

Exploring University Students' Views on Money and Financial Independence

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BACKGROUND

The main assumption for this piece of research is that everyone has a shared goal of reaching independence. A large part of independence is being financially self-sufficient. There is understanding that social factors can influence how young people handle money, including relationships with their parents (Romo, 2011). Introducing money in a more structured way, either through a pay check from a job or pocket money (O'Dell, 2014) (which is a common occurrence in university students), could be seen as beneficial to the university students view and handling of money. However, there is also the possibility that the way a young person develops financial independence is linked to internal factors. The concept of Locus of Control suggests that people have either internal (what happens to the person is the outcome of the persons own doing) or external (external forces predict what happens to the person) locus of control. This could explain why some people are better with money and why others aren't (Britt, 2013; Perry, 2005; Prawitza et al. 2016).

AIMS

The aim of this research was to find out how much family, work, and Locus of Control (LOC) effect University students views on money.

- How students account for their experiences with money since they started University?
- What does it mean being financially independent from a student perspective? Is it important?
- What University students view as important influences on the way they manage money and financial independence? (Parents? Jobs? Locus of control?)

FINDINGS

There were 3 main themes that stood out the most (Family, Work, Emotion). All participants found their parents were key players in teaching them about money.

Work was seen as the main vessel to gaining independence. Although we hoped and theorised that LOC would be a key driver in emerging adults gaining financial independence. It was discovered that the emotional connection to money (making parents proud, feeling self sufficient, feeling independent) were considerably more influential.

That being said, when asked about being on the path to independence, K, T, and A all said yes whereas J, H, L all used terminology like 'I hope so'. Those who were more concise were considerably more independent but also had the greater 'hardships'.

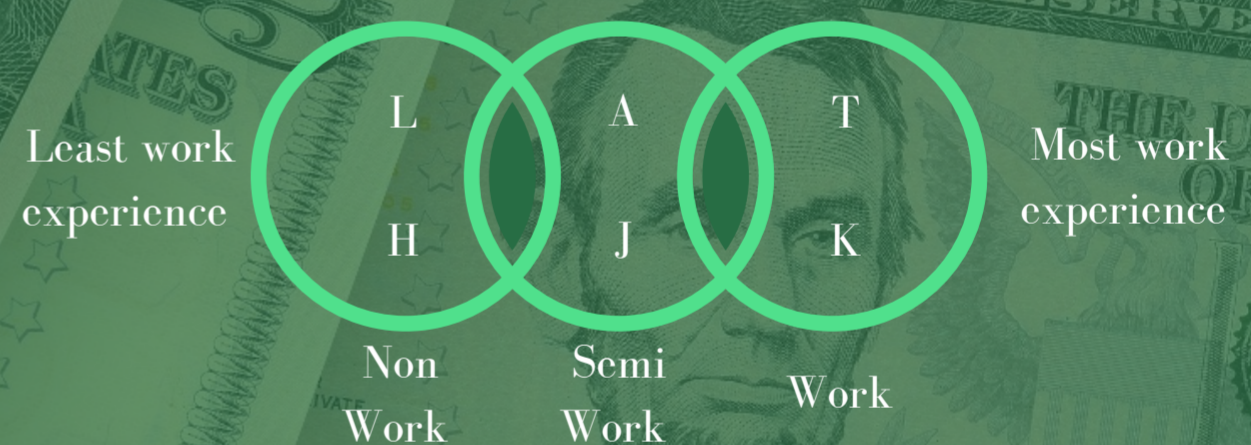
DISCUSSION

As this was a small snowball sample size, bias plays a huge role in this study. This study is not useful for generalising emerging adults relationship with money but rather a detailed description of common themes that can be generalised in larger studies. It is important to note that all participants were female and from similar friendship groups therefor not representing male views with handling money. This may be different as males and females get socialised differently in society which has impacted them differently in areas such as body image, similar perceptions could be made with finances. Also all participants were all 21 and in their final year of university. For future research, gaining participants that evenly represents the population would be beneficial. It would be interesting to see the changes of emerging adults from 1st to 3rd year in a more general format. However this research does introduce some important evidence to support the concept of emerging adults and the role of family in financial relationships.

METHODOLOGY

Qualitative semi structured interviews took place (Flick, 2010). Snowball sampling was the method used, whereby participants were gathered from acquaintances of the researcher (Cohen, 2011).

There was a total of 6 participants all female, 21 years old, and in their final year of University. During research we grouped the participants on a scale from least work experience/ independence to most work experience/ independence. Work experience and independence simultaneously coincided. They further were sectioned into 3 groups (work, semi work, non work)



THEMES



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