtually for free, you know? Because I planned it that way, but she didn't. She didn't do that, she jumped right into college right out of high school, and now she's in debt.

Michael also seemed to reflect on his mom’s lack of budgeting and unwise spending as Jennifer did when she said that her mom would spend money before she received it. So Jennifer created a budget and is working hard to save money to achieve her financial goals.
**Conclusion.** Each participant learned from a family member or others’ mistakes about money management skills. The influences of family and friends seem powerful as some students repeated the same mistakes that their parents did like Michael. Others learned from the mistakes of their family members or were given good advice that they followed to be financially stable. The students who had good role models exhibited better financial habits. Anthony, who wanted to own a business like his uncle, started saving early on. His mother also had money saved on the side as a habit, so he learned to put aside some of his paycheck on the side as well. Andre learned from his father and brother who both saved money. By contrast, students who had negative influences, like Michael, exhibited the same behaviors. Michael emulated his mom who was never able to budget properly and save money. He ended up struggling most of his life and getting into too much debt. The participants though went beyond just learning from family members, they tried to teach themselves about financial literacy.

**Self-advocacy**

Self-advocacy is a skill that involves speaking or acting on one’s behalf to improve quality of life, effect personal change or correct inequalities (Rumrill, Palmer, Roessler, & Brown, 1999). Self-advocacy is the ability to express one’s needs and make sound decisions about the support and assistance necessary to satisfy those needs (Test, Fowler, Wood, Brewer, & Eddy, 2005). Self-advocacy is a concept and skill associated with the concept of self-determination (Field & Hoffman, 1994). Students who exhibit high levels of self-determination demonstrate higher levels of financial independence in different activities, such as buying groceries and obtaining certain health benefits from their workplace (Test et al., 2005). The participants in this study showed a high level of self-advocacy. When asked about additional resources that the students used to learn about financial literacy on their own, they shared an
array of options. Four participants used online resources; two used non-profit organizations. Two students enrolled in specific programs that allowed them to save and reach their financial goals. They also showed a desire to learn about additional topics that were not covered in depth in the classroom.

**Organizations as resources.** Currently, there are many organizations both at the national level, such as National Endowment for Financial Education NEFE and Jump$tart coalition, and at the state level, such as credit unions that can serve as financial education resources for young adults. Some participants from this study have used different organizations to learn about financial literacy and achieve various financial goals. Jennifer mentioned that she used different organizations to achieve various goals from learning about finances to housing to buying a car:

> Used CEOC in Cambridge. They help with financial coaching. I used them. I went to one of their workshops because it's good to refresh the information. Also I use Compass, Compass Working Capital. They work with Cambridge Housing. I started a program with them where half of what you pay for housing goes to a savings account, and you can use that eventually as a deposit to buy a house, or to pay for education. They help me go through my budget every once in a while, giving me ideas. I used another program to buy a car a long time ago. The same time I took the financial literacy class. It was a matching program where I put something down, and then they would match the amount of money, and I would buy a car.

In addition to Jennifer, Michael and Nancy also mentioned additional programs. Michael mentioned a program at ABC CC that offered financial literacy workshops and helped with housing and food. Nancy used H&R Block to learn about different topics, such as taxes and
retirement accounts. In addition to resources on campus, participants also mentioned online resources.

**Online resources.** With the availability of information online, anyone with an Internet connection and desire to learn about financial education resources can self-learn. As the new generation of college students is more fluent in online tools, the availability of financial education resources on the Internet has made it easier for many students to get answers and advice about financial topics. In this study, four participants shared websites that they used to learn about personal finance. Michael mentioned that he used online resources to check his credit score. Anthony uses the bank websites to learn about different accounts and financial products. He also uses Zillow as he is interested in getting a mortgage and buying a house for the first time. Nancy said, “[I use] “Google, reading tax law books, and different ... Like, those credit websites that try to give you little tips, I try to steal their information without using their website.”

Jaden said that when he did not understand something on TurboTax while filing his taxes, he went on Reddit.com/personal finance to learn more about a specific topic. Both Nancy and Andre also used TED talks to learn about different topics, such as how to save and manage bank accounts. When asked about Social Media, none of the students really used it for the purpose of learning about personal finance. After the seminar, the students were eager to learn more about financial literacy, and they sought different avenues to increase their knowledge.

**Desire to learn more about personal finances.** The financial literacy seminar is a one-semester course aiming at providing as much financial education as possible within the timeline of 16 weeks; however, there are so many topics to cover that some may not be covered in detail or not covered at all. The participants expressed a desire to learn additional financial education
knowledge at the seminar. When asked if there were any additional topics that they wanted to learn more about, the participants gave an array of answers. Michael wanted to learn about college savings plans and how to write grants.

A savings plan …. match your savings that you save for college, and I'd like to know more about those. How to apply for those. How to maybe get grants. Something about applying with grants, how to write for a grant to get one, so I think that would've helped a lot, too.

Two participants, Jaden and Andre, were interested in learning more about taxes. Andre explained:

The personal taxes, I know a lot of people are just kind of like you go over it, and if you're just one, you put one here, if you don't claim anything, you put zero. I think it should be like if it's just you, this is what you put. If it's you and a spouse, this is what you put. If you have two jobs, just come up with at least six scenarios of situations people really go through so that when you explain it more, people can be like, "Oh, that's relevant to me because I have two kids even though I'm 22 or 25. I'm pretty young. I don't know how to do taxes." And learning from that, you kind of got when you file your taxes you're like, "Oh, I learned this in school." I know because I have six kids, I need to claim this much. I have two jobs, I need to put this much down. So you hear from different points, the taxes.

Jaden shared:

Something that I personally wanted to know more about was, I don't want to say filing my taxes, but that would have been something that might have helped. I mean, Turbo Tax kind of sets you up to do it automatically, but some things like my 1099 form, I just wish
I knew a little bit more about that. I didn't really know what it was for or how I could go about getting the tax credits for it. Last year, they told me I couldn't get it, but then this year, when I did it by myself on Turbo Tax, it said I'm eligible. Just kind of a blurred thing. That's it, really, so just about taxes.

Nancy wanted to learn more about how to start a new business. The participants were eager to learn about different topics that impacted their lives and would help them achieve a better financial situation.

**Conclusion.** Participants showed a high level of self-advocacy as they all looked for additional resources to learn about financial literacy. Some of them used different organizations and programs and were able to achieve financial goals, such as buying a vehicle. Other students used websites and TED-Talks to inform themselves. All of them had an inner drive to self-educate about money matters. They did not wait for a class to teach them; they went and looked for the information themselves. They were proactive in finding resources about buying a home or understanding how to file taxes. The fact that these students were actively looking to educate themselves financially is an indicator of the legitimate need to offer financial education to students. The ease by which financial education is available via the Internet offers an alternative way to learning about financial literacy outside the classroom. The participants also shared an array of topics they wanted to learn more about ranging from college savings plans to taxes and how to start a new business. These topics may not have been covered in detail in the seminar or not covered at all, which suggests that a stand-alone seminar is not going to provide all the financial education needed to young adults. More needs to be done beyond offering one seminar.
Conclusion

The purpose of this study is to understand how students made sense of the information they learned at a financial literacy seminar and how family members, friends, and others have influenced them. The interviews have shown that students found that the seminar was beneficial to them. The knowledge learned from the seminar helped them manage their money better and improve their spending habits. Some of them were able to improve their credit scores, while others were able to save money for emergencies or future goals, such as buying a car or a house. The interviews showed that there was a lack of financial literacy resources on campus. Most students did not receive any other financial education outside the classroom. They all believed that financial education should be mandated so that young adults can avoid making mistakes at a young age. Some of these mistakes can have a long-term impact on the students and affect their future.

When asked about influence from others, students mentioned their parents, siblings, and other family members. Some of them received good advice from their family members and were influenced positively by watching their behavior, while others repeated the same mistakes that their parents committed. It was clear that family influence had a big impact on the spending habits and money management skills of participants. The influence of others outside family was more apparent in the decision of choosing a community college as an affordable option for higher education. Some students followed the advice of counselors, while others followed the advice of friends.

Finally, the students showed a strong interest in learning about personal finance by seeking help from different organizations or researching online resources. The readiness of financial literacy resources online is a great alternative for students who are not able to attend a
class. There are organizations that offer different financial services to students, such as housing and financial coaching. Whether those organizations are known to students remain a different issue, as many of them are not aware of available resources to them.

As the analysis of the research has been presented, the next chapter provides further discussion of the findings with respect to the current literature and the theoretical framework of consumer socialization. The next chapter also provides a conclusion and recommendations for future practice and research.
CHAPTER FIVE: DISCUSSION AND IMPLICATION FOR PRACTICE

The purpose of this study was to understand how students make sense of the learning they received at a Financial Literacy seminar. The theoretical framework of Ward (1974), consumer socialization, was used to situate this study. The consumer socialization theory suggests that young adults become consumers through a socialization process by their parents, family members, friends, and others. Ward defined consumer socialization as "processes by which young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace" (p. 2). Children become financially socialized through observing their parents, participating in financial practices, and tutoring (Beutler & Dickson, 2008; Danes, 1994; Pinto et al., 2005). Therefore, the theoretical framework will be used in this chapter to explore how students at ABC Community College made sense of the personal financial knowledge received at the Financial Literacy seminar in light of their previous experiences with money from parents and other family members.

The qualitative research methodology used to explore how students made sense of the learning received at a financial literacy seminar at a community college was Interpretative Phenomenological Analysis (IPA). IPA “aims to understand how people make sense of events, relationships, and processes in the context of their particular life worlds.” (Larkin et al., 2011, p. 330). Therefore, IPA fits this study to understand how students make sense of their experiences at the seminar and their previous experiences learning about money from their parents and family members through a double hermeneutics using semi-structured interviews. The researcher made sense of how the students perceived the knowledge acquired from the seminar.

To understand how students were influenced by the seminar, the following research question was asked: How do students make meaning of the knowledge acquired in a freshman
financial literacy seminar, and how does it change their financial decision-making and spending habits? The research found answers to these questions with six emerging themes with three subthemes each:

1. The reason for attending a community college. The reasons were as followed:
   a) Affordability
   b) A good place to start when unsure about major/career
   c) Influence of advisors and friends in selecting the college

2. The reason for choosing the financial literacy seminar. The reasons were as followed:
   a) Lack of knowledge of financial literacy
   b) Topic relevant to everyday life
   c) Expected benefits of the class to change their financial behavior and inform their spending

3. The actual benefits of the seminar from the students’ perspective included:
   a) Improving credit
   b) Learn to save and budget
   c) Work toward achieving financial goals

4. Financial literacy resources are limited; they should be:
   a) Available on campus
   b) Required in every state
   c) Mandatory either at the high school or college level

5. Students were influenced in learning about money through:
   a) Positive influences of family members and aspiring to be financially successful
b) Negative experiences of family members pushing them to make the same mistakes

c) Learning from others’ mistakes and avoiding them

6. Self-advocacy

a) Organization as resources

b) Online resources

c) Desire to learn more about financial literacy

The following sections will present and discuss the key findings related to the superordinate themes. These findings are: affordability, lack of knowledge of financial resources, benefits of attending a financial literacy seminar, lack of awareness of financial literacy resources, influence of parents and family members on financial learning, and students’ self-advocacy. Each finding will be presented and discussed using literature about financial literacy and the lens of the consumer socialization theory. Then a conclusion will follow with these three sections: recommendation for practice, limitations, and recommendation for future research. The first finding to be presented is the rationale for selecting a community college.

**Criteria for College Selection: Affordability and Referrals**

In this finding, the study showed that the main reasons for the participants to choose a college was affordability and referrals. Students are concerned about being able to pay for college. Five of out of six participants were working while attending college. Being able to afford college is a big priority for them. The other finding is the influence of friends and advisors in selecting the college. Half of the participants cited either a counselor or a friend who guided them through selecting a college. The finding of criteria for college selection will be discussed with respect to the current literature and then with respect to the theoretical framework.
Current Literature

One of the major criteria discussed in the analysis of the interviews is affordability. The literature strongly related to the affordability criterion based on the increasing student debt and college costs. College students’ debts have reached record numbers in the last decade (Holsendolph, 2005; Kamenetz, 2010; Selingo, 2015). In 2018, the student loan debt has exceeded $1.5 trillion (US National Debt Clock, 2018). The literature confirmed the rising costs of education and the need for affordable options for students not to get into debt. Students mentioned that the top reason for selecting ABC Community College was the financial aspect. ABC Community College was affordable. It offered the students the ability to get a degree without incurring too much debt. It also allowed students to feel more comfortable taking classes even if undecided about their major because the cost associated with changing majors was not as great as in other schools.

The literature also referred to students’ over-optimism because of their belief that they can easily repay their student loans after graduation (Adams, 2011; Norvilitis et al., 2006; Slowik 2012; Xiao, Tang, Serido, & Shim 2011). This over-optimism created a culture of tolerance of debt (Davies & Lea, 1995). This finding was illustrated in students’ high college debt and behavior of exceeding their credit cards’ limits. Michael shared that he took too many student loans, and Anthony said that he was spending too much with his credit cards. Both Michael and Anthony incurred debt as students without thinking about the consequences of their behavior. The ease of obtaining credit, as outlined in the literature, by encouraging a culture of borrowing now and paying later coincides with the behavior of these two students. Another criterion mentioned by the students in selecting a college was referrals of friends and counselors. In the next section, this criterion will be discussed in relationship to the theoretical framework.
Theoretical Framework

The consumer socialization theory related to the finding of selecting a college because of the referrals made by friends and counselors. The framework suggests that learning about money and financial decision-making is influenced by family members and others. Ward (1974) defined consumer socialization as "processes by which young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace" (p. 2). In this study, the findings suggest that the decision to select a college is influenced by friends and counselors who shaped their opinion about the selected college. Jaden and Anthony acquired the knowledge necessary to select a college based on their interactions with counselors. Jennifer selected ABC Community College based on a friend’s referral. Selecting a college is an important financial decision for students, and the influence of counselors and friends in making that decision proves that the model of consumer socialization is right in claiming that young people can be influenced by others.

Based on the literature review, this finding suggests that the main reasons for students to select a college are affordability and influence from others, such as friends and counselors. Affordability is an important factor for community college students, as they have limited financial resources, and they have to work while attending school. Influence of others also plays an important role in the process of selecting a college. In addition to sharing the reasons for selecting a college, the participants shared their limited knowledge about personal finance topics. The following section discusses college students’ lack of financial literacy knowledge.

Lack of Financial Literacy Knowledge

Participants shared that they did not know enough about financial products. They did not understand how credit worked. They did not understand the consequences of some actions, such
as exceeding credit card limits or cosigning with friends. Five out of six students shared that they have not received any teachings about financial literacy outside the seminar. The finding of lack of financial literacy knowledge will be discussed with respect to the current literature and then with respect to the theoretical framework.

Current Literature

The need for financial education was clear in the data from the interviews as well as from the literature. Participants shared many examples about their lack of knowledge about financial topics. Michael shared that his lack of knowledge caused him to get evicted from housing. Anthony shared that his credit was ruined because of a cell phone bill that he signed for a friend. He did not know that it would affect his credit score and drop it to 400. The literature says college students lack the financial acumen necessary to make sound financial decisions. Many studies have concluded that students graduate from high school with poor knowledge of financial literacy leading to financially illiterate college freshmen (Avard et al., 2013; Becchetti et al., 2013; Norvilitis et al., 2006; Seyedian & Yi, 2011). Lack of financial knowledge is a significant predictor of debt in an undergraduate population (Norvilitis et al., 2006). The lack of financial literacy has negative impact on one’s financial situation because of lack of awareness of consequences of bad spending habits (Gerardi et al., 2010; Lusardi & Tufano, 2009; Moore, 2003; Stango & Zinman, 2009). Lack of awareness due to low financial literacy leads to negative credit behaviors, such as high cost borrowing and high debt accumulation (Lusardi & Tufano, 2009; Stango & Zinman, 2009) as well as poor mortgage choice, mortgage delinquency, and home foreclosure (Gerardi et al., 2010; Moore, 2003). Both the data collected from the interviews and the literature strongly showed the lack of knowledge of college students around financial literacy.
Theoretical Framework

This finding shows that students were not successfully socialized in becoming consumers. According to the theoretical framework for this study, financial socialization is a process learned by young children that enables them to acquire knowledge about money management and developing skills in various areas, such as budgeting, saving, and credit card use (Bowen, 2002). The findings of this study suggest that students were not able to obtain knowledge in the areas of credit, savings, and money management skills as young adults. Their lack on financial knowledge caused them to make the wrong financial decisions that had consequences, such as ruining their credit scores or not being able to save for emergencies.

This finding concludes that students start college with a very limited financial literacy. Students do not successfully socialize into consumers because of lack of knowledge during their years as young children. However, the participants were able to make drastic changes to their financial behavior after taking the seminar and applying what they learned to their financial situation. The next finding discussed is the benefits of financial literacy.

Benefits of Financial Literacy

Participants were proud to share their accomplishments since attending the seminar. Three students were able to improve their credit scores, while a couple started savings to achieve their financial goals. The seminar helped the students change their spending habits and improved their financial decision-making. The finding of benefits of financial literacy will be discussed with respect to the current literature and then with respect to the theoretical framework.

Current Literature

Both the findings from this study and the literature indicate that financial literacy has many benefits. Jennifer, Andre, and Jonathan were able to improve their credit score after
attending the financial literacy class. Jennifer and Michael both said that they looked at their spending habits and started being more frugal and save more. Anthony was able to create an emergency fund and save for unexpected events. Nancy was able to research college transfers and look for affordable options. According to the literature, receiving financial education brings awareness about spending habits (Anderson & Card, 2005; Carpena, Cole, Shapiro, & Zia 2011; Greenspan, 2002). Financial knowledge can lead to better decision-making (Anderson & Card, 2015; Bechetti et al., 2013; Ning & Peter, 2015; Shim et al., 2010). Overall, studies have found a positive relationship between financial knowledge, wealth accumulation, and the likelihood of engaging in sound financial practices, such as paying bills on time, tracking expenses, budgeting, paying credit card bills in full each month, saving regularly, developing an emergency fund, diversifying investments, and setting smart financial goals (Ameriks et al., 2003; Hilgert et al., 2003). Being financially literate is to understand how to effectively handle money and have the capacity to adapt and respond competently to life events that affect everyday financial decisions (Miley, 2008). The students clearly benefited from the seminar based on the experiences they shared, which completed coincides with the literature.

**Theoretical Framework**

Beyond the literature, the findings of benefits of financial literacy correlated with the consumer socialization theory in that students’ knowledge and skills were changed after taking the seminar. Hayta (2008) argued that “socialization of the consumer is the process in which the individual constantly harmonizes himself or herself with the environment by learning or changing new attitudes, values, and current norms” (p. 167). So the students learned from the seminar and changed their attitudes and values toward money. Jennifer and Michael both said that they looked at their spending habits and changed them. Students started savings to achieve
financial goals and were more careful with credit. The students adapted themselves to their environment as they adjusted to college and to the new demands of their lives as the consumer socialization theory suggests.

This finding suggests that attending the financial literacy seminar benefited the students by increasing their financial knowledge and by improving their spending habits. After attending the seminar, the students were able to apply the knowledge acquired and to improve their financial behavior. The study also showed that there was limited availability and awareness about financial literacy resources. Students shared that they did not learn about financial literacy outside the seminar from other faculty or anyone on campus. In the next section, the finding of limited financial resources will be discussed.

**Limited Financial Literacy Resources and Awareness**

The study showed that only one out of six students knew about available resources on campus and used them. It also showed that none of the six students ever received any knowledge from any other faculty on campus about financial literacy. Only one student mentioned that she learned from her job about taxes while all remaining five students did not receive any learning from their workplace. The finding of limited financial awareness and resources will be discussed with respect to the current literature and then with respect to the theoretical framework.

**Current Literature**

Both the literature and the findings from this study suggest that there are some available financial literacy resources, but there is a lack of awareness and a lack of consistency among states. Nancy, who is a student who moved from Florida, shared that she was part of a program in high school that taught basic finance. Jaden mentioned that he also received a basic financial literacy course in high school. However, the other four students have never received any
financial education prior to attending the ABC Community College financial literacy seminar. The literature shows that due to low levels of consumer financial literacy among American youth, a number of federal agencies, research institutions, and task forces got involved in different initiatives to address American youth financial spending patterns (Adams, 2011; Bernheim et al., 2001; Kobliner, 2013). According to Bernheim et al., 29 states have adopted legislation between 1957 and 1985 to mandate some form of consumer education in secondary schools. Out of the 29 states, 14 states specifically required coverage of certain topics, such as budgeting, credit management, and balancing checkbooks. The objective of these curriculum mandates was to allow students to use practical decision-making skills to manage their finances in their adult lives (Bernheim et al., 2001). According to the 2017 Financial Report Card from Champlain’s College Center for financial literacy only 5 states received a grade of A for their efforts to require high school students to take a personal finance course (Champlain College, 2018). Although the literature shows many efforts on the part of many states to mandate financial literacy, Massachusetts is not one of the states mandating financial education either at the high school level or beyond that (Champlain College, 2018). The states that promote financial education fall short of making it a mandate in their schools. Both the students and the literature argue that there is a need to mandate financial literacy. Students felt that this course should be given to students before they make financial mistakes that have long lasting consequences.

**Theoretical Framework**

The finding of lack of financial literacy resources correlates with the theoretical framework in the sense that these organizations and agencies promoting financial education can also be considered agents in the consumer socialization process. The consumer socialization theory explains how children become consumers and how different agents participate in their
socialization (Ward, 1974). The financial socialization theory explains how children develop financial acumen and become financially literate (Beutler & Dickson, 2008; Danes, 1994; Pinto et al., 2005). The existence of agencies that promote financial literacy participate in developing the children into consumers by becoming agents in the consumer socialization process. By the same token, the lack of these resources and organizations does not offer the support necessary for young adults to become financially literate.

This finding suggests that there is both a lack of financial literacy resources and the lack of awareness about these resources. As a result, students are not adequately supported in their consumer socialization process. For the successful consumer socialization of young adults, different agents, including organizations promoting financial education, parents, and family members, need to participate in the process. The findings of parents and family influence will be discussed in the next section.

**Parents and Family Influences**

The study showed that every participant was influenced by family members in learning about money. Some participants were influenced by their parents, while others were influenced by a sibling, a grandmother, or an uncle. These influences shaped the participants’ future financial behavior and financial decision-making. The finding of parents and family influence will be discussed with respect to the current literature and then with respect to the theoretical framework.

**Current Literature**

All participants were influenced by either parents or other family members. Some students had good role models who inspire them to be financially responsible and to set up financial goals, such as opening a business or buying a home. Others had bad role models who
influenced their spending habits and made the students incur the same mistakes of their loved ones. Michael shared,

I'm pretty much like my mother. I'm irresponsible with money and just, I don't know, I get it and then it's gone, I don't know what happens. I try to be better than she was, but I end up doing the same thing she does. Getting bills all the time saying this is due, that is due, and I guess, I don't know why.

According to the literature, parents are the top personal resource that college students use to learn about money management, cited by 71% of college students (Sallie Mae, 2016). The role of family on financial behavior has also been addressed by many studies (Jorgensen & Savla, 2010; Grinstein-Weiss et al., 2011; Lachance & Choquette-Bernier, 2004; Lea et al., 1995; Ning & Peter, 2015; Shim et al., 2010). Lachance and Choquette-Bernier stated that many students learn basic financial knowledge through parental communication and observation. Shim et al. found that parents substantially influenced their kids financially more than the role played by work experience and high school financial education combined. Grinstein-Weiss et al. claimed that adults who reported receiving higher levels of money-management instruction from their parents during childhood through modeling, reinforcement, and intentional teaching of skills were able to maintain higher credit scores and lower amounts of debt. Both the data from the study and the literature strongly suggest the influence of parents and family members on financial knowledge acquisition and financial behavior.

**Theoretical Framework**

The consumer socialization theory is at the heart of this finding. Sociologists Riesman and Roseborough (1955) found that children learn consumption necessities from their parents while they learn styles and moods of consumption from their peers (Ward, 1974). According to
Moschis (1985), “parents influence their children's consumer learning through several different communication processes, including overt interaction about consumption matters, reinforcement in which a child has the opportunity observe their own behavior, and direct transmission of specific values from parent to child” (p. 32). Many researchers agreed on the parents’ influence on children’s future spending, such as Palmer, Pinto, Parente (2001), Bowen (2002), and Hayta (2008). Most students for the study mentioned either their mother or father or both as main influencers in their experiences with money. Other students shared they were influenced by another family member, such as a brother, a sister, a grandmother, or an uncle. Regardless of which family member influenced the financial knowledge or behavior of the students, this finding aligns strongly with the consumer socialization theory.

This finding suggests that parents and other family members have a decisive role in shaping students’ future financial behavior. The influence of parents and family members can impact either positively or negatively how students deal with money matters. The study also showed that students exhibited a desire to learn about financial topics beyond the seminar. The next section will discuss the finding of self-advocacy.

**Self-advocacy**

The study shows that after the seminar, the students used different resources to learn about topics they were interested in. Some students researched taxes, while others looked at mortgages. The participants looked to expand their personal financial knowledge around topics that were important to them. The finding of self-advocacy will be discussed with respect to the current literature and then with respect to the theoretical framework.
Current Literature

The findings of self-advocacy correlate with the current literature in that students showed a high desire to learn about financial matters beyond what they learned at the seminar. Students were highly motivated to research topics they were interested in. Taxes, mortgages, and how to start a small business were topics that students researched and wanted to learn more. According to the literature, goal-setting theory suggests that students who have clear financial goals and an appreciation of how financial literacy can help achieve those goals are more motivated to learn and retain financial education (Mandell & Klein, 2007). The students shared their goals of owning a house, opening a new business, saving money for emergencies, and were motivated to learn more about these topics. Motivation thru developing financial goals and owning financial products is closely associated with higher levels of financial literacy (Johnson & Sherraden, 2007; Mandell & Klein, 2007; Meier & Sprenger, 2013; Peng, 2007). Students’ desire to learn about financial topics was sparked by a motivation to achieve financial goals after attending the financial literacy seminar that provided them with a higher level of financial knowledge.

Theoretical Framework

The finding of self-advocacy contradicts some aspect of the consumer socialization theory. One of the major criticisms of the theory is that the theory focuses on the role of agents, such as parents, family members, and peers, but does not address the increasing role of the media and the internet on the socialization process (Dotson & Hyatt, 2005). Students mentioned that they acquired additional knowledge about financial literacy mainly from the internet, for example, search engines, Ted talks, Zillow.com, as well as the Turbo Tax software. The consumer socialization theory does not recognize the important role that technology is playing in making financial resources readily available to students and thus contributing to the consumer
socialization process in a big way. The media was not as present when the theory of consumer socialization was created. Presently, media play a big role in the socialization of youth, and the theory needs to include the media as a socializing agent.

This finding suggests that after attending the financial literacy seminar, students developed a strong desire to learn more about financial matters. In pursuit of their need to learn more about financial literacy, they used different online resources, such as websites and Ted talks to have their questions answered. Technology played an important role in improving their financial knowledge and contributed into the consumer socialization of the students.

**Conclusion**

The following research questions were asked: How do students make meaning of the knowledge acquired in a freshman financial literacy seminar, and how has it changed their financial decision-making and spending habits? The research found six dimensions as answers to the research questions. The students made meaning of the knowledge acquired in the financial literacy seminar in how much financial education they had before and after the seminar and how they made financial decisions. The dimensions explored the criteria used to select a college, the lack of financial literacy for college students, the benefits of financial education, the role of parents and family in consumer socialization, the need to implement financial education for young adults, and the students’ self-advocacy.

The study showed the lack of financial literacy for college students and how the seminar benefited the students in improving knowledge and financial behavior. The study also showed how parents and other family members influenced the learning of students and acted as agents in the consumer socialization process. Finally, the study showed the lack of financial literacy
resources and the students’ self-advocacy in researching financial topics to achieve financial goals.

The following sub-section describes the implications of the findings by offering recommendations for the practice of financial literacy. The recommendations are listed with the most global recommendation first and the more specific recommendations last.

**Recommendations for Practice**

The following are recommendations for the practice of financial literacy for young adults. The recommendations offered beginning with the broadest sense of practice as from the perspective of national or regional stakeholders and moves toward the more specific stakeholders of financial literacy for young adults.

Financial literacy should be mandated for all states at the high school level to provide young adults with the knowledge necessary to make the correct financial decisions before getting access to financial instruments. This mandate will allow students to understand credit cards and student loans among other financial products before accessing them. Also the introduction of some form of financial literacy awareness at the middle school level would be beneficial. This early introduction of financial literacy to middle schoolers, then high schoolers will forge a strong foundation, setting students to be successful once they have access to financial instruments at the age of 18.

State and federal governments should provide funding to colleges and universities to encourage the offering of financial literacy courses to all students, regardless of major. The financial literacy course would be a requirement for graduation and would serve to reinforce previous knowledge acquired at the middle school and the high school level with more time dedicated to topics of interest to students.
States should work on increasing the awareness about existing financial resources and add more resources as needed by each state. These efforts should include reaching out to students at the high school level and providing them with a list of organizations available at the local level to help with different financial needs. A comprehensive list of resources and organizations should also be available at all colleges and introduced during students’ first year in college.

Financial literacy instructors should receive training about the role of parents and family members on the consumer socialization process. This training will allow instructors to recognize the importance of reflection on previous knowledge acquired by students and address previous experiences to correct/adapt earlier learning about money. This exercise is important to students to allow them to objectively make financial decisions based on facts and not on incorrect information previously learned from family members.

The curriculum of financial literacy should include setting financial goals for each student. The goal-setting activity will promote students’ motivation and desire to learn about topics that are more relevant to their personal situation. The students will feel more passionate learning about different financial topics, knowing that the knowledge acquired will help them achieve their various financial goals.

As this study was dedicated to understanding how students made sense of their learning of financial knowledge, there are several recommendations for future research. The following recommendations will help build on the knowledge gained through this study.

**Recommendations for Future Research**

The following are recommendations for further research on financial literacy for college students.
This study should be replicated several times within different community colleges and look for convergence and divergence. The additional studies will either confirm or contradict the findings of this study, thus, offering different perspectives from different community colleges around the country.

A similar study should be conducted with an increase in the sample population to include a larger number of community college students to verify the consistency of the findings. A larger pool of participants in future studies will address some of the limitations of this study based on a small number of participants.

A similar study should be conducted at a four-year college, offering financial literacy to look for similarities and differences between community college students and those at four-year institutions. This study may shed light on the different needs of the student populations at community colleges versus four-year colleges in regards to financial literacy knowledge.

A similar study should be conducted in different states and in different settings, such as rural colleges and urban ones, offering financial literacy courses to verify the consistency of the findings of this study.

Lastly, a longitudinal study of the six participants in this study is recommended to track the financial behavior of the students. The participants will report helpful data as time passes including their personal reflections on achieving financial goals and changing spending habits.

**Implications for Personal Practice**

As a scholar-practitioner currently teaching financial literacy to community college students, the following are changes I plan to implement in my pedagogy. First, I would like to include a reflection component in class to allow students to analyze their earliest memories about money and how those experiences may have influenced their financial behavior. The findings of
this study concluded that students are influenced by earlier memories from parents and family members, so helping students reflect on those experiences will help them learn objectively in class. Second, I would like to conduct a survey at the beginning of every class to learn about topics that are most of interest to students and address those topics. The interviews showed that the seminar did not address all the topics that students were interested in. Third, I will guide students to create financial goals at the beginning of the class and to link what they learn to creating plans and strategies on how to achieve those goals. This study shows that students are more motivated about learning when they believe that the knowledge acquired will help them achieve their financial goals.

My immediate plan after this dissertation is to make changes to my syllabus for the spring semester. I will include a section about reflection about early experiences with money, a survey at the beginning of class to uncover the topics that are of most interest to students and include a goal-setting activity that students will complete in order to develop financial goals that are important to them. I will also share the findings of this study with the administration at my institution to advocate for more resources for financial literacy efforts on campus. Last, I will include in the annual unit planning for my department a request to have funds to work with colleagues on campus to integrate financial literacy in the curriculum.

In addition to the changes mentioned above, I need to work with colleagues on campus and conduct additional research to be able to provide my students with the resources they need. I need to make myself knowledgeable about all financial literacy resources available on campus to disseminate that knowledge among my students. I also need to conduct research outside campus to be able to provide my students with a list of financial literacy organizations at the local and regional level. I should also continue to be a champion of financial literacy on campus by
encouraging other faculty to integrate personal finance topics in their curriculum. I should advocate with the college administration about the importance of providing financial literacy at different stages of the students’ experience on campus. I finally would like to conduct future research about financial literacy on a broader scale including more students and more colleges.

**Reflections as a Scholar-Practitioner**

When I selected the topic of financial literacy for my dissertation, I thought I knew everything I needed to know about the topic. I had worked in banking for over 10 years, selling different financial instruments and helping customers achieve their financial goals, and I have been teaching personal finance and financial literacy courses for the last 6 years. However, my research made me aware of some facts that I ignored prior to my dissertation. First, I did not know about the consumer socialization theory and how it influenced young adults. The interviews conducted made me realize that a long time before students attend my class, they already have previous knowledge about financial matters and that their early experiences shape their future behaviors. Second, the study allowed me to follow up with students who attended the seminar a few years back and understand how the learning from the seminar influenced their financial behavior. I was positively surprised to hear about the students’ financial accomplishments, such as improving their credit scores and being able to save for future goals. I was equally saddened to find out about the difficult situation of one of the participants who was living in a shelter. Lastly, I realized that I, myself, was not aware of the many resources already available online or at local organizations that I could be sharing with my students.

There were a couple of surprises in the interviews that were unexpected. For example, when asked about which topics students wanted to learn about that were not covered in the seminar, students mentioned topics, such as taxes and mortgages. These topics were in fact part
of the seminar curriculum, so it was surprising that students did not remember learning about these topics, possibly because I did not cover them as well as I should have. The second surprise is that some of the participants were more knowledgeable about certain organizations than I was. These organizations were very close to the campus and could help students with housing and other needs, but I was unaware about their existence.

As I continue to teach financial literacy as a practitioner, I have to make sure to keep my knowledge updated through my research as a scholar. This IPA study is a first step in bridging the gap that I see between my role as a practitioner in the field of financial literacy and my role as a scholar. My goal is to be proficient in both roles and to transfer that knowledge successfully to my students to make a meaningful difference in their financial learning.
APPENDIX A

RECRUITMENT EMAIL (INITIAL MESSAGE)

Northeastern University College of Professional Studies

Doctor of Education Program

Subject Line: Wissal Nouchrif Requests your Participation

Dear [ABC] Community College Students,

This is Wissal Nouchrif, faculty in the business department. You were a student or a mentor in the financial literacy seminar between 2012 and 2016. I am currently a student in the Doctor of Education program at Northeastern University. I am currently conducting a study for my doctoral thesis and am seeking research participants.

I am researching the experience of community college students who have completed the financial literacy seminar LCS 101 MM to explore how they made sense of the information shared in the seminar. My goal is to raise awareness about the need for financial literacy for community college students through this study.

If you choose to participate in this study, I will be interviewing you about your experience at the seminar as well as previous experiences with financial decisions and spending habits. The expected time commitment is between two and three hours over the course of three interactions (two in person, one either in person or via email). You will be offered a $20 gift card for participating.
If you are interested in learning more about this study, please email me at Nouchrif.w@husky.neu.edu and include the information listed below. I will provide you with additional details about the study.

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<td>Preferred days and times to meet (including weekends):</td>
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Thank you for considering participation in this study.

Regards,

Wissal Nouchrif
APPENDIX B

RECRUITMENT EMAIL (TARGETED MESSAGE)

Northeastern University College of Professional Studies

Doctor of Education Program

Subject Line: Research Study with Wissal Nouchrif

Dear (Student),

I hope you are doing well!

As you may know, I am a student in the Doctor of Education program at Northeastern University. I am currently conducting a study for my doctoral thesis and am seeking research participants.

I am exploring the experience of students who have attended the financial literacy seminar to understand how they made meaning of the knowledge acquired in class. My goal is to raise awareness about the need for financial education for community college students.

I’m writing to see if you would consider participating in this study. If you choose to participate, I will interview you about your experience applying the knowledge you received about financial education. The expected time commitment is between two and three hours over the course of three interactions (two in person, one either in person or via email). You will be offered a $20 gift card for participating.
If you are interested in learning more about this study, please email me at
Nouchrif.w@husky.neu.edu and include the information listed below. I will provide you with additional details about the study.

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<td>Preferred days and times to meet (including weekends):</td>
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Thank you for considering participation in this study.

Regards,

Wissal Nouchrif
APPENDIX C
RECRUITMENT EMAIL (FOLLOW UP MESSAGE)
Northeastern University College of Professional Studies
Doctor of Education Program

Subject Line: Wissal Nouchrif Requests your Participation

Dear Students,

Two weeks ago you received an email about a research study that I am doing for my doctoral thesis.

This is a reminder to email me at nouchrif.w@husky.neu.edu if you are interested in participating.

Thank you again for considering participation in the study.

Regards,

Wissal Nouchrif

*Note: This is a follow up email that will be sent to students who had not responded within two weeks of the initial email. For the follow up email, the initial email was forwarded to students so they can easily view the information included and respond appropriately.
APPENDIX D

RECRUITMENT EMAIL (RESEARCHER TO STUDENT)

Northeastern University College of Professional Studies

Doctor of Education Program

Subject Line: Research Study with Wissal Nouchrif

Dear (Student),

Thank you for your interest in my research study. As you know, my name is Wissal Nouchrif and I am currently working on my doctoral thesis for the Doctor of Education degree program at Northeastern University under the guidance of Dr. Natalie Perry.

I am researching the experience of community college students who attended a financial literacy seminar at [ABC] Community College. My intent is to learn more about how students make sense of financial knowledge and how they apply it to their financial situation and every day spending habits.

For this study, I am recruiting participants that meeting the following criteria:

- [ABC] Community College students
- Attended the Financial Literacy Seminar between 2012-2016
- Attended either as a student or as a mentor
If you decide to participate in this study, you will have three interactions with me. The first interaction is an in-person meeting that will last approximately 30 minutes. I will ask you to fill out a short form with information about yourself, you will select a pseudonym to protect your identity, you will be presented with a consent form, and you can ask me questions about the study. The second interaction is an in-person meeting that will last approximately 45-90 minutes. This meeting will be an in-depth interview about your experience making sense of the information shared in the financial literacy seminar. This interview will be audio recorded and transcribed into writing. I have attached the questions that I will ask you so you can review them in advance. Finally, you may choose to meet in person or send me an email for the third interaction. I will provide you with the transcript of our in-depth interview and a summary of my interpretation of your account. You will have the opportunity to share additional information and clarify points of confusion or inaccuracy. In total, these interactions are expected to take about two or three hours of your time.

Based on your availability, I would like to propose __________ as the time for our first meeting. Please let me know if you have a particular place where you would like to meet. Keep in mind that we will need a quiet place suitable for audio recording our conversation.

Thank you for your interest in participating in this study. Please email me (Nouchrif.w@husky.neu.edu) or call me (978-996-0374) if you have any questions.

Regards,
Wissal Nouchrif
APPENDIX E

INFORMED CONSENT FORM

Northeastern University College of Professional Studies

Doctor of Education Program

Title: Financial Literacy for Community College Students

Principle Investigator (PI): Natalie Perry, Northeastern University

Co-Investigator: Wissal Nouchrif, Northeastern University

Purpose: I am inviting you to take part in a research study. The study will explore the experience of community college students in a financial literacy seminar. You are being invited to participate in this study because you have attended the financial literacy seminar at [ABC] Community College between 2012-2016. This study will involve three points of contact with the researcher: two in person and one either in person or via email. The first point of contact will be an initial meeting with the researcher (approximately 30 minutes). The second point of contact will be an in-depth interview with the researcher (approximately 45-90 minutes). The third point of contact will be a follow-up conversation with the researcher. You can elect to hold this meeting in person (approximately 30 minutes) or you can respond to the researcher via email (time varies). The interviews will be audio recorded for transcription and analysis purposes.

The purpose of this study is to understand acquired financial knowledge in a financial literacy seminar and how the seminar may have changed their financial decision-making and spending habits.
Procedure: If you decide to take part in this study, I will ask you to participate in individual interviews. As noted above, we will have three points of contact: two in person and one either in person or via email. For in-person interviews, you may select a location that is convenient and comfortable for you. All interviews conducted in person will be audio recorded and transcribed into writing. Any information you provide in writing will also be analyzed. All materials will be stored securely and your name will be omitted. Instead, a pseudonym, which you may select during the initial meeting, will be used to organize the information.

Risks: The primary risk associated with this study is the discomfort you may feel discussing your personal financial situation. The researcher will respect your boundaries during the interviews and allow you to skip any questions that you do not wish to answer. The researcher will provide you with resources for seeking additional guidance relative to your situation if needed.

Benefits: There will be no direct benefit to you for taking part in this study. However, the researcher hopes that the information gathered through this study will raise awareness about the benefit of financial literacy for community college students. The findings from this study will be shared with faculty, staff, and administrators with the intention of informing future decisions about financial literacy curriculum.

Confidentiality: Your part in this study will be confidential. Only the researcher will see the information about you. If you decide to participate, you will select a pseudonym that will be used throughout the study to protect your identity. Any reports, presentations, or discussions
associated with this study (i.e., doctoral thesis, journal articles, conference presentations) will utilize this pseudonym and will not include any personal information linked directly to you. Information about your age, gender, race, and major will be included to help others understand and interpret the research findings. Our interviews will be audio recorded and transcribed into writing. The researcher will code the written transcript to identify patterns and themes within your interview and across interviews with other participants. All physical documents or files related to this study will be stored in a locked file cabinet. All electronic files will be stored in a password protected online file storage program and on an external data storage device. Only the researcher will have access to these storage mechanisms. All data will be retained for seven years and then destroyed.

**Voluntary Participation:** Your participation in this study is completely voluntary. You may decide not to participate, and you may withdraw at any time. You are not obligated to answer all questions that are asked of you during interviews. You may indicate your desire to skip a question by stating, “Pass.”

**Will I be paid for my participation?**

You will be offered a $20 gift card for your participation.

**Will it cost me anything to participate?**

You will be responsible for the cost of traveling to the interview site. However, you will be able to select an interview site that is convenient and comfortable for you.
Contact Person: Please contact Wissal Nouchrif at (978) 996-0374 or via email at [email address provided] if you have any questions about this study. If you have questions about your rights as a participant, you may contact Nan C. Regina, Director, Human Subject Research Protection, 960 Renaissance Park, Northeastern University, Boston, MA 02115. Telephone: 617-373-7570, email: irb@neu.edu. You may call anonymously if you wish.

I agree to take part in this research.

____________________________________________________
Signature of the person agreeing to take part          Date

____________________________________________________
Printed name of person above                          Date

____________________________________________________
Wissal Nouchrif, Student Researcher                   Date
APPENDIX F

INTERVIEW GUIDE

Northeastern University College of Professional Studies
Doctor of Education Program

Part I. Interviewee Background

1. How did you decide to study at [ABC]CC?

2. What family members did you grow up with?

3. What are your financial goals for yourself and your family?

4. Why did you decide to take the financial literacy seminar?

5. Do you identify as a first-generation student?

6. How do you identify from a gender, race, and ethnicity perspective? Optional Question

7. What is your major?

8. How long have you been a student at [ABC]CC?

9. Are you a full-time student or a part-time student?

10. Where do you plan to transfer after graduation?

Part II:

1. Have you learned about personal finance before attending the financial literacy seminar?

2. Tell me about your experience as a student in the financial literacy seminar.

   Possible Prompts: How different was your experience in the financial literacy seminar from other classes you have taken in college? Why?

3. Tell me about the topics that stood out to you personally in the seminar and why?
4. Tell me how the financial literacy seminar may have changed your money management skills or your financial behavior.

*Possible prompts:* Can you provide some examples?

5. Tell me if there are any topics that could have been covered in class and weren’t or that you wanted to know more about?

*Possible prompts:* What makes these topics important to your financial situation?

6. Have you learned about financial literacy outside the classroom from other faculty or other resources on campus?

7. Have you learned financial literacy from an existing or a previous job?

**Part III:**

1. Tell me about your experiences learning about money with your parents or other family members?

*Possible Prompts:* Who else beside your parents influenced your early experiences with money?

2. How do you think your experiences with how you observed and learned from your parents/family members about money coincides or contrasts with the financial literacy seminar teachings?

*Possible Prompts:* Can you provide some examples?

3. Tell me about anyone who influenced your financial behavior beside your parents.

4. What resources have you used to educate yourself about financial literacy?

*Possible Prompts:* possible resources, such as social media, YouTube, Ted Talks?

5. Is there anything else that you want to share?

6. What questions do you have?
REFERENCES


