

FLORIDA INTERNATIONAL UNIVERSITY

Miami, Florida

AN EXPLORATORY EXAMINATION OF THE FINANCIAL KNOWLEDGE,  
ATTITUDES, CAPABILITIES AND SOCIALIZATION OF BLACK COLLEGE  
STUDENTS AND THEIR LIVED EXPERIENCE OF PERSONAL FINANCIAL  
MANAGEMENT

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by

Joycelyn Morris

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To: Dean Michael R. Heithaus  
College of Arts, Science and Education

This dissertation, written by Joycelyn Morris, and entitled An Exploratory Examination of the Financial Knowledge, Attitudes, Capabilities and Socialization of Black College Students and their Lived Experience of Personal Financial Management, having been approved in respect to style and intellectual content, is referred to you for judgement.

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## DEDICATION

I dedicate this dissertation to my grandfather Leroy Moses, who always emphasized the importance of education. Also, to my parents for their never-ending love and continued support throughout this process and finally my Lord for giving me the strength and endurance to complete this work.

## ACKNOWLEDGMENTS

This dissertation has been a labor of love and a test of my patience and perseverance. Some might argue that achieving a doctorate is not accessible for a Black woman. Still, I am grateful to be standing on the shoulders of those who have gone before me, boldly blazing the trail for future Black women everywhere and reminding them that we are truly magic, and our abilities are limitless.

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way, I thank you. Lastly, to every Black college student who participated in this study, thank you for entrusting me with your story. I hope that you are proud of this project.

ABSTRACT OF THE DISSERTATION

AN EXPLORATORY EXAMINATION OF THE FINANCIAL KNOWLEDGE,  
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Financial literacy and education have become hot topics in the U.S. The research of the Black community within this field of study is limited and existing research findings are bleak. The purpose of this study was to understand the financial knowledge, behaviors, and socialization of Black college students. Many existing studies seek to understand financial literacy through quantitative inquiry solely, however this study used a concurrent mixed method research design to obtain a holistic understanding of the research questions while minimizing biases. The quantitative portion of the study consisted of a survey administered online and grounded in the Family Financial Socialization Theory (FFST) where individuals' financial literacy and practices were assessed (n=181). Additional semi-structured interviews were conducted with a subset of respondent (n=8) these questions were crafted using Critical Race Theory (CRT) and explored the participants intersectionality of race and personal finance. The survey data suggested mostly positive findings as it relates to respondents' financial attitudes,

knowledge, capabilities, behaviors, and socialization and supported the most of the FFST model assumptions. There was a strong relationship between financial attitudes, knowledge, and capabilities and effect on financial behaviors and well-being. Analysis of the qualitative findings yielded eight themes and revealed additional financial knowledge of participants not captured in the quantitative survey. This finding suggests the need for culturally responsive survey tools. Both the quantitative and qualitative results indicate that there is room for improvement of financial knowledge of Black college students. Findings of the interviews show that race plays a factor in the participants belief around wealth being personally attainable for them and that there are racist practices which has kept the Black community from attaining wealth.

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# CHAPTER 1

## INTRODUCTION

Examining financial literacy and financial education among Black college students today requires an analysis of our country's racialized history that systemically and politically created what is known as the racial wealth gap. More than a century has passed since freedom was claimed for the Black Americans and over 50 years since the passing of the Civil Rights Act, which provided equal rights to Black people, and yet the struggle of equality continues. The wealth gap, also known as wealth inequality, is often referred to as the unequal distribution of assets among residents in the United States. A report in 2016 on the state of wealth in the Black community indicates that if current trends continue, "it will take the average Black family 228 years to reach the collective level of wealth of white families today" (Asante-Muhammed et al., 2017). Many might think that the idea of financial literacy, as we currently know it, began because of the economic downturn and subsequent regulations enacted as means to avoid "poor financial decision making and weak consumer protections" (Hastings, Madrian & Skimmyhorn, 2013, p. 348). However financial education has a long history that dates to the 1950s (Hastings, Madrian, & Skimmyhorn, 2013) with many of the current initiatives around financial literacy promotion is a direct result of the Jump\$start inaugural survey in 1997 (Jump\$start Coalition, 1997). "In 2009, government officials began to acknowledge publicly that poor financial decision making at a minimum causes greater use of public social safety nets" (Geddes & Steen, 2016, p. 350).

## **Statement of the Problem**

Blacks or African Americans are the third-largest race group in the U.S. However, the median income of Black households is \$24,000 less than the median White household income (JEC, 2015). While some argue that this racial wealth divide stems from individuals' and communities' choices, the facts tell a different story. Recent research shows that the racial wealth divide persists across all educational attainment and family structures (Asante-Muhammed et al., 2017).

The Black community has continued to face significant challenges since slavery, and these challenges did not stop because of the Civil Rights Act of 1964. “The effects of the institution of slavery on American commerce were monumental— 3.2 million slaves were worth \$1.3 billion in market value, almost equal to the entire gross national product” (Baradaran, 2017, p. 238). At 10.1 percent, Black Americans' unemployment rate in 2015 was more than double the rate of 4.7 percent for White Americans (JEC Congress, 2015). The 2019 Joint Economic Report notes that while this rate has decreased, it is still well above the national average. Several injustices plague the Black community from the inception of slavery and continue to persist. "African Americans have historically been subjected to legal impediments, as well as institutional racism, which has had a prolonged debilitating effect on the African American community" (Johnson, 2005). Some of the legal impediments include the inability to vote, equal education, redlining that prohibited home ownership and access to loans. As it relates to access to financial resources, many Black people are hesitant to go to banking institutions due to anticipation of racial discrimination (Prudential,2015).

The fight for equality in education is a long one but one of the most notable events is *Brown v. Board of Education*. This was a key event in the fight for educational equality where Black people demanded the same education as Whites and argued that that separate but equal was not in fact equal. Not surprisingly, growing poverty and economic inequality are having an impact on education and the opportunities available to children (Noguera, 2017). Some have even argued that the Black community's rising wealth gap is attributed to the rising income inequality and changes to families' investment patterns. Research shows a correlation between socioeconomic status and academic achievement (Hudson et al., 2017). This may lead one to make a correlation between the wealth gap and the achievement gap (Reardon et al., 2014), or correlate the wealth gap to the value gap (Glaude, 2016). Glaude concludes that despite any progress that Black communities have made regarding civil or political rights; White people continue to be valued more than others in our country. He also suggests that the value gap undergirds all the other racialized gaps between Whites and Blacks some of which include income, education, and wealth (Glaude, 2016). Educating the next generation of leaders about personal financial management is becoming an essential topic of discussion, especially due to the fallout of the 2008 economic recession (Tschache, 2009). Hudson et al. (2017) advocates the importance of financial socialization to the Black community as there is a lack of formal financial education which has affected the financial socialization of Black people.

This study sought to understand the financial knowledge, behaviors, and socialization of Black college students. It explored how these factors relate and the intersectionality of race among the variables and the participant's lived experience of

these factors. It should be noted that Black, as used for this study, included any individual descending from African heritage irrespective of nationality as this aligns with how U.S. Census Bureau (2017) data is derived. The implications of the research presented has the potential to affect the children of participants, the financial outcomes of the participants, and financial education delivered to these groups. College students were chosen as they have some varying financial responsibility and access to financial education resources and are just starting to make important financial choices.

### **Rationale for Study**

This study adds to the existing literature as there is no one study that seeks to understand both the internal (attitudes/behaviors) and external factors (institutional injustices, lack of financial education) that contribute to Black college students' financial knowledge, attitudes, behaviors, and socialization. Many financial literacy studies seek understanding through quantitative data analysis solely. This study aimed to understand the experience of the participants with money and financial management by coupling quantitative methods with qualitative inquiry to obtain a holistic understanding while minimizing biases.

Although it has been agreed upon that financial literacy is important for individuals to have, there is no consensus on its definition. "Many definitions in the literature are centered on themes of financial knowledge, satisfaction or well-being, confidence, and/or behavior" (Kasman et al., 2018). The definition of financial literacy used in this study is "an individual's ability to obtain, understand and evaluate the relevant information necessary to make decisions with an awareness of the likely financial consequences and involves making meaning within existing social structures"

(Pinto & Coulson, 2011, p. 57). While there are often many different definitions of financial literacy, one thing that is agreed upon is that having a clear definition is essential for program creation and evaluation. The terms financial literacy and financial education are often used interchangeably even though they are quite different constructs. For the context of this literature review, financial education should be thought of as a method to build or increase financial literacy.

### **Summary of Literature**

This study employed Critical Race Theory (CRT) as a theoretical framework as defined by Ladson-Billings and Tate (1997) within the field of education. Ladson-Billings (2015) noted that CRT scholars often subscribe to several of the original tenets of the theory as defined by Delgado and Stefancic (2001) which are that: (1) racism is normal; (2) interest convergence; (3) race as a social construction; (4) intersectionality or anti essentialism; and (5) storytelling or counter narrative. This study focuses on three of the five tenets which is that racism is endemic or normal, race as a social construction, anti-essentialism and counternarrative. While there are many different approaches to financial literacy, most studies tend to focus on financial knowledge, satisfaction, confidence, or behaviors (Kasman et al., 2018). The existing research is bleak when it comes to assessing the financial literacy of Black people and college students specifically as the existing results show that their literacy is less than their White counterparts (Murphy, 2005). However, there is not enough research that examines this population specifically and none that assesses participants thorough a culturally responsive scale. These existing scales are Eurocentric scales and research design also support the narrative of the Black community being less literate than their White counterparts but never

address the social and structural systems that are in place to support these inequities. The literature is inconclusive on the effectiveness financial education to improve literacy but note that there is research that supports this importance. This study used the Family Financial Socialization Theory (FFST) to test and examine the variables such as financial knowledge, attitudes, capabilities, socialization, and behaviors of the participants. And it examined the relationship among these variables. The themes that emerged when reviewing the literature were economic inequality, wealth gap, financial literacy, financial education and higher education, racial capitalism, and financial socialization.

### **Research Questions**

To explore the research topic, the following research questions were used:

1. What is the current financial literacy among Black college students?
2. What are the financial behaviors of Black college students?
3. What is the financial socialization of Black college students?
4. Does perceived or subjective financial knowledge differ from Black college students' objective financial knowledge?
  - a. How has race affected their perception, if at all?
5. How do Black college students make meaning of personal financial management?
  - a. How does race influence this meaning making?

Based on these questions I hypothesized that there would be a positive relationship between family interactions and purposive financial socialization as well as positive association of financial socialization with financial attitudes, knowledge, and financial capabilities. The results supported this hypothesis.

## **Introduction to Conceptual Frameworks**

Because of the complexity of this study, there was more than one theoretical model utilized. CRT and the FFST were used to examine the research questions through quantitative survey and to further explore the meaning making of participants experiences with financial management in the qualitative section. CRT as mentioned previously, is a theoretical framework based on the concept that racial inequality is a result of the differences created by White people to maintain their elite interests and essential dominance. Ladson-Billings and Tate (1995) believed that CRT should be a tool to examine race and its importance in education and reform being the pioneers for the use of CRT in education. They believed that CRT was important to examining the inequalities within the education system and how it maintains white supremacy. This research aimed to shed light on the wealth gap, which is an issue that has long been plaguing the Black community and to begin the conversation to change the world of this marginalized population and the nation at large. Utilizing CRT allowed for a deeper understanding of meanings of the students and interpret personal financial management through the lens of the participants aligning with the principle of storytelling. On the point of race being a social construct, this study acknowledges race and “the power of a social reality that allows for significant disparities in the life chances of people based on the categorical understanding of race” (Ladson-Billings, 2015, p. 39). In using CRT to explore the lived experiences of these college students there was an understanding that the social construction of race impacts the experiences of Black people and often disparities of experiences and opportunities. This work converges on the two tenets of anti-essentialism and counternarratives as the goal of the interviews were to explore the experiences and

stories as told by the participants with the hopes of debunking many of the stereotypes and assumptions that all Black people see, think, and behave the same around financial management. Essentialism is the belief that people of the same group are the same along thinking, behaviors, and beliefs (Ladson-Billings, 2015).

FFST and the conceptual model developed by Gudmunson and Danes (2011), was used to examine various topics, including financial behavior and attitudes, well-being, knowledge, and capabilities. This model was essential in the research because it considers that financial socialization occurs throughout one's lifetime. Children begin to learn and internalize things through their observations, which includes interactions with money, and they take these learning with them into college. This theory addresses "how often financial knowledge proves ineffective as a predictor of financial behavior or change in behavior" (Gudmunson & Danes, 2011, p. 662). It also addresses what is learned in the home which is an integral part of the theory. This theory does not consider racial differences nor account for the systematic issues that create the inequalities affecting wealth in the Black community.

This research was explored using the concurrent triangulation mixed method research design (Creswell & Clark, 2017). In using this design, both the quantitative and qualitative data collection happened concurrently and respondents in the survey were asked to participate in follow up interviews. While the two sets of data were collected separately, the qualitative interviews were conducted simultaneously to ensure minimal interruption in data collection. From there, additional analysis of the research questions was through qualitative inquiry with questions developed utilizing a CRT lens along with semi-structured interviews of a small subset of the survey population.

## Definitions

The following definitions will be used throughout this study:

*Black*: used to define individuals who identify as Black and or African American. This definition is from the U.S. Census Bureau, which denotes any one of the Black race as someone whose origin is from Africa. (United States Census Bureau, 2017).

*Financial literacy*: is defined as “the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being” (Geddes & Steen, 2016, p. 350).

*Financial education*: “The process by which people improve their understanding of financial products, services, concepts, so they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being” (Geddes & Steen, 2016, p. 350).

*Family*: A group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together (Census Bureau, 2015).

*Family Interactions and Relationships*: Interaction patterns among family members that influence financial attitude development, knowledge transfer, and financial capability development (Gudmunson & Danes, 2011).

*Financial Attitudes*: A person’s subjective perception of personal finances (Joo, 2008).

*Financial Behaviors*: Patterns of financial outcomes that are observable such as earning, saving, spending, and gifting, and any changes in these patterns (Gudmunson & Danes, 2011).

*Financial Capability*: Knowledge, competencies, and abilities to act on acquired financial knowledge, and the opportunity to act (Johnson & Sherraden, 2010).

*Financial Well-being*: the ability to meet one’s current and future financial obligations (Consumer Financial Protection Bureau, 2015)

*College Student*: College-aged (18-24) and enrolled at a higher education institution

*Purposive financial socialization*: The intentional financial socialization through explicit communication and practices (Gudmunson & Danes, 2011; Danes & Yang, 2014).

*Racial Capitalism*: “The process of deriving social and economic value from the racial identity of another person” (Leong, 2013, p. 2152).

*Wealth Gap*: Known as wealth inequality, it is often referred to the unequal distribution of assets among residents in the U.S. (Asante-Muhammed et al., 2017).

### **Limitations & Delimitations**

There are limitations to this study, one being the small sample of respondents (under 200) which will not be representative of the full amount of Black college students in the United States. Another limitation of this study is that it focused on Black college students aged 18 – 24 so the results of this study may not be generalizable to those outside of this age range or ethnicity. The qualitative data was only a small representation of the quantitative sample and therefore the findings may suffer from external generalizability (Maxwell, 2013). Some potential drawbacks of utilizing the concurrent triangulation design were that it did not allow for further exploration of any confusing results and the potential for divergent data which is further explored in the discussion chapter (Creswell & Clark, 2017). However, most researchers can navigate this limitation and ensure that enough time is allotted for data collection and analysis.

### **Organization of Dissertation**

This study is organized into six chapters that include the introduction, literature review, methodology, quantitative findings, qualitative findings, and concludes with the discussion chapter which combines the results from both sets of findings. Chapter One makes the argument for this study and the importance of understanding how financial education can be applied to Black college students to generate wealth as they begin their careers. As mentioned previously, there is limited research on financial knowledge within the Black community and specifically college students and this is a group that has high potential for income generation but is often underserved. Chapter Two summarizes the existing literature on the two theories used as well as the wealth gap, financial literacy, and family financial socialization and how these topics are interrelated. Chapter Three further delves into the FFST as well as CRT theoretical frameworks chosen and how they were applied to this mixed method research study including the proposed conceptual model that was tested. Chapter Four will present the findings of the quantitative survey along with the analysis of the results. Chapter Five will include findings and analysis of the interpretative phenomenological analysis (IPA) qualitative portion of this study. Finally, Chapter Six will conclude with the discussion which combines the quantitative and qualitative findings, implications, and limitations along with the conclusion.

## CHAPTER 2

### LITERATURE REVIEW

This study addresses the research gaps in the literature about Black college students' financial literacy and family financial socialization. These concepts utilized a critical race theoretical lens to understand the effects of race and its intersection with economic inequality and the racial wealth gap. This literature review examines factors contributing to racial wealth disparities. To further explore this topic, keywords searched in ERIC, ProQuest, and Google scholar both independently and combined included: financial education, financial literacy, African Americans, Blacks, access to financial education, personal finance, college students, the wealth gap, and racial inequality. Several written pieces were found in peer-reviewed and grey literature (Rothstein & Hopewell, 2009), conducted mostly within the United States. The themes that emerged when reviewing the literature were economic inequality, wealth gap, financial literacy, financial education, post-secondary financial education, and family financial socialization.

This chapter begins with historical context of inequities and situating the problem of the study exploring economic inequality and the wealth gap. From there the chapter will discuss the history and define financial literacy, examine the existing literature on financial literacy among Black college students, review financial education in general and at the collegiate level. Then family financial socialization is discussed, and the first theory used in this study, Family Financial Socialization Theory (FFST) is examined. The chapter will conclude reviewing the study's second theory, which is critical race theory (CRT) and the use of interpretative phenomenological analysis as a qualitative methodology will be explored.

## **Economic Inequality**

It is necessary to note the relationship between America's colonial roots to capitalism to historicize these inequalities (Rockett, 2020), specifically how colonialism built the nation and birthed white supremacy while the other supports the system of supremacy. Rockett (2020) asserts that capitalism requires inequality, and racism preserves this inequality by keeping the wealth and power within the White community. While some argue that this racial wealth divide stems from individuals' and communities' choices like much of the post-2008 research produced by governmental agencies (Bosshardt & Walstad, 2014; Jump\$start, 2007; NCES, 2015), the facts tell a different story (Shapiro, 2005). Although there had been conversations about the wealth gap, the crash of the housing market in 2008 and subsequent recession sparked increased conversations about financial literacy as well as the wealth gap. Recent research shows that the racial wealth divide persists across all levels of educational attainment and family structures (Asante-Muhammed et al., 2017). These disparities support the idea that individual contribution or accomplishment is often not enough to change the racial wealth divide. The idea is further supported by Shapiro (2005) who noted that no amount of earnings by Black people would be enough to eliminate the wealth gap. This statistic further illustrates the growing wealth gap in the U.S. He also notes the stereotypes that we all are aware of: the unfounded assumption that Black people and other minorities are not as financially secure as Whites because they spend too much and save too little (Shapiro, 2005). These types of assumptions and stereotypes do two things: they do not account for the many systems of oppression that exist and perpetuates the deficit narrative that Black people simply need to pull themselves up and out of poverty. Glaude

(2016) notes that this idea of individualism contributes to the narrative of poverty being an individual issue reflective of poor choices instead of a larger systemic issue. He further purports that Black people know that poverty reflects a system that is rigged to benefit Whites. He observes that the argument of poverty being a result of a lack of individual initiative and motivation, is an argument that only applies when “the face of poverty is black” (Glaude, 2016, p. 43).

There is supporting evidence that existing systems and policies continue to advantage the dominant parties in power, as is exemplified in Shapiro's (2005) study. He notes that "the slice of the income pie received by the top 1 percent of families is nearly twice as large as it was 30 years ago, and their share now is about as large as the share of the bottom 40 percent" (Shapiro, 2005, p. 207). These narratives are extremely dangerous to communities of color and are untrue as working hard is often not a predictor of success. "Working longer hours and more weeks per year means that middle-income Black families worked the equivalent of 12 more weeks than White families to earn the same money in 2000" (Shapiro, 2005, p. 275). Yet there is no shortage of these narratives and stereotypes that exist without giving credence to the systematic injustices. "African Americans have historically been subjected to legal impediments, as well as institutional racism, which has had a prolonged debilitating effect on the African American community" (Johnson, 2005). Some of these impediments include the lack of freedom, inability to vote, own property, redlining and predatory banking practices just to name a few (Johnson, 2005; Bates & Triplett, 2014, Taylor, 2019). There is a long history of the injustices against the Black community and extensive literature that supports that these issues persist today.

Another area that Black people experience discrimination is within financial institutions and this discrimination has led to a general distrust of these institutions. "Nearly half of African Americans anticipated they will face racial discrimination in home lending; two-thirds report they have experienced racial discrimination in financial institutions" (Bates & Triplett, 2014). Collectively Black people are "more unbanked than any other race 60 percent of the Black population is unbanked or underbanked, while only 20 percent of whites are in the same category" (Baradaran, 2017, p. 204). In *The Color of Money*, Baradaran (2017) explores the connection of Black banks and the racial wealth gap. Specifically, the author explores the history of Black banks and the relationship that banks in general have had in creating and perpetuating the wealth gap. Here she discusses 'Black' institutions that were created, such as Freedman's Bank, and notes how it was positioned as a trustworthy institution despite some of their discriminatory practices, which included not lending to their Black depositors. This prevented Black families from obtaining assets such as homes which could increase their wealth and net worth.

Capitalism in America is displayed in the lack of access to housing and what Taylor (2019) would call the 'predatory inclusion' of Blacks for government-sponsored mortgages that would be the beginnings of the creation of the ghettos. Predatory inclusion was the practice of banks to only offer mortgages in areas with subpar housing often charging the Black borrowers a higher interest rate than Whites (Taylor, 2019). The practice of predatory inclusion is just one example of racial capitalism. This information is not surprising because the practice of disenfranchising the Black community from the American dream of homeownership can be traced back to the abolition of slavery and the

government's renegeing on their promise of 40 acres and a mule (Shapiro, 2005). Capitalism was born on the backs of the enslaved and continues to thrive on the disenfranchisement of people of color. Racial capitalism is "the process of deriving social and economic value from the racial identity of another person" (Leong, 2013, p. 2151). And this behavior is the foundation of our country, which began with the violence and theft against Native Americans by Christopher Columbus. This racial capitalism continued into slavery and was supported by racist laws and practices in the financial services industry where many prominent banks of today made money from slavery, using slaves as a form of currency, and accepting them as collateral for loans (Whitfield, 2019). Leong (2015) notes that for centuries whiteness has been recognized as having value and how nonwhiteness has been commodified through practices such as slavery and property ownership. However racial capitalism is more than just the exclusion of nonwhites of access but also about the predatory practices inflicted upon the Black community as Taylor (2019) explores and is discussed later in this review. But racism is recurring and ever present in our nation and across the world and despite many efforts and policies it does not appear that much progress has been made to truly eradicate racism and racist practices.

Many events have led to a resurgence of national attention towards racism and inequality. The Black Lives Matter movement is at the forefront of this resurrection and in 2020 the nation was in uproar due to the incessant instances of recorded police brutality. "Scholars contend that failure to directly and seriously address the striking inequality in a society leads to a divided society with self-destructive tendencies" (Constance-Huggins, 2012, p. 2). Our nation continues to see this divisiveness play out.

Although the most accessible place for blame would be on recent leadership, the more challenging reality is that this divide has been underlying for hundreds of years as institutional racism has not been addressed. This inequality extends to economic inequality and systematic injustices that create and support the current wealth divide. “The study of economic inequality turns on the question of who benefited from economic growth during the last three decades, and how that pattern of growth differed from earlier periods” (Marsh, 2011, p. 31). Marsh's point here draws us back to capitalism's role in the creation of economic inequality as capitalism breeds economic exploitation, which requires the existence of the exploiters and the exploited. One concept that sums up these injustices is the value gap that Glaude (2016) introduced in his book, *Democracy in Black*. The value gap, as defined by Glaude (2016), concludes that despite any progress that Black communities have made regarding civil or political rights, White people continue to be valued more than Blacks in our country. Glaude also suggests that the value gap undergirds all the other racialized gaps between Whites and communities of color. The experiences of slavery, racism and oppression are all responsible for the lower incomes, educational attainment, and occupations within the Black community (Amoah, 2016). Research attributed African American’s exposure during slavery to be a significant factor in the current lower socio-economic status today as there were many legal and illegal ways in which this community was disenfranchised educationally, economically, and politically (Amoah, 2016). This research illustrates the history of these injustices and systematic inequalities that have created the income and wealth differences in the Black community when compared to their White counterparts. While this

knowledge is helpful, a deeper exploration of the history of the wealth gap is essential to understanding the challenges of today and will be explored further in this review.

## **Wealth Gap**

The wealth gap, also known as wealth inequality, is often referred to as the unequal distribution of assets among residents in the U.S (Asante-Muhammed et al., 2017). Racial wealth inequality is deeply woven into our nation's cloth, and it continues because it is structurally connected to our everyday way of life (Herring & Henderson, 2016). Many factors contribute to the wealth gap, and one of the factors often noted are educational achievement gaps or the achievement debt as Ladson-Billings (2006) would identify. Whereas, apart from Glaude (2016), many of these studies of gaps within the Black community, do not take into consideration the history of institutional racism resulting practices that continue to perpetuate a system of inequality that serves capitalism. Darity et al. (2018) state that “on average, a Black household with a college-educated head has less wealth than a White family whose head did not obtain a high-school education” (p. 6). This statistic further illustrates that there is a lack of acknowledgement of the debt due to systematic racism that perpetuates the wealth gap. Research notes how today's disparities are a direct reflection of compounded past inequities that can be traced back to slavery (Herring & Henderson, 2016). Much of the research on financial literacy within the Black community often posit that “educational gaps—in the form of financial literacy and conventional schooling—are a main factor in contributing to income and wealth inequality because education increases an individual’s ability to earn an income” (Fulk & White, 2018, p. 2). However, it is essential to note that while there are some straightforward ways in which education could aid in improving

financial knowledge by itself, it is not able to address the inequities that exist in our policies that have created the wealth gap and continue to ensure that the rich get richer while the poor get poorer. “The racial wealth gap is not just a product of differences in education, jobs, and income but rather a kind of inequality passed from one generation to the next” (Shapiro, 2005, p. 66). This point allows for a better understanding of the root cause of this 'gap' and that it is not simply the result of the lack or deficit of Black people, but how the inequalities in the systems of oppression have created and enabled this gap.

There is not one consistent school of thought as to the source of the rising wealth gap as some of the proposed causes include the rising income inequality, others attribute it to a lack of financial education, and then there are those that situate the issue in the context of institutional racism and capitalism (Darity et al., 2018; Glaude, 2016; Whitfield, 2019). “These racial disparities in knowledge can also translate into financial differences. As of 2001, the median net worth of adult White households was \$121,000; minorities had about \$17,000” (Murphy, 2005, p. 484). It is important to examine the gaps critically and how they perpetuate stereotypes. Ladson-Billings (2006) proposed that the achievement gap is not a gap at all but an educational debt that represents the resources that have not been invested in lower-income schools and how this misappropriation of resources leads to a variety of issues. “The most destructive tool of the culture of classism is deficit theory in education, we often talk about the deficit perspective-defining students by their weaknesses rather than their strengths” (Gorski, 2008, p. 2). Gorski (2007) goes on to argue that it is this very deficit theory that insinuates that people are poor due to their own deficiencies. This same theology can be applied to the wealth gap and note that, instead of a gap, it is this country’s debt owed to

members of the Black community. It would begin by enslaving Black people and forcing them to work for free with no rights. Their refusal to provide the resources promised to the Black community, such as the 40 acres and a mule post slavery, was one of the first examples of debt owed to the Black community post slavery that was not honored.

Towards the end of the civil war in 1865 the Special Field Order 15 was enacted which set aside over 400,000 acres of confiscated confederate land to assist newly freed slaves with survival, but it was later reversed by President Johnson and eventually became Freedmen's Bureau bills. This was the first systematic attempt to compensate them for enslavement and free labor, and yet, this promise was reneged upon by the White government. This was in line with the many institutional practices, post slavery, which disenfranchised the Black community and reinforced the wealth differential between Blacks and Whites. Taylor (2019) notes how once the real estate and banking industries realized there was a way to capitalize on the growing concern for equality within the Black community by using the government-backed loans and creating the illusion of equality. In this practice Blacks were only allowed to purchase in certain areas often only having access to substandard houses in areas that were poverty ridden. These predatory practices resulted in "segregating African Americans into deteriorating urban neighborhoods and then starving those communities of resources and other investments greatly limited their access to better-paying jobs and well-resourced public schools, while pushing them into substandard housing" (Taylor, 2019, p. 278). Redlining is a term often used to describe the practice of banks refusal to lend to people of color in specific neighborhoods, and there was often an actual map with red lines determining where Blacks and other people of color could purchase. The practice of red lining has a long

history in the disenfranchisement of Blacks and has supported segregation. “Addressing racial wealth inequality require a major redistributive effort or another major public policy intervention” (Darrity et al., 2018, p. 4).

While there are clear effects of inequality in communities of color, financial instability and illiteracy is a nationwide issue. “Over the past 20 years, the conversation surrounding economic inequality has shifted among social science disciplines to include key indicators of overall financial well-being” (Consumer Financial Protection Bureau [CFPB], 2015, as cited in West & Mottola, 2016, p. 56). West and Mottola (2016) explore the concept of financial fragility and note that a disproportionate number of minorities in their study reported financial fragility, citing an inability to weather a financial shock or economic event like the recession of 2008. The economic impact of the lack of literacy was felt during the recession of 2008. Three of the most influential factors in wealth generation is homeownership, education and income and it is in these areas where the racial wealth gap is most prominent (Gray, 2020). Gray (2020) highlights that there have been efforts to ensure that these three key factors are not accessible to the Black community. “Because of the cumulative nature of wealth and racial disparities in wealth, we must be cognizant of past discrimination that set current-day disparities in motion” (Herring & Henderson, 2016, p. 16). Wealth accumulation is important for families as it allows for financial security and can be integral in allowing for additional opportunities for future generations. However, without the accumulation of financial wealth, then the cycle of poverty continues. Shapiro (2015) and Gray (2020) acknowledge that homeownership is one of the most important tools in accumulating

wealth. As previously mentioned, racial capitalism and systematic racism keeps this from being a reality for many within the Black community (Robinson, 2019).

Only the dismantling of systems of oppression will lead to true equality, but progress towards this dismantling the systems of inequality only occur incrementally (Leong, 2013). Darity et al. (2018) posit that the racial wealth gap persists despite the level of educational attainment, income, and homeownership, making a nod to the fact that this gap results from systematic issues that continue to plague the Black community. This research looks to explore the use of financial education to address the racial wealth gap for a segment of the Black community. This exploration continues with understanding financial literacy and its origins.

### **Financial Literacy: History and Definition**

While the origins of financial management and the ability of individuals to manage money can be traced as far back as the 1700s, and a column written by Benjamin Franklin (Haverty et al., 2020), its most recent resurgence in the way of education began as early as the 1950s (Hastings, Madrian & Skimmyhorn, 2013). Many of the current policies around financial literacy is a direct result of the Jump\$Start inaugural survey in 1997 (Jump\$Start Coalition, 1997), which is a national assessment of financial literacy. “In the United States, policy initiatives to improve the quality of personal financial decision making through financial education extend back at least to the 1950s and 1960s when states began mandating the inclusion of personal finance, economics, and other consumer education topics in the K-12 educational curriculum” (Hastings et al., 2013, p. 349). The state of our nation’s citizens became a hot topic after the housing market crash. “In 2009, government officials began to acknowledge publicly that poor financial decision making

at a minimum causes a greater use of public social safety nets” (Geddes & Steen, 2016, p. 350). This statement illustrates further the perpetuation of existing research to blame systematic oppression on the individuals and not the system that upholds these inequities. The beginnings of the financial planning industry date back to the 70s and 80s. However, the industry has seen tremendous growth with over twenty percent increase in employment in a 25-year timespan (Geddes & Steen, 2016). A U.S. Representative stated that “financial literacy of our citizens... is a basic life skill that, unfortunately, many in our country truly lack... and [is] a financial security issue” (U.S. Congress 2009, p. 4). The trend of increasing financial illiteracy has caused researchers and government officials' concern (Amoah, 2016). Since 2004 there has been twice a year testing of financial literacy by the Jump\$tart coalition. While many of these assertions lack the depth of understanding necessary to fully account for capitalism's role in events such as the economic recession of 2008, it is important to note the perpetuation of the deficit narrative which is dominant in existing research despite contradictory research that challenges these notions.

Many studies often use financial literacy and financial education interchangeably. However, there is no one accepted definition of financial literacy which is undoubtedly an issue when assessing financial literacy as there is a lack of a comprehensive definition. Financial literacy can be defined as “knowledge of basic economic and financial concepts, as well as the ability to use that knowledge and other financial skills to manage financial resources effectively for a lifetime of financial well-being” (Hung et al., 2011, p. 12). The U.S. Government Accountability Office (GAO) defines financial literacy as "the ability to use knowledge and skills to manage financial resources effectively for a

lifetime of financial well-being” (U.S. Government Accountability Office 2009, 4, as cited in Geddes & Steen, 2016, p. 350). Pinto and Coulson (2011) have defined financial literacy as “an individual’s ability to obtain, understand and evaluate the relevant information necessary to make decisions with an awareness of the likely financial consequences and involves making meaning within existing social structures” (p. 57). Bosshardt and Walstad (2014) use this and other research to make a case for national standards around financial literacy, which continues to be nonexistent. Ben Bernanke, the former chairman of the Federal Reserve, testified in 2011 and indicated that many of the issues resulting from the great recession directly correlated to a lack of financial literacy and good decision-making (Bosshardt & Walstad, 2014). However, Glaude (2016) and Baradaran (2017) note how the economic downturn of 2008 disproportionately affected the Black community stating that while Wall Street was hurting, the Black community was left on life support. Glaude (2016) terms this period as the Great Black Depression of 2008 and reported that African Americans lost approximately 53% of their wealth, while White Americans lost only 11% of their wealth. This loss practically eliminated a decade of financial gains of Black families including retirement savings. The crash of 2008 and the aftermath are just another example of the predatory inclusion that Taylor (2019) discusses and how communities of color were once again exploited for the banking industry's capitalistic gain. This recession resulted in heavy regulations and oversight of the banking industry. As a result of these regulations, the Consumer Financial Protection Bureau (CFPB) was created to protect consumers from the predatory practices of banks.

Also, a source of confusion is the interchangeability of financial education and financial literacy. “Financial education is intended to increase one's human capital,

specifically their financial knowledge and the subsequent application of that knowledge which constitutes financial literacy" (Britt et al., 2015, p. 174). Britt et al. (2015) purports that financial literacy is the ability of an individual to use financial knowledge to make financial decisions confidently. "In a culture that demands individual responsibility and self sufficiency, financial literacy is an essential component of a successful adult life" (Shim et al., 2010, p. 1467). This quote is a prime example of individualism theory that White people often use to rationalize their responsibility for the systems of oppression that prohibit marginalized communities from access to adequate and equitable resources to allow for said self-sufficiency. "The stark wealth distortion caused by slavery and the longevity of its effects cannot be underestimated in U.S. history when government reformers would choose to grant political rights instead of achieving real justice by addressing economic inequality" (Baradaran, 2017). It is imperative to understand how the long history of inequality and focus on individual gain, instead of the wellbeing of all humanity, has created the present wealth disparity.

This study undergirds financial literacy as a type of literacy and that financial education is a tool by which individuals can increase their literacy of financial topics. While there are many different definitions of financial literacy, one key component that researchers agree upon is that having a clear definition is essential for program creation and evaluation. The modern-day financial literacy movement and outreach efforts by banks directly resulted from the Community Reinvestment Act requirements. These bank-led programs typically focus on educating individuals about the bank's products and services they are selling for financial gain and not for general education purposes. Most of the literature definitions have focused on financial knowledge, satisfaction,

confidence, or behaviors (Kasman et al., 2018). In 2003 the Financial Literacy and Education Commission (FLEC) was tasked with the responsibility to increase Americans' financial literacy to provide additional consumer protections (Amoah, 2016). The FLEC (2011) has noted that the financial challenges of one individual or family can affect the financial viability of their local communities. Beyond the FLEC, there are several other entities created to improve Americans' financial literacy, including the President's Advisory Council on Financial Literacy and Capability, National Endowment for Financial Education, and Consumer Financial Protection Bureau, just to name a few (Amoah, 2016).

### **Financial Literacy & Black Americans**

Existing research results purport that African Americans are not as financially literate as White Americans (Hudson et al., 2017; Murphy, 2005; Al-Bahrani et al., 2019). However, in a study of the African American Financial Experience Today by Prudential Financial (2015), they note that over 70% of African Americans, when asked to self-assess, rated themselves highly on their financial knowledge, specifically managing household expenses. Literature suggests that due to lower education and income “African Americans and Hispanics alike, accumulate low financial wealth at retirement, own low household assets such as stocks, housing, 401(k), and IRAs; and are less likely to qualify for a mortgage than their White counterparts” (Lusardi, 2005, as cited in Amoah, 2016, p. 67). Bahrani and Weathers (2019) found that financial literacy scores of Black Americans were 9-16% lower than White Americans. Bahrani & Weathers (2019) attributed this racial literacy difference to the lack of equal access, financial education, and increased financial knowledge which can all positively correlate

to wealth accumulation. These findings albeit true according to their study, neglects to address the systemic issues that create the lack of equal access. Understanding the financial literacy gap is imperative to improving the racial wealth gap and acknowledging that there are systematic barriers for people of color that education alone will not eradicate. Researchers have noted:

Greater financial literacy can be valuable if an individual or household has finances to manage. Financial literacy without finance is meaningless. There is no magical way to transform no wealth into great wealth simply by learning more about managing one's monetary resources. While wealth begets wealth, typically no wealth begets no wealth, regardless of how astute a money manager the person may be. (Darity et al., 2018)

This quote illustrates the critical issue of these studies which is that literacy is dependent on access to money which in can manage. However, given the various inequalities plaguing the Black community access to wealth is often limited.

### **Financial Education**

Financial education can be defined as "the process by which people improve their understanding of financial products, services, concepts, so they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being" (Geddes & Steen, 2016, p. 350). Educating the next generation of leaders about personal financial management is becoming a widespread topic of discussion, especially in the wake of the 2008 economic recession (Tschache, 2009). "Although financial education alone does not guarantee financial success, it is nevertheless important that all individuals and families, including

those of diverse and underserved populations, are aware of and have access to reliable, clear, timely, relevant and effective financial information and educational resources” (FLEC, 2011, p. 8). With the development of sophisticated financial instruments, the researcher notes that African Americans lack skills to make decisions function in the financial world although this is an over-generalization. Blanco et al. (2015) studied the barriers to participating in the financial sector and found that access to participation was not an issue. Instead, demand of financial information due to behavioral factors was more important. It is important to note that despite the oppression that the Black community has experienced, they have significantly impacted the advances of the United States and are an integral part of this nation's history (Amoah, 2016).

Researchers agree that there is room for improvement in financial education programs (Hudson et al., 2017; Mandell & Klein, 2009). One challenge with assessing the effectiveness of financial education is the fact that there is no one accepted standard to be followed. "Suggestions for making personal finance education effective for youth include incorporating a relevant program design, ensuring effective motivation, and providing education at an early age” (McCormick, 2009, p. 73). Some studies, such as Mandell and Klein, have not been conclusive that financial education leads to better literacy on the subject (McCormick, 2009). However, “several studies showed that financial literacy is positively related to self-beneficial financial behavior” (Mandell & Klein, 2009, p. 17). Other researchers argue the importance of social learning and that there is a connection between the instructional method and its effectiveness. Social learning is situated on the idea that people can learn from the observation of others’ behaviors, reactions, and attitudes (Gutter et al., 2009). This is a key concept when it

comes to curriculum creation for financial education courses. “Researchers studying financial education effectiveness need to consider the role social learning may play as a mitigating factor in the influence of formal financial education” (Gutter, Copur, & Garrison, 2009, p. 25). However, there is support for school-based programs as it is believed that this knowledge is essential to the students' lives and should be part of the core curriculum versus the knowledge being something that a participant must opt into (Hastings, Madrian, & Skimmyhorn, 2013). Financial education is needed as research suggest that Americans lack adequate financial knowledge to successfully navigate today’s financial markets and the health of our government and economy relies on individual’s financial knowledge (Amoah, 2016).

### **Post-Secondary Financial Education**

As financial literacy is becoming an increasingly discussed topic, there are more conversations about personal finance education at the collegiate level. "The Great Recession of the late 2000s has highlighted that the importance of individuals and families having the information, education, and tools to help them make better sound financial decisions in an increasingly intricate financial system” (Lindsey-Taliefero et al., 2011, p. 74). Collegiate aged students are a source of information regarding financial literacy interventions as in many cases “the average American college student enters college without having ever been solely responsible for their own personal finances” (Maurer & Lee, 2011, p. 680). Even though financial literacy is critical for college students, there is still much work to be done in formal financial education. "Findings suggest that college students' knowledge on personal finance is inadequate” (Chen & Volpe, 1998, p. 112). Several factors contribute to this lack of knowledge; Chen & Volpe

cite the lack of personal finance curriculum in colleges and business schools as a key factor. And the researchers make an argument for more financial education by way of additional seminars and personal finance courses. While studies conducted with high school students often use the Jump\$tart survey to assess the financial literacy of students, Cude et al. (2006) noted that at the time, the same survey had not been administered to college students. Much of the research at the collegiate level (e.g., Lindsey-Taliefero et al., 2011; Chen & Volpe, 1998; Murphy, 2005) is assessing students' credit practices or understanding of their literacy as it relates to financial aid. However, a few studies attempted to understand what the current financial education offerings in institutions of higher education are and research into specific programs.

One study conducted by Geddes and Steen (2016) examined over 300 higher education institutions to examine a financial education program and what is covered if anything. They indicated that the two main reasons for the increased demand and interest in financial education. The first being the increase in the debt of the average American. The second reason was the growing amount of investment vehicles and complexity of financial vehicles (Geddes & Steen, 2016) such as some of the mortgage-backed securities that were popular prior to the 2008 market crash. Here the authors organized their results by two groups of institutions the first being liberal arts colleges and the second being Council for Christian Colleges and Universities. They found that at the over 105 liberal arts colleges, approximately 65% of these institutions do not offer any type of personal finance course, and only 24% are offering some type of personal finance course. In their study, personal finance course offerings are defined as personal finance, personal

financial planning, personal financial management, personal finance and stewardship, and personal finance and family finance (Geddes & Steen, 2016).

Murphy (2005) conducted an exploratory financial literacy study of over 200 students attending a predominantly Black institution. The results indicated that the literacy levels of the participants were low, with only about three out of ten questions answered correctly. Noting that the mean scores illustrate that students have not “internalized key information critical to maintaining their financial well-being as college students or as future working professionals” (Murphy, 2005, p. 484). As a result, Murphy makes a recommendation for Black institutions expose their students to financial education. Another study by Lindsey-Taliefero et al (2011) examines the use of a financial literacy curriculum at Howard University, which is a predominantly Black institution. The Jump\$start survey was used to assess students’ financial knowledge after completion of a semester long course offered in the School of Business. The results of the Lindsey-Taliefero et al (2011) study show that their students scored higher than the African American students in the national Jump\$start survey albeit moderately.

Empirical studies, such as that of Britt et al. (2015), have shown that the financial literacy of students’ increase as they progress throughout college, which could be attributed to increased exposure to managing personal finances. Findings from one study "suggest that universities should give special attention to freshmen (i.e., those who are transitioning to new roles and responsibilities), because all other grade levels experienced lower financial stress than freshmen" (Britt et al., 2015, p. 183). Other studies have explored the financial management behavior of college students, although much like financial literacy, there is no generally accepted definition of financial behaviors.

However, researchers define it as "the acquisition, allocation, and use of financial resources oriented toward some goal" (Topa et al., 2018). When exploring financial education or literacy at the collegiate level, there are few studies that have explored race, especially examining Black college students' financial literacy. Murphy (2005) notes further that there is a lack of Black college students represented in financial literacy research. However, the existing studies that involve Black students have consistently noted that racial minority groups have lower financial literacy rates (Murphy, 2005). Lyons (2004) attempts to look at college students deemed 'financially at risk' to identify any consistent traits or characteristics. In this study, the researchers identify students as at-risk based on the following four characteristics: "1) have credit card balances of \$1000 or more, 2) are delinquent on their credit card payments by two months or more, 3) have reached the limit on their credit cards, and 4) only pay off their credit card balances some of the time or never" (Lyons, 2004, p. 61). 'At-risk' identification is problematic, as it has implications towards the deficit narrative existing in other research on financial knowledge and well-being. Once again, Lyons (2004) study only focuses on the symptoms of the issue, like the financial behaviors and traits, but fails to critique the systems of oppression created to keep marginalized communities poor.

### **Family Financial Socialization**

One ever present term that emerged from this review was financial socialization as a part of financial literacy. And the lack of financial education within Black communities also affects their financial socialization. To understand financial socialization, it is necessary to define the term, which is defined as "the process of acquiring and developing values, attitudes, standards, norms, knowledge, and behaviors

that contribute to the financial viability and individual wellbeing” (Gudmunson & Danes, 2011). Within the financial literacy field, the research explores the effects of socialization on one's financial acumen. Socialization is a multidisciplinary concept with extensive research, especially in education, and is situated within the concept of social learning. "Financial socialization is the process of acquiring and developing values, attitudes, standards, norms, knowledge, and behaviors that contribute to the financial viability and individual well-being" (Hudson et al., 2017, p. 286). Another term that emerges in the research is racial socialization, as Brown (2008) studies the effects and impact on African American outcomes. She defines racial socialization as "a set of behaviors, communications, and interactions between parents and children that address how African Americans ought to feel about their cultural heritage and how they should respond to the racial hostility or confusion in American society” (Stevenson, Cameron, Herrero-Taylor, & Davis, 2002, as cited in Brown, 2008, p. 33).

Studies, including the one by Hudson et al. (2017), examine how students were socialized financially using the FFST, to see what impact their socialization would have on their financial literacy or knowledge. The authors conducted a study that examines how financial socialization affects African Americans as “research has found that African Americans’ sub-optimal financial decision making and financial literacy have led to poor financial behaviors and inadequate net worth" (Hudson et al. 2017, p. 286). This statement supports the myths of poverty and believes that a lack of financial success reflects poor decisions and not also of lack of opportunities. Despite the stereotypes of poor people being lazy, Gorski (2008) debunks this by noting that 83% of low-income families have at least one parent employed, implying that the lack of income is not a

result of individuals not working. This association is important to note, as there is much debate about the effectiveness of financial education as a tool to promote literacy despite financial socialization (Mandell & Klein, 2009; Al-Bahrani et al., 2019). While there have been mixed results of the effects of financial education on financial literacy, the research overwhelmingly supports the importance family financial socialization plays in an individual's financial aptitude and behaviors (Deenanath, Danes, & Jang, 2019).

Edwards, McMillon, and Dandridge (2010) found research that supports the positive correlation between parental involvement and children's learning. Parent involvement is important to a child's learning but there are often factors that keep parents in marginalized communities from being as involved as their counterparts, such as underemployment and non-traditional household structures. It is important to note the existing narratives that assume that poor parents are not interested in their children's education when they share the same concern as wealthier parents but often lack the time and resources to be as involved in the schools (Gorski, 2008). Activities that parents can engage their children in are giving allowances, the ability to budget information, and having actual money conversations (Faulk & White, 2018). However, these activities often look different for families of lower socioeconomic status as well as different culture as some families do not have enough money to give allowances and in other households it is simply not a part of the culture. Fulk and White (2018) describe financial socialization as "the process of acquiring knowledge, skills, attitudes, and beliefs about money, and occurs in the household when children are included in family financial discussions and observe how parents handle financial matters" (p. 2). Both studies highlight the mode of financial socialization as part of learnings generated in the home by

using what the children are exposed to by family members. Fulk and White (2018) explore how these learnings differ by race as they studied how Black and White college students obtain financial knowledge and skills. Their results indicated that discussions with parents and formal financial education had the most significant influence on participants. One unique aspect of their results assessing the transfer of financial knowledge is the observation that parental behaviors had more impact on students' behaviors than conversations regarding financial literacy. It is important to note that while parental behaviors had the most impact, conversations as well as other forms of education also impact students' behaviors. Faulk and White (2018) also note that there are disparities in household socialization, and therefore formal education is often thought of to fill these socialization gaps.

In a study by Danes and Haberman (1999), they note that parents are not providing children with adequate financial education because they lack the knowledge of these concepts, family history, experience, and skills, beliefs and values often inform the way individuals interact with their finances. These studies neglect to convey that some of these activities are challenging for Black families to participate in based on the parent's personal experience with financial socialization and those with lower or no discretionary income for things such as an allowance or they differ from normative and conventional activities. Cude et al. (2006), in a study of college students, noted that many of them reported being most influenced by their parents as it relates to their financial behaviors. "Parents need to be aware of the major role that they play in the financial socialization of their children and that this process occurs at a very early age" (Cude et al., 2006, p. 108). While this quote may be a bit generalizing, what is consistent and apparent is the

importance of family financial socialization and how that dramatically affects how a person comes to understand and interact with financial matters.

Compton-Lilly (2003) conducted a study with inner city urban children to understand her students' perceptions and experiences around reading and to develop a theoretical model to show a connection between students' interest in reading and other external factors, such as those that are situational and cultural. She explains that educators and researchers must question their assumptions about urban families and reading. This sentiment can be applied when thinking of the importance of family structure when instructing students from a household where financial socialization was not happening. Compton-Lilly (2003) notes that mainstream narratives assume that poor urban children's families are not interested in their children's education, but her research challenges this narrative and asserts that parents do see education as important and necessary for their children's employment capabilities and overall advancement. This assumption can also be applied to families and their financial socialization, however there is a lack of research on Black families as it relates to their experiences and discourses around financial socialization.

### **Family Financial Socialization Theory**

The first theory used in the examination of the research questions is FFST. It is a tool created by created by Gudmunson and Danes (2011) to understand financial socialization. FFST "integrates family socialization theory and recent trends in financial literacy research" (Gudmunson & Danes, 2011). This theory focuses on the role that the family plays in financial socialization as research supports that the family is essential and critical to literacy. The purpose of Gudmunson and Danes work was to go beyond prior

studies that only examined socialization as an indicator of financial outcomes but to examine how socialization may evolve throughout one's life. “FFST specifies the key constructs of personal and family characteristics, family relationships and interactions, and purposive financial socialization as financial socialization processes that impact the outcomes of financial behavior and financial well-being through the acquisition of financial attitudes, knowledge, and capabilities” (Deenanath et al., 2019, p. 84).

Researchers have found that parents, schools, peers and even mass media are the most significant socialization agents (Gutter et al., 2011).

FFST “is a two-stage process that examines the relationship between factors in stage one, family socialization processes, and factors in stage two of the framework, financial socialization outcomes” (Watkins, 2018, p. 11). The FFST’s first stage focuses on the family financial socialization process, and the second stage examines the financial socialization outcomes. Within the two-stage process there are a total of eight pathways which are identified as A – H, and this study examined all the pathways.

The first construct in FFST is personal and family characteristics, which are represented by background or demographic data often used to understand the makeup of a population or sample. Some examples of data gathered include gender, age, education as well as household income. This model positions the demographic variables as predictors as opposed to control variables (Gudmunson & Danes, 2011). In this theory it is proposed that “demographic variables are tied to financial socialization via family socialization processes” (Gudmunson & Danes, 2011, p. 648). While background factors of a family, such as demographics and socioeconomic status, are important in determining outcomes, according to the conceptual model these factors influence the next

construct of family interaction and relationships. Another term Gudmunson and Danes (2011) introduce is purposive financial socialization, which they define as deliberate attempts that family members use to educate or socialize other family members around personal finance. Parents not only affect children's socialization via purposive instruction but also through their daily actions which model behaviors for children, better known as implicit socialization. Their theory hinges on the hypothesis that family interactions and purposive financial socialization affect financial behaviors, knowledge, attitudes, and capabilities. However, this theory and conceptual model does not account for racial differences in family structures nor address the effects that racial capitalism has had on the Black community's ability to acquire financial assets that would lead to increased financial knowledge.

Family interactions and relationships “influence financial attitude development, knowledge transfer, and financial capability development even when financial socialization is implicit” (Gudmunson & Danes, 2011, p. 649). This theory makes clear that family background and history alone are not factors but that the dynamics that are in play within that family which includes the way in which parents communicate with children do influence financial socialization. Pathway A reflects the relationship between family characteristics and family interactions and relationship. According to this conceptual model, both family characteristics, family interactions, and relationships are directly related to the purposive financial socialization. Pathway B examines the relationship between demographic characteristics such as gender, age or socioeconomic status and purposive financial education.

Purposive financial socialization includes direct and indirect communication around financial matters (Jorgensen et al., 2017). Pathway C (see Figure 1) is the relationship between those family interactions and relationships to purposive financial socialization. This refers to intentional efforts of parents and family members to socialize their children about financial matters. “Characteristics such as gender, age, family structure, and family relationship type highlight family roles tied to cultural values and norms that underlie financial practices” (Gudmunson & Danes, 2011, p. 649). In FFST purposive financial socialization is a pathway to financial knowledge, attitudes, and capability. Opposite of purposive financial socialization is unintentional socialization, which occurs where children observe their parents or guardians' behaviors and conversations as it relates to financial management. Studies show that these unintentional learnings can have an equally strong impact on financial acumen and behaviors as purposive financial socialization.

The second stage in the FFST focuses on financial socialization outcomes as opposed to the process of socialization in stage one. The first construct within this stage is financial knowledge, attitudes, and capabilities. Both purposive financial socialization (Pathway E) and family interaction and relationships (Pathway D) are pathways that affect the financial attitudes, knowledge, and capabilities. These factors are an important pathway in the FFST and the interaction between these constructs is key as their relationship affects financial behaviors. This pathway focuses on individual behaviors and is not inclusive of systemic barriers that affect the behaviors. Those that have reported having more purposive financial socialization tend to show more positive financial attitudes, better knowledge, and more confidence in their capabilities

(Gudmunson & Danes, 2011; Gudmunson et al., 2015; Shim et al., 2010). The next pathway explored in this study is Pathway F which is the relationship between financial attitudes, knowledge and capabilities, and financial behaviors. Gudmunson and Danes (2011) note that this construct represents observable financial outcomes such as financial behaviors. The model acknowledges two types of financial behaviors the first being a pattern of actions and the second is events where financial decisions are made. What this theory lacks is an account for racial differences and some of the systematic factors that are in play when it comes to family background which is one of the first constructs of the model. Some such as Baity (2020) have attempted to explore the issues of race and the FFST but there is still a lack of extensive research that looks at the differences of family financial socialization among Black people.

Frequent financial conversations between parent and college-aged students had a positive impact on the students' financial behaviors (Deenanath et al., 2019). "Parents can transfer values, norms, and attitudes about money to children via communication even though they may not explicitly be speaking about those issues (Bakir, Rose, & Shoham, 2006; Gudmunson & Danes, 2011; as cited in Deenanath et al., 2019, p. 86). Because family socialization can be a crucial indicator of financial knowledge, the family financial socialization theory should be explored when attempting to understand a population's financial knowledge. Bahrani and Weathers (2019) found that parental financial literacy increased student participants' financial literacy scores. It is important to note that there is still limited research on race and financial socialization. One limitation of the FFST is that it does not directly address racial differences and existing scales are not created for cultural responsiveness. For example often one of the questions around

literacy asks about mortgages and this type of question assumes that individuals were raised in a home that was owned as opposed to rented as we know there have been several historical barriers to homeownership for the Black community. There is an opportunity to use this theory to assess racial differences by using culturally responsive scales. Initial research by a recent scholar, Baity (2020) used FFST through a CRT lens by adapting questions for the participants that are relevant to Black or African Americans. The only existing study found to combine both FFST & CRT was by Baity (2020). In Baity's study she used the FFST and applied CRT to create her own scale aligning with the FFST constructs instead of using existing scales. Her work aligns on the CRT tenets of racism being normal and race as a social construct to understand the financial socialization practices of Black people. Her belief was that the existing scales were not culturally responsive. "Critical race theory contends that it is essential to consider the influence of race, as a social construct, on all aspects of everyday life for Black people, including family socialization and subsequent outcomes" (Baity, 2020, p. 7). This study incorporated the two tenets explored by Baity along with a third tenet of storytelling combining FFST and CRT to explore the lived experiences of participants through qualitative inquiry.

The last pathway explored in this study is H which looks at the relationship between financial behaviors on financial well-being. Gudmunson and Danes (2011) note that financial well-being contains paths from both financial behaviors as well as financial attitudes, knowledge, and capabilities. Financial well-being per the conceptual model, is assessed by both objective and subjective indicators and that objective indicators could include things such as household income and or net worth (Watkins, 2018). Despite this

guidance, financial well-being, much like financial literacy does not currently have one common definition. However has been examined by assessing the level of financial stress of an individual or household (Watkins, 2018). This study used the stress indicator to assess for financial well-being.

### **Critical Race Theory**

CRT, as previously mentioned, is theoretical framework based on the concept that racial inequality is a result of the differences created by white people to maintain their elite interests and essential dominance. It is the second theory used in this study to ground the qualitative phase of the research. CRT works to reveal race and racism in action, the manners in which it impacts people, and the historical and contemporary contexts in which they occur (Bell, 1992; Harper, Patton & Wooden, 2009; Solórzano et al., 2000). CRT began as a formal critique of racism in law and society with its origins starting at the National Critical Legal Studies conferences at Harvard and UC Berkley in the early 1980s. A group of law professors began to question the process of adjudication in law, which was termed Critical Legal Studies (CLS). From CLS additional scholars: Bell (1987), Matsuda (1989), Delgado (1989), Harris (1993), and Crenshaw (1988), they argued that CLS did not go far enough in challenging the racialized nature of law. Their work would later become CRT. Constance-Huggins (2020) purports that the origins of CRT consist of six tenets which are summarized below:

1. Racism is endemic and is a normal part of our nation's history, and “because it is so enmeshed in the fabric of our social order, it appears both normal and natural to people in this culture” (Ladson-Billings, 1998, p. 11).

2. Social construction as CRT is different from typical mainstream studies where it will employ storytelling to understand the lived experiences of oppression and racism.
3. CRT challenges ahistoricism and insist on a contextual/historical analysis of the law. Critical race theorists adopt a stance that presumes that racism has contributed to all contemporary manifestations of group advantages and disadvantages.
4. CRT insists on recognition of the experiential knowledge of people of color and our communities of origin in analyzing law and society.
5. CRT is interdisciplinary.
6. CRT works toward eliminating racial oppression as part of the broader goal of ending all forms of oppression (Constance-Huggins, 2020).

This study is situated in exploring the use of CRT within education and leans heavily on scholars such as (Ladson-Billings, 1998; Ladson-Billings & Tate, 1995; and Solorzano, 1998). They are known for examining CRT in the K-12 space and higher education institutions, respectively. The purpose of incorporating CRT into this study is to acknowledge that family socialization and money management looks different than what the existing normative assessments typically use. Also, to explore the lived experiences of Black college students and their meaning making of personal financial management. Understanding financial literacy requires delving into the origins of this concept and how it may perpetuate the existing dominant assumptions regarding intelligence and educational attainment of people of color.

CRT within the legal field, has three founding principles (Ladson-Billings, 1998; Ladson-Billings & Tate, 1995), the first being that racism is normal and a daily fact of life. The second focuses on storytelling, where scholars ground their work in the experiences of people of color and use this to explore the effects of racism and oppression. The third principle is rooted in the critique of liberalism, arguing that liberal legal studies have resulted in slow change. Scholars, such as (Delgado & Stefanic, 2001) highlight the irony that legal reform has eliminated some overt hateful experiences of racism. But reform has “kept intact exclusionary relations of power as exemplified by the legal conservative backlash of the courts, legislative bodies, voters, etc., against special rights for racially marginalized groups” (Ladson-Billings, 1998). Ladson-Billings took the foundation of CRT to apply it to the field of education with similar understandings of prior scholars but add that the U.S. is rooted in property rights instead of human rights and note that this “intersection of race and property creates an analytical tool for understanding inequity” (Ladson-Billings & Tate, 1995, p. 48). Ladson-Billings and Tate (1995) further explore this idea of understanding race and property, noting the problematic nature of the Black community’s relationship with property as African Americans were once considered property despite being unable to acquire property. And as mentioned, property is a primary vehicle to wealth generation. Integral to this study and understanding of the wealth gap, is to situate the research to understand race and how it is exploited to marginalize and ensure inequity. CRT in education is often a critique of the systems of oppression such as racism and exploitation and it examines the history of these constructs and how race has manifested many of these issues in our society and schools (Ledesma & Calderon, 2015). “CRT analyzes the role of race and racism in

perpetuating social disparities between dominant and marginalized racial groups” (DeCuir & Dixson; Ladson-Billings; Ladson-Billings & Tate, 1995, as cited in Hiraldo, 2010, p. 54). The tenet of understanding the narratives of participants’ lived experience of the effects of race and racism on their financial behaviors is an attempt to use “counter-stories in analyzing higher education’s climate provides faculty, staff, and students of color a voice to tell their narratives involving marginalized experiences” (Hiraldo, 2010, p. 54).

While CRT is often associated with qualitative inquiry, there is research that discusses CRT's use in quantitative analysis by scholars, such as Sablan (2019), however, Covarrubias (2011) noted that numbers are unable to speak for themselves. Therefore, it is crucial to analyze statistical data through a critical lens. Terms such as QuantCrit and quantitative intersectionality are discovered when understanding the application of CRT within varying research methodologies (Sablan, 2019). According to Sablan (2019), the application of CRT in research views statistics and quantitative research to have biases that support white supremacy and upholds dominant theologies. Some research exists of CRT in quantitative and mixed methods, but researchers have also expressed the need for additional mixed methods and quantitative studies in CRT (Sablan, 2019). Another rationale for using CRT to situate the research is that CRT uses storytelling through qualitative inquiry to ensure that those who have been oppressed and marginalized are able to tell their own stories. CRT will be utilized with qualitative inquiry to understand the racialized experience of the Black college students as it relates to personal financial management.

Existing literature notes the effects that poverty and lack of financial resources have on the development of children. “CRT promotes social justice by moving students beyond information on different cultures, to concern for social and economic injustice” (Constance-Huggins, 2020, p. 17). Education is not exempt from being affected; as one author notes, “children from wealthier families have more access to quality education relative to those from poorer families” (Constance-Huggins, 2020, p. 2). While there has been much research connecting CRT and education, there are no studies that examine the relationship between financial education and CRT which could further highlight how capitalism has created economic inequalities such as the wealth gap. There are numerous scholars (Leong, 2013; Manduca, 2018; Whitfield, 2019) that address the relationship between racism and capitalism. Hiraldo (2010) notes that incorporating critical race theory into the implementation of everyday educational practices would help to bring awareness of race and racial inequalities. This revelation is not surprising as the use of CRT in education is not a new field of study, but the application of the theory in education has become a hot topic and is expanding in scholarship. In using CRT, this study will explore whether Black college students meaning making aligns with the existing FFST or if it differs.

### **Interpretative Phenomenological Analysis**

The primary focus of interpretative phenomenological analysis (IPA) is to understand how participants make meaning of their experiences. IPA was first developed by psychologist Jonathan Smith in 1996 and it is a research approach that is rooted in phenomenology, ideography, and hermeneutics (Pietkiewicz & Smith, 2012). This phenomenological approach involves an examination of the participant’s life experiences

and explores their perception of an object or event instead of a specific statement of the event or object (Smith & Osborn, 2008). The use of IPA provides a structure and framework with “clear application guidelines that lend themselves to rigorous exploration of meaningful topics while also allowing for ample flexibility to exhaust divergent experiences and interpretations from participants” (Miller & Barrio Minton, 2016, p. 53). This design allows for researchers to focus on participants specific and individualized experiences of phenomena as opposed to generalized experiences (Miller & Barrio Minton, 2016). IPA is considered a contemporary approach to phenomenology and while it is rooted in this philosophy, IPA takes a different approach from traditional phenomenology (Alase, 2017). While this methodology started in the field of psychology it has since expanded to be used in various fields exploring human, health, and social sciences (Noon, 2018). Because of its focus on experiences, it is a good fit for the field of education as experience of students is important in the development of curricula and instructional methods (Noon, 2018). One of the key features IPA is “its ability to make sense of the ‘lived experiences’ of the research participants and truly allow the research participants and truly allow the research study to explore the phenomenon that the research is investigating” (Alase, 2017, p. 11). In IPA research studies samples are selected purposively to get an understanding of the lived experiences among the homogenous group of participants to make meaning of the phenomenon. IPA being an interpretative and conversational method interviews allow for the development and a relationship with the participants so that their lived experiences can be obtained and analyzed (Alase, 2017). This methodology pairs well with critical race theory as it is a useful methodology for those populations whose voices are often unheard (Noon, 2018).

Because IPA focuses on the full exploration and analysis of each participant's account sample sizes for these studies are typically small (Pietkiewicz & Smith, 2012). In this study it is used to explore how participants make meaning of race and financial knowledge, socialization, and money management.

### **Summary**

The literature suggests that there is still a need to understand ways to minimize the racial wealth gap. Students can benefit from an understanding of the history of the racial wealth gap, and the exposure to professionals who have studied and worked in finance. And this exposure can help to supplement the knowledge of teachers who may not have formal financial training. "It certainly seems inconsistent that one of the goals of education is to prepare youth to be employable citizens, but not to prepare them adequately to manage the income they earn from that employment" (Danes & Haberman, 2007, p. 58).

There is also room for further development and research on financial literacy and education as research material is still limited, particularly in relation to exploring differences based on race and the Black community. Even with the limited research, studies consistently indicate the importance of financial literacy and its impact on our national economy. Inconsistencies continue to exist in research results that measure financial education's effectiveness as there is no nationally accepted financial curriculum within the United States. Existing curriculum in the secondary education space varies and is an interpretation of what financial literacy means to the individual instructor or institutional creator. Because of this deficiency, conflicting results will continue to exist in the research making the ability to generalize results of curriculum a challenge. The

existing literature is consistent with the importance of socialization in preparing youth to be literate, especially financially. However, the responsibility does not stop there as it is not enough to mandate financial literacy in the schools. Danes et al. (1999) noted many students brought their financial learning home to family members in addition to their home learnings. “The financial socialization process begins in childhood and involves life experiences, interactions with friends and family members, and formal education which develop financial skills, attitudes and knowledge” (Hudson et al., 2017, p. 286). Danes et al. (1999) believe that preparing financially literate students cannot be the task of schools alone and that partnerships between public and private sectors will generate the best results.

Additional research is needed to assess the existing financial literacy scales for cultural bias and examine the differences of culturally responsive scales. As noted earlier, most of the research on financial education programs is typically quantitative and as such there are limited qualitative studies that have been done to understand students' knowledge and experience of financial management and literacy. Most of the existing research in this field does not focus specifically on Black college students. Lastly, this research and its disposition towards financial education is not an attempt to ignore this country's history of pretending to care about the equity of Black people and their rights instead of addressing economic inequality (Baradaran, 2017), but to see it as an opportunity for advancement. The literature is clear that the Black community cannot educate or work itself out of these issues of inequality, and that it is crucial to dismantle the structure of racism and oppression. However, dismantling hundreds of years old requires a considerable amount of time that expands beyond one lifetime. But there is

progress to be made by providing access to education that can aid in the creation and retention of wealth. While financial education and wealth creation is important for all, there is a specific opportunity for wealth creation among Black people to address the growing wealth gap. This research examined a group of students who are on the path to income stability through the acquisition of jobs. This population represents a high potential group which is often underserved when it comes to access to resources. Education about personal finances can help ensure that they can retain wealth and hopefully pass some of the information and practices down to the next generation.

## **CHAPTER 3**

### **METHODS**

#### **Research Design**

The purpose of this study was to examine the relationship between financial socialization processes and outcomes according to the FFST of Black college students. The study also examined how these factors affect the lived experiences of personal financial management among participants and how race affects their financial socialization. This research draws upon two theoretical frameworks, including critical race theory (Ladson-Billings & Tate, 1995) and the Family Financial Socialization Theory (FFST) (Gudmunson & Danes, 2011). These frameworks were be utilized to examine the possible relationships among the variables. To examine the research questions, the concurrent mixed method design that consisted of a quantitative survey along with interviews using the interpretative phenomenological analysis method. The mixed methods design was selected to understand the factors that affect the knowledge, attitudes, capabilities, behaviors, and socialization among Black college students. Mixed method research design minimizes the risk that the results are biased to one method and allows the researcher to check and compare both the qualitative results to that of the quantitative (Maxwell, 2013). The concurrent mixed method research design was chosen as it allowed the researcher to combine the phases and expedite the data collection process (Creswell & Clark, 2017) given some of the initial challenges in the quantitative data collection. Because most of the research within the field of financial literacy and education is quantitative (e.g., Danes et al., 1999; Fulk & White, 2018; Hudson et al., 2017), it was important to examine these research questions through qualitative inquiry as

it provided additional context to the results that were not captured in the survey. There are few qualitative studies using the FFST such as LeBaron et al. (2020) and Rea et al. (2019) and one mixed-method longitudinal study was completed utilizing the FFST (Danes et al., 2016). Despite the lack of mixed method research in this field, this study showed that “by combining the approaches, researchers gain new knowledge that is more than just the sum of the two parts” (Creswell & Clark, 2017), which will help to understand the research questions better. While the existing literature preferences quantitative data and believes it to be without bias (Sablan, 2019), it is necessary to note that individuals analyze the data. It is important to note that bias and manipulation could occur, and these biases can be attributed to the scales and tools used to collect the data and the results conveyed by researchers as well as those conducting the interviews. However, the interviews provided insight to how the participants understand and make meaning of financial literacy and financial management concepts in general and special attention was given to ensure that researcher bias was minimized (Siedman, 2013).

### **Participants**

The sample participants for this study consisted of full-time undergraduate college student aged 18 – 24, enrolled at an accredited College or University. Originally the population was designated from one nonprofit program, but the challenges with meeting the minimum desired number of responses required the researcher to expand the participant pool. This age range was selected according to the National Center for Education Statistics (NCES) 2015 report, as traditional college students are those that matriculated to college immediately after high school and are under the age of 24. College students were chosen as they have varying financial responsibility as well as

access to financial education resources. According to NCES, 1.416 million Black students were enrolled full-time in college, which represented approximately 13% of the total full-time enrollees in the U.S. The surveys were be distributed to the entire population to get a minimum of 60 and up to 200 responses. At 60 respondents the sample would represent a 90% confidence level with a 10% margin of error, and at 200 respondents it would represent a 99% confidence level with an 8% margin of error (Qualtrics, 2020). However, a power analysis was conducted and indicated that 160 responses would be the minimum number to properly run the SEM analysis. There was a total of 181 viable responses from participants who met the ethnic demographic requirement will be included in this study.

Non-probability sampling will be used as the goal of this study is to get an understanding of a sample of students within the larger population. Participants were recruited from the internet via social media pushes, email to nonprofit program participants and finally through the online paid survey tool Prolific. Parameters were set on Prolific to limit participation to the eligibility requirements stated above. Participation in the survey was voluntary and based on purposive sampling as the initial survey will be sent to the entire population to complete. There were a few responses that were removed as they did not meet ethnicity requirements.

The survey contained an optional section for participants to check a box to indicate if they would be willing to participate in a follow-up interview. This section did not require a name but only contact information, including email and phone number. Of the total 43 students from the qualifying pool that indicated interest in participating interviews, eight interview participants were selected randomly. Of the eight interview

participants, most of them reported as female (7) and one identified as male. This gender demographic is a close sample representation of the quantitative data collected, which reported 86% respondents identifying as female, 13% identifying as male, and 1% as other. Of the selected participants for interviews, 63% noted that their household income ranged from \$0-\$34,999, 13% reported income ranging from \$50,000-\$79,999 and 25% did not report household income. Participants ranged in classification from freshmen to juniors as there were no seniors who participated in the interviews. The highest father education attained among the participants was a tie between high school or less and graduate and professional degree both at 38% respectively. The largest reported highest educational attainment of mothers was graduate or professional degree at 50%.

### **Data Collection**

The study began with a survey administered to the sample of individuals and analyzed quantitatively, and then further data collection involved conducting one-on-one semi-structured interviews with a sample of the survey participants. The interviews were analyzed using interpretative phenomenological analysis methodology. This methodology was chosen as it allows for an understanding of the participants' lived experience as it relates to personal financial management and is participant oriented as they narrate the story of their experiences (Alase, 2017).

In Spring 2021, after the receipt of IRB approval, data collection began with electronic surveys administered to all 500 nonprofit program participants using Qualtrics. This survey included consent for participation and will be stored on the Qualtrics site cloud storage and backed up on the researcher's cloud storage and hard drive. Any responses not used for the study were securely discarded. Respondents' identity was

protected from the survey data collected as they were not required to provide their names. The data collection timeline was from June 2021 to October 2021, until the desired minimum sample size of 160 survey responses was reached. Once 181 eligible responses were collected, data collection ceased, and the surveys were disabled. The survey will maintain the original title, College Student Financial Literacy Survey, which is the main scale used for this survey (Jorgensen, 2007).

Eight participants who indicated interest in participating in interviews by selecting the check box and met the selection requirements were contacted to schedule interviews as their responses were collected. Consent for participation in these interviews was included in the original consent with the survey. These participants were selected using convenience sampling as they were contacted on a first indicated basis. The interviews were minimum one hour-long semi-structured video interview conducted with each participant online via Zoom. There were no follow up interviews needed or requested of participants. Zoom is an online platform that allows for video conferencing. This platform was chosen given the location restrictions of the participants who are enrolled in colleges and universities across the U.S. It also allowed for adherence to the strict CDC guidelines of social distancing during the COVID-19 pandemic that was in place during the study. There was a zoom password to ensure that only the designated participant and researcher are in the room. The online interviews were recorded, and the initial transcription of the interview was transcribed by Zoom and checked for accuracy. The participant interviews were be labeled using a letter of the alphabet to protect the participants' identity (i.e., Participant A - H). Once data collection was complete and the

interviews were transcribed, the recorded information was deleted according to the guidelines per interpretative phenomenological analysis methodology (Alase, 2017).

## **Instruments**

### **Survey Instrument**

The survey used in this study assessed the FFST conceptual model pathways A – F and will consist of five sections. The survey is based on the work of Jorgensen (2007) and his creation of the College Student Financial Literacy Survey (CSFLS). All five sections of the original CSFLS scale (background info, financial knowledge, financial attitudes & capabilities, financial behaviors, and financial socialization) were used to assesses all five constructs examined in this study, which are personal & family characteristics (background), objective financial knowledge (literacy) attitudes and capabilities, financial behavior, financial socialization, and financial well-being (see Figure 1 for model). The missing FFST construct from the survey was family interactions and relationships, as the CSFLS neglects to assess for this construct and for subjective financial knowledge. Family relationship is an essential element of the conceptual model as it analyzes “interaction patterns among family members influence financial attitude development, knowledge transfer, and financial capability development” (Gudmunson & Danes, 2011, p. 649). As the CSFLS neglected to address this construct of the conceptual model the five-question scale by Kim and Torquati (2020) was added to the financial socialization section to assess for closeness with parents and address the family interactions and relationships construct. This scale is valid and reliable with a Cronbach alpha of 0.86 (Kim & Torquati, 2020). Also added to the scale was a question to assess for subjective financial knowledge in accordance with FFST conceptual model.

The CSFSL was developed by Jorgensen which has been validated through its use in multiple studies (Jorgensen, 2007; Jorgensen & Salva 2010). “CSFSL was developed by the principal researcher in 2006 based on a review of the literature and feedback from independent experts in personal financial literacy” (Jorgensen & Salva, 2010, p. 468). Despite its age the survey is a useful tool for testing the FFST model. The survey attempted to expand on existing research of Chen and Volpe (2009) as well as questions from the Jump\$tart 2004 Personal Financial Survey and addresses some limitations of students’ perceptions of socialization. The questions of CSFSL were derived from validated instruments. Four experts assessed the survey independently for content and face validity, and six students assessed the clarity of the questions. “The internal consistency of the scales from this instrument (N = 420), as indicated by Cronbach's  $\alpha$ , were financial knowledge  $\alpha = .75$ ; financial attitudes  $\alpha = .77$  ' financial behavior  $\alpha = .73$ ; and perceived parental influence  $\alpha = .70$ . the quality and consistency of the survey were originally assessed using Chronbach’s Alpha” (Jorgensen & Salva, 2010, p. 469).

As financial management is the series of behaviors and decisions and financial behaviors are informed by socialization (Topa et al., 2018), the interconnectivity of these concepts is clear, and per FFST it is important to examine all these factors. An overview of each section of the survey is listed below.

### ***Section 1 Background Information***

This survey used in this research included 14 of the 19 background items on the CSFSL, which will include age, gender, class rank, ethnicity/race, major, parental income, participant work experience, educational attainment of father and mother respectively, occupation of father and mother respectively, financial independence, grade

point average (GPA), and current school. The additional questions from the original survey were excluded as they do not apply to this study based on the scope of participants (i.e., birth order, international student status, housing arrangement). This information aligns with the personal and family characteristics variable, which is an input for the FFST conceptual model. FFST proposes that sociodemographic characteristics can be used as ‘predictors’ as research has shown that sociodemographic data are known to be associated with how family members interact with each other (e.g., Deenanath et al., 2019; Jorgensen, 2007; and Shim et al., 2010). Additionally, these factors are known to affect decisions to engage in purposive financial socialization (Gudmunson & Danes, 2011; Watkins, 2018). Age consisted of multiple-choice items of the ages between 18 - 24. Gender was the only item updated to include two additional categories and will be coded as: (1=Male; 2=Female; 3=Transgender and 4=Nonbinary). Class rank (Freshman = 1; Sophomore = 2; Junior = 3; Senior = 4); Ethnicity/race (1=African American; 2=Asian; 3=Caucasian non-Hispanic; 4=Hispanic; 5=Multiracial; 6=Native American/Pacific Islander; 7=Other); and Parental income (0-\$34,999 = 1; \$35,000 - \$49,999 = 2; \$50,000 - \$79,999 = 3; \$80,000 or more = 4). Questions for this section can be found in Appendix A.

### ***Section 2 Financial Knowledge***

According to the FFST financial knowledge is represented by both objective and subjective knowledge. The entire financial knowledge section of the CSFLS will be used for this section as it addresses objective financial knowledge. One question was added to the financial knowledge section to assess for the participant’s perceived or subjective financial knowledge (Shim et al., 2010) as the CSFLS only addressed objective financial

knowledge and not subjective. This section of the survey assessed the participant's objective financial knowledge with a total of 25 questions with 11 questions that assess general financial knowledge, four questions on saving and borrowing, four questions about investing, and six on insurance (Jorgensen & Salva, 2010) drawn directly from the CSFSL with reliability of  $\alpha=0.75$ . An example of a question asked the respondent to identify the appropriate definition of net worth. The complete survey questionnaire is in Appendix A. The responses to these questions were assessed based on the answer key of the CSFSL. Responses were scored as (1=correct and 0=incorrect) the scores for all, and the total correct answers were represented as a percentage of 100. To assess the subjective financial knowledge, respondents were asked to "rate your overall understanding of money management concepts" (Shim et al., 2010, p. 1461) on a five-point Likert scale (1 = very low to 5 = very high). A higher score indicated that the participant had more knowledge of financial literacy concepts.

### ***Section 3 Financial Attitudes & Capabilities***

Financial attitudes and capabilities were assessed using the 20 CSFSL questions that assess general financial attitudes, as well as attitudes regarding savings and borrowing, insurance and investing, and respondent's financial capabilities. The reported reliability for this section is  $\alpha=0.77$ . Respondents rated their perceived importance on questions 37, 41 & 42 using a five-point Likert-scale (from 1 = not important to 5 = very important). A mean score was calculated for financial attitudes based on these questions. Negative items were reversed scored so that higher scores on these scales indicated more positive financial attitudes. An example question asked the respondent to rate their perceived importance of spending less than the income that they generate. The other

questions in this section addressed general financial attitudes and were not used in calculations.

### ***Financial Well-Being***

Embedded within this section of the survey was one question on financial well-being which asked respondents to agree with the statement “my finances are a significant source of worry or "hassle" for me” on a likert scale of very true to not true at all.

Although there was not a financial well-being section in the survey, this question was identified and applied as financial well-being with the assistance of the committee and utilized in the model as part of the SEM analysis.

### ***Section 4 Financial Behaviors***

Financial behaviors questions were taken entirely from the CSFL survey. This section consisted of six questions with 23 items assessing participants’ financial behaviors with  $\alpha=0.73$ . Respondents will be asked to respond using a five-point Likert scale: (1) “Never,” (2) “Rarely,” (3) “Sometimes,” (4) “Often,” and (5) “Very often. Example questions included “I compare my receipts of purchases to my monthly statements” or “I get cash advances from my credit card.” The financial behavior mean score was calculated using questions 43, 46 & 47. Questions 43 & 47 were already listed with the likert scale and were tallied and reverse coded. For question 46, it asked the participant about maintaining financial records with only three choices (1 = maintain no records; 2 = maintain minimal records; 3 = maintain very detailed records) which was coded as follows (response 1 = 1; response 2 = 3 and response 3 =5) so that it was consistent with the scoring for the other financial behavior questions. The results were

tallied and reverse coded. A higher score implicated more positive financial behaviors according to the original survey (Jorgensen, 2010).

### ***Section 5 Financial Socialization***

This section focused on the financial socialization and the family interactions and relationships of the respondents. The financial socialization questions were taken entirely from the CSFLS with  $\alpha=0.70$ . Added to this section were five questions to assess for the participants family relationship which is an input into financial socialization according to the conceptual model. These five questions were derived from the Kim and Torquati (2020) study and scale. Of the five questions, four address family communication, and the final question asks about the closeness of the participants' relationship with their parents, which is reported on a scale of 1 – 5 (not close at all to very close). The Cronbach's alpha scores for closeness with fathers and mothers respectively are  $\alpha=0.86$  and  $\alpha=0.84$  (Kim & Torquati, 2020, p. 5). A sample socialization question asked respondents to identify to what degree they agree or disagree with the statement 'my parent(s) talk to me about the importance of financial security for my later life.' The mean score for these responses were calculated and higher scores in this section indicated positive purposive financial socialization or a closer relationship with parents, respectively.

### **Interviews**

The qualitative phase of the study sought to explore the research questions while grounding them in a critical race theoretical framework using interpretative phenomenological analysis (IPA). Phenomenology studies allow for an understanding of both individual and collective experiences of the phenomenon of financial literacy

(Henfield et al., 2013). To gain clarity around the financial literacy and lived experience of Black college students of these topics, the participants were involved to fully capture the nuances of the phenomenon to implement findings that can impact the communities of the participants (Creswell & Clark, 2017).

IPA research methodology also aligns with the CRT as it endeavors to explore the effects of financial socialization and how it correlates to financial literacy within the Black community. This section challenged the existing dominant narratives that exist in many of the quantitative scales and sought to explore differences in the results by using culturally relevant questions for the interviews. It is grounded in CRT principles of anti-essentialism and counter-narrative. Culturally relevant education extends beyond knowing a person's culture but acknowledges the historical context that is rooted in the institution of White supremacy (Ledesma & Calderon, 2015). Most existing scales including the CSFLS, are written with a normative view and does not consider the differences of the experiences Black people have as it relates to money. The CSFLS questions fail to capture the systematic issues and results that racial capitalism have had preventing access to money and eventually wealth. Baity (2020) believes that Black families hold specific beliefs about money that are a result of discrimination and economic inequalities and as a result she used critical race theory to explore the relationships of the FFST constructs among Black families and this study aligns with this assertion. The interviews used open-ended questions to explore participants' responses to the research questions gaining insight into their experience (Siedman, 2013) while acknowledging the historical differences and challenges of Black students by asking culturally relevant questions. The questions addressed how participants make meaning of

financial knowledge, attitudes, behaviors, and socialization but will do in a way that ensures “cultural relevance to Black or African American adults” (Baity, 2020, p. 23). Some examples of these culturally relevant questions include wording some questions asking about ‘family role models’ instead of parents noting that not everyone has grown up in a two-parent home but may have varying familial structures or even asking about how often participants were given money for collection at church (Baity, 2020). The author’s nuances in the wording of the questions are important because some normative scale questions might ask participants about allowances which are not a norm in all households but given the Black community’s relationship with the church this question may have a higher likelihood of receiving a response. The qualitative section also addressed research question five, which examined participants’ lived experiences of personal financial management. Sample questions were created and reviewed with the assistance of the dissertation committee and were phrased according to the literature (Alase, 2017; Ladson-Billings, 2015; Smith & Osborn, 2008). These questions helped to ground the conversation and allow the participant to drive the conversation in their desired direction (Siedman, 2013). These questions were tested with a pilot group of two Black college students to ensure that the results were credible and trustworthy.

Trustworthiness can be established when researchers address credibility, dependability, transferability within studies and findings (Mills, 2018). Piloting the interview questions helped to ensure that the research structure and questions are appropriate for the study. By piloting the interviews, it alerts an investigator to any interviewing techniques that may detract from the objectives of the study (Siedman, 2013). The pilot participants were recruited by the researcher and from the Department of Consumer Sciences at a large

university located in the southeastern region of the U.S. and will be invited to participate by one of the major professors who is also a member of this dissertation committee. The pilot participants were selected post IRB approval and met the eligibility criteria of this study and were independent of the study sample. All interview protocols were followed with this group, and at the end of the interview, participants were asked to provide feedback on the questions including whether the questions were clear and concise and if they have any general feedback or thoughts. Respondent validation was used to obtain feedback on the initial conclusions from the pilot interviews (Maxwell, 2013). The timing of the pilot interviews were noted, and fit the desired duration of the interviews. The pilot interviews were assessed, and the responses reviewed to ensure that they adequately answered the interview questions and the research question (Dikko, 2016). The pilot interview feedback was used to modify interview question 10 and it was reworded to define financial well-being for participants. See Appendix B for the list of qualitative questions.

## **Data Analysis**

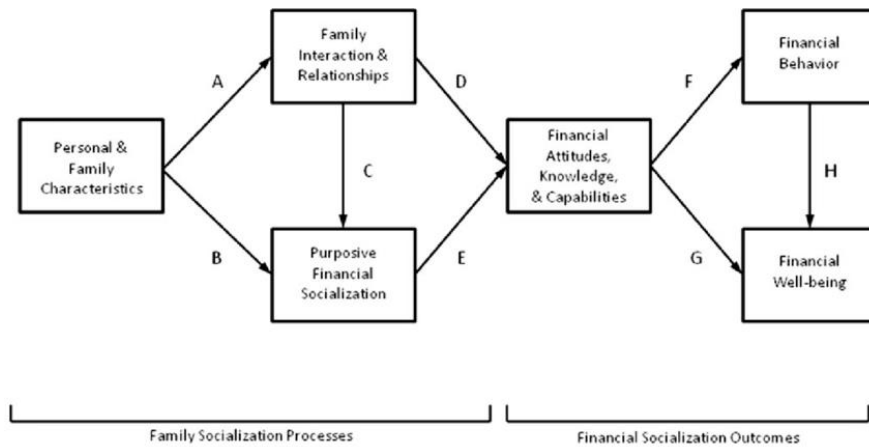
### **Quantitative Analysis**

The quantitative phase of this study used the FFST conceptual model to test the pathways A-H, the relationships between financial knowledge, attitudes and capabilities, socialization, financial behaviors, and financial well-being using SEM analysis. Paths A – H of the framework were examined in this study according to Figure 1, which addresses the family socialization processes and how these variables affect financial knowledge and behaviors, as well as outcomes according to the model. The FFST is a two-part model

where the first part focuses on constructs related to the socialization process, and the second part consists of the components of financial socialization outcomes.

**Figure 1**

*Family Financial Socialization Conceptual Model*



Note: This figure illustrates Gudmunson and Danes FFST conceptual model and path analysis.

The survey responses were reviewed to check for any missing values and any extreme outliers. There were three surveys that did not meet the study’s demographic requirements, and they were removed from the data before analysis. Incomplete surveys were also excluded from data analysis. The background information (Section 1) was used as predictors, according to FFST, and descriptive analysis was conducted on this data. Subsection 2 - financial knowledge was scored according to the CSFLS answers, and the percentage was be reflected out of 100. Subsection 3 - financial attitudes and capabilities was calculated for a mean score on three of the questions and the others were reverse scored. Subsections 4 and 5 financial behavior and financial socialization were reverse scored to calculate an overall score for each participant (Jorgensen, 2010). Each section

of the survey was analyzed separately and then the relationships between the constructs were analyzed as discussed using SEM analysis. The ordinal data from each section was presented, and analysis techniques will include analysis of the quantitative data as the purpose of this analysis is to explore the relationship between “financial socialization and financial behaviors of the students” (Faulk & White, 2018, p. 8). Descriptive statistics were used to analyze all demographic variables by calculating the frequency, mean, range and standard deviation of these items. These items were utilized to understand the respondents background and family characteristics and their relationships with Paths A and B.

As this study endeavored to understand the direct and implicit relationship between the variables, SEM analysis was conducted. “SEM is a common statistical analysis technique that is used in human development and family science, psychology, sociology, and other social science fields” (Hox & Bechger, 2007; Tarka, 2018, as cited in Watkins, 2018, p. 60). While one of the assumptions when utilizing SEM is that a large sample size is needed, the power analysis was conducted to ensure that the 181-sample size was sufficient to deliver reliable results. The quantitative portion's data analysis and results were represented in statements and tables. According to SEM analysis, a latent variable are the common factors or constructs of a model (Suhr, 2006). Variables in an SEM model are categorized as exogenous or endogenous. The primary independent (endogenous) variable for this study is financial well-being. The dependent (exogenous) variables are personal and family characteristics, purposive financial socialization, financial attitudes, objective and subjective financial knowledge, financial capabilities, and financial behavior. This study will used SEM to test for correlations and covariances

and Figure 1 shows the proposed measurement and structure of the model as tested for this study. From the analysis, the results were examined to determine the significance of the association among financial knowledge and the demographics to test whether higher socioeconomic status results in higher financial knowledge. The association between financial knowledge and family financial socialization was also examined. To ensure that the model was a good fit the model chi-square, root mean square error of approximation were reported. From the quantitative results, the data was sorted and analyzed using descriptive and inferential statistics to align with SEM and determine correlations among the variables. This information was compared to the results of the qualitative portion of the study by examining similar topics such as socialization items and attitudes across the quantitative and qualitative data.

### **Qualitative Analysis**

Interviews were transcribed in their entirety. Following the transcribed interviews, first cycle process began with a thorough reading of the transcripts by the principal investigator. According to interpretative phenomenological analysis, once the interviews are fully transcribed and read, the researcher will take notes in the margin to identify comments of interest or highlight significant responses as it relates to participants experiences of racial capitalism, financial socialization, and financial management and how all three are intertwined (Smith & Osborn, 2008). This initial coding process was conducted manually according to the in-vivo coding method, which is an inductive approach. This coding method was selected to fully capture the participants' voices (Saldana, 2006). In-Vivo coding “help us to preserve participants’ meanings of their views and actions in the coding itself” (Saldana, 2006, p. 76). This process allowed the

researcher to note any questions or points that may appear contradictory from other accounts of the participant by analyzing the responses of the participant.

After the initial read of the first transcript, a second reading of the same transcript was done to allow the researcher to make note of emerging themes in the second margin. “Here the initial notes are transformed into concise phrases which aim to capture the essential quality of what was found in the text” (Smith & Osborn, 2007, p. 68). This process is also known as second cycle coding using the 'axial' stage, which groups the codes thematically as axial coding connects categories to subcategories (Miles, Huberman & Saldana, 2014; Saldana, 2006) to uncover emergent and emerging themes. Recurring themes from the initial read of the first transcript were listed in the order in which they occurred and then analyzed for potential connections. The process described above was repeated for analysis of all subsequent interview transcripts.

For the second cycle coding process the constant comparative approach was used to compare themes across all interviews. The emergent themes from the first few participant transcripts were used to orient the coding of later transcripts, but attention was given to any new themes that emerged (Smith & Osborn, 2007). Once all transcripts were transcribed and coded, they were reviewed, and themes were merged to create a master list of four main categories of themes. Using this process allowed for the respecting of “convergences and divergences in the data – recognizing ways in which accounts from participants are similar but also different” (Smith & Osborn, 2007, p. 73). Because this is a phenomenological study, reviewing the convergence and divergence of the data was where the phenom became more evident. The main theme categories were organized by

phenom. These phenoms were presented in a table in Appendix C, and the findings were discussed in the qualitative findings.

### **Combined Data Analysis**

As previously mentioned, this study aimed to understand how race affects the financial socialization and experience of finance among Black college students. Based on this goal of the study, results were interpreted by summarizing the major quantitative and qualitative findings, respectively, and then a combined discussion will be completed to examine the findings collectively. This analysis and discussion examined how the quantitative results supported or challenged by the qualitative findings and identified themes in the qualitative section that were not represented in the quantitative section. This allowed for inferences and meta-inferences to be made using the data and results. Inferences represent conclusions present in each phase of the study, and the meta inferences expanded on that concept by looking across both phases of the study (Teddlie & Tashakkori, 2009). The general results of the quantitative section were compared to the qualitative findings to identify the consistent themes among both phases of the study. Special attention was paid to the themes that related to financial knowledge, and financial socialization will be compared with the results of these sections from the survey data. The meta-inferences were important to explore how the qualitative results aligned with the quantitative results, as the meta-inferences showed how the study's results expose inequalities and the necessity to address these through change (Creswell & Plano Clark, 2017).

## **CHAPTER 4**

### **QUANTITATIVE FINDINGS**

The results from the data analysis are presented in this chapter. The chapter will begin with the quantitative results and the statistical analyses by research question. In this chapter a description of the survey sample is described, as well as descriptive statistics for all variables, covariance matrices, confirmatory factor loadings for constructs, the SEM analysis, and model fit results. Lastly, the effect results are described for the indirect, direct, and total models. These results are summarized below as well as represented in tables.

The goal of the quantitative phase of this study was to explore (1) the current financial literacy among Black college students (2) financial attitudes, capabilities, and behaviors among Black college students (3) the financial socialization of these students (4) whether perceived or subjective financial knowledge differs from the objective financial knowledge of Black college students. These items were explored using the Family Financial Socialization Theory (FFST) model. SPSS 23 and AMOS 26 were the two statistical analysis tools to analyze the data. The qualitative phase of this study explored how do Black college students make meaning of personal financial management and how does race, if at all, affects their meaning making.

#### **Descriptive Statistics**

The total valid sample in the dataset of the college student financial literacy survey was 181 completed responses and 55 incomplete attempts. The incomplete attempts were removed along with 3 responses that did not fit the race/ethnicity demographic requirement. Below is a snapshot of the descriptive information for the

assessed variables and can be found in Table 1. Included in the results of the table are minimum and maximum values, observations, means, frequencies, and standard deviations of the select variables.

From the demographic data collected, most of the respondents were female at 86% and 13% were male respondents and is noted that 1% identified as ‘other’. Of the respondents, 29% (n = 54) reported that their parents/family combined household income exceeded \$80,000, the next highest reported income was 24.9% of respondents reporting that their combined household income is between \$50,000 and \$79,000. Father educational attainment was reported as 19.9% graduate school or professional degree, 22.1% bachelor’s degree, 11% associate degree, 37.6% high school diploma, and 3.9% less than high school diploma. Mother educational attainment was reported as 26% graduate school or professional degree, 24.3% bachelor’s degree, 20.4% associate degree, 24.3% high school diploma, and 2.8% less than high school diploma. See the table below for the full description of the sample.

**Table 1**

*Demographic Characteristics of the Sample (N=181)*

		N	%
Gender	Female	156	86.2
	Male	24	13.3
	Unidentified	1	0.6
Academic Standing	Freshman	32	17.7
	Sophomore	51	28.2
	Junior	56	30.9
	Senior	36	19.9
	Unidentified	6	3.3
Parental/Household Income	<\$35,000	33	18.2
	\$35,000-\$49,999	25	13.8
	\$50,000-\$79,999	45	24.9
	>\$80,000	54	29.8

	Don't Know	24	13.3
College Paid	Parents (100%)	43	23.8
	Mostly parents (more than 50%)	47	26.0
	50% self, 50% parents	22	12.2
	Mostly self (more than 50%)	27	14.9
	Self (100%)	42	23.2
Level of Father Education	Less than High School	7	3.9
	High School or Equivalent	68	37.6
	Associates/community college degree	20	11.0
	Bachelor's degree	40	22.1
	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	36	19.9
	Other/Missing	10	5.5
Level of Mother Education	Less than High School	5	2.8
	High School or Equivalent	44	24.3
	Associates/community college degree	37	20.4
	Bachelor's degree	44	24.3
	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	47	26.0
	Other/Missing	4	2.2

### Research Questions

The second analysis beyond the demographic characteristics of the sample consisted of examining the data based on research questions which used both descriptive statistics as well as SEM analysis. Below research questions, one and four were represented together as objective financial knowledge and financial literacy are similar concepts. They were examined by looking at the descriptive statistics to address the financial knowledge of respondents and how that knowledge differs from the subjective financial knowledge of Black college students.

**Research Question 1:** What is the current financial literacy among Black College Students?

**Research Question 4:** Does perceived or subjective financial knowledge differ from the objective financial knowledge of Black college students?

The mean score for objective financial knowledge is 48.45 with a standard deviation of 13.60 see Table 2 below. Objective financial knowledge consisted of 25 multiple-choice questions. This represents almost half of the 26 questions being answered correctly. Upon examination of the questions assessed, participants were mostly challenged with topics relating to accrued interest, banking options, and taxes. However, participants exhibited an above average understanding of topics relating to credit, credit scores, loans, and the general purpose of insurance. There was one question assessing subjective financial knowledge and most of the respondents rated their subjective financial knowledge as low or very low with 119 (65.7%) responses. Financial knowledge was assessed, and correct and incorrect responses were coded accordingly. Results indicate that the subjective financial knowledge was more conservative than their actual objective knowledge given that most answered half (50%) of the questions correctly. This would indicate that their assessed knowledge is average versus the low self-assessment of their knowledge.

**Table 2***Financial Knowledge Mean Score & Subjective Financial Knowledge*

	N	Min	Max	Mean	SD
Objective Financial Knowledge	181	14.81	77.78	48.46	13.60

Subjective Financial Knowledge	Frequency	%	Valid %	Cumulative %
Valid				
Very low	49	27.1	27.1	27.1
Low	70	38.7	38.7	65.7
Average	54	29.8	29.8	95.6
High	7	3.9	3.9	99.4
Very high	1	0.6	0.6	100
Total	181	100	100	

**Research Question 2:** What are the financial behaviors, attitudes, and capabilities of Black college students?

Financial attitudes and capabilities consisted of 20 questions based on a 5-point scale. Three of these questions were used to calculate a mean financial attitudes and capabilities score which was 3.34 as the other questions just addressed general financial attitudes and capabilities. This indicates that the majority of the respondents' attitudes and thoughts around their financial capabilities are more on the positive end. However, it is important to note that there is no actual threshold for assessing and the mean score is above average. One question asked respondents to rate the importance of certain financial activities and out of total score of 16, the mean was 13.38 indicating that respondents found those activities important and have an overall positive attitude around financial matters. Financial behavior consisted of six questions all assessed on a 5-point scale, three of these questions were used to calculate a mean score to represent overall financial behavior. Question 47 asked respondents to indicate how often they practice certain

behaviors (e.g., budgeting, comparative shopping, saving, etc.) and possible scores ranged from 0 (poor financial behavior) to 64 (good financial behavior), the mean score was 27.13 indicating poorer financial behavior. However, question 43 asked respondents to rate themselves along the scale of very thrifty to very spending oriented, and the score of 2.20 out of 4 indicated that participants were more neutral to savings oriented. Overall, the mean score for financial behavior was 2.77 indicating that most of the respondents have exhibited average financial behaviors (see Table 3).

**Table 3**

*Financial Attitudes, Capabilities, and Behaviors Mean Score*

	N	Min	Max	Mean	SD
Attitudes & Capabilities Mean Score	181	2.12	4.84	3.34	0.55
Financial Behaviors Mean Score	181	1.27	4.62	2.77	0.74

**Research Question 3:** What is the financial socialization among Black college students?

Financial socialization was measured in various ways. Question 60 addresses several financial topics socialized within the home which would align with family financial socialization. Question 69 in the survey data assessed the respondent’s closeness with parents and the majority, 58% (105) indicated they were close or very close to their parents, which represents over half of the sample. The next group rated their closeness as average with 21.5% (39). Question 60 asked respondents to identify financial topics which they learned about in the home which included several items such as budgeting, investing, taxes, credit, and wills. The highest socialized topic was budgeting with 68% of respondents indicating they learned about it in the home and contrast, only 20.4% of respondents indicated learning about investing in the home. The second-largest topic socialized in the home was savings with 63.5% and topics around credit cards, loans, and

credit were a close third ranging from 45.9%, 35.4%, and 38.1% respectively. Table 4 below illustrates the responses to this question by individual topics and the frequencies.

**Table 4**

*Frequency of in-home financial socialization by topic*

<b>Q60: Which of the following items did you learn about in your home while growing up? (Check all that apply):</b>			
		<b>Frequency</b>	<b>Percent</b>
Q60_1. Budgeting	Yes	123	68
	No	58	32
Q60_2. Investing	Yes	37	20.4
	No	144	79.6
Q60_3. Taxes	Yes	62	34.3
	No	119	65.7
Q60_4. Credit	Yes	69	38.1
	No	112	61.9
Q60_5. Wills	Yes	18	9.9
	No	163	90.1
Q60_6. Life Insurance	Yes	26	14.4
	No	155	85.6
Q60_7. Disability Insurance	Yes	5	2.8
	No	176	97.2
Q60_8. Auto Insurance	Yes	33	18.2
	No	148	81.8
Q60_9. Renter's/Homeowners Insurance	Yes	15	8.3
	No	166	91.7
Q60_10. Loans/Debt	Yes	64	35.4
	No	117	64.6
Q60_11. Credit Cards	Yes	83	45.9
	No	98	54.1
Q60_12. Saving	Yes	115	63.5
	No	66	36.5
Q60_13. Giving to Charities	Yes	44	24.3
	No	137	75.7
Q60_14. Interest Rates	Yes	25	13.8
	No	156	86.2
Q60_15. Keeping Records	Yes	46	25.4
	No	135	74.6
Q60_16. Being Honest in all dealings	Yes	61	33.7
	No	120	66.3
Q60_17. Work for what you receive	Yes	91	50.3
	No	90	49.7

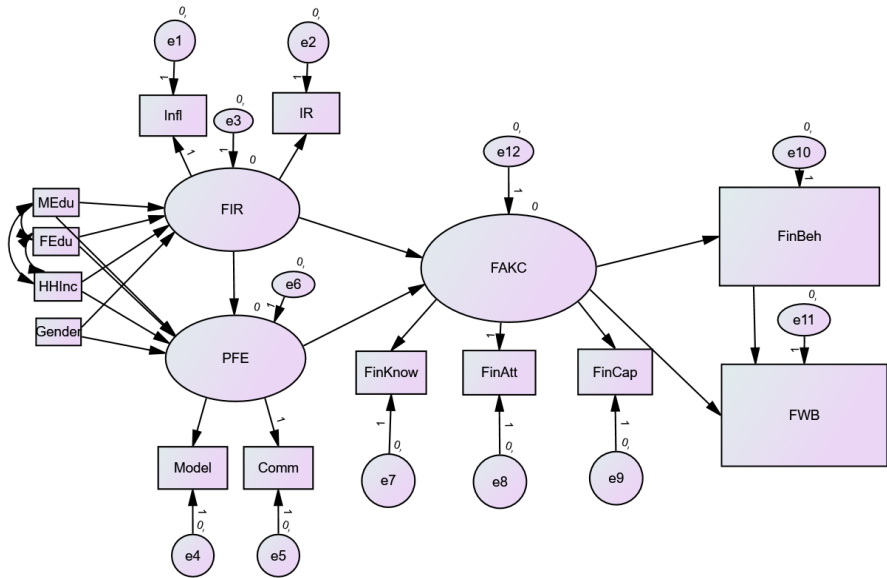
## Structural Equation Model Results

To explore the relationship between the financial socialization inputs on financial behaviors and financial well-being which are outputs according to the family financial socialization theory (FFST) was utilized, and SEM analysis of the hypothesized conceptual model was completed. Below is a summary of the structured equation modeling results based on the FFST model. After examination of the survey and with the guidance of a committee member, one question was identified that had respondents assess their financial well-being. As a result of this finding, the financial well-being construct was included and the full FFST model was assessed (Figure 2). Financial well-being was added as an observed variable to see how the model might perform as there were not enough observed variables to make it a latent construct. Confirmatory factor analyses were conducted to ensure that the observed variables were related to their respective latent constructs in SPSS 23 before calculating estimates for the model in AMOS. Results for each model include (1) factor analysis results for latent constructs; (2) total, direct and indirect effects of each SEM model; (3) covariance matrices for the models; and (4) model fit indices.

Table 4 below shows the factor loadings for the latent variables: FIR, PFE & FAKC. The criterion of minimum .40 was utilized as the minimum factor loading as it is an acceptable criterion despite there being no consensus for factor loading minimum (Matsunaga, 2010). Table 4 shows the factor loadings and each construct observed variables met the cut-off except for PFE for the first model where the model variables were not loading properly.

**Figure 2**

*Modified Hypothesized Conceptual Model*



**Model 1 Analysis**

Tables 4 through 11 below show the factor loadings, unstandardized regression weights, standardized regression weights, covariance matrix, the indirect, direct, and total effects, and lastly, the model fit indices. The first conceptual model was tested to assess its model fit based on multiple assessments. This model's chi-square was statistically significant with 105.21 with degrees of freedom equal to 54. Other fit indices were utilized to assess for model fit including a CFI of 0.739 which did not meet the baseline criterion level of  $\geq .90$ . The Root Mean Square Error of Approximation (RMSEA) was 0.073, which was relatively good as scores below 0.08 are acceptable (Kenny, 2020). This model also yielded a negative variance error for E5 (-411.74) which indicated there were some serious issues with the PFE construct. Wolf et al. (2013) indicates that models

with stronger factor loadings require smaller sample sizes. Below are the results for Model 1.<sup>1</sup>

**Table 5**

*Factor Loadings for Latent Constructs Model 1*

Variables	Factor Loadings
<b>FIR</b>	
Infl	.709
IR	.709
<b>PFE</b>	
Model 1	.736
Model 2	.810
Comm	.249
<b>FAKC</b>	
FinCap	.750
FinAtt	.816
FinKnow	.597

*Note.* This table demonstrates the factor loadings for the constructs based on Model 1 specifications

**Table 6**

*Unstandardized Regression Weights for Model*

			<b>Estimate</b>	<b>S.E.</b>	<b>C.R.</b>	<b>P</b>
FIR	<---	MEdu	.132	.437	.303	.762
FIR	<---	FEdu	.064	.412	.156	.876
FIR	<---	HHInc	.663	.552	1.201	.230
FIR	<---	Gender	-2.304	2.111	-1.092	.275
PFE	<---	MEdu	-.205	.543	-.378	.705
PFE	<---	FEdu	.269	.473	.570	.569
PFE	<---	HHInc	-.529	.812	-.651	.515

<sup>1</sup> Variable definitions: HHInc = Household or parental income; FEdu = Father's education level; MEdu = Mother's education level; FIR = Family interaction and relationships; PFE = Purposive financial education; FAKC = Financial attitudes, knowledge, and capabilities; FinAtt = Financial Attitudes; FinKnow = objective financial knowledge; FinCap = Financial capabilities; FinBeh = Financial behaviors; Infl = parental influence; IR = Interactions and relationships; Comm 1 – 4 = parental communication; Model= parental modeling; FWB = Financial well-being;.

**Table 6**

*Unstandardized Regression Weights for Model*

			<b>Estimate</b>	<b>S.E.</b>	<b>C.R.</b>	<b>P</b>
PFE	<---	Gender	4.458	3.629	1.228	.219
PFE	<---	FIR	1.228	1.128	1.088	.277
FAKC	<---	FIR	.469	.332	1.413	.158
FAKC	<---	PFE	-.017	.352	-.048	.962
FinBeh	<---	FAKC	.096	.026	3.700	***
Infl	<---	FIR	1.000			
IR	<---	FIR	.084	.024	3.491	***
Comm	<---	PFE	1.000			
Model	<---	PFE	.000	.004	-.048	.962
FinAtt	<---	FAKC	1.000			
FinKnow	<---	FAKC	1.123	.438	2.563	.010
FinCap	<---	FAKC	.901	.197	4.565	***
FWB	<---	FAKC	.163	.046	3.518	***
FWB	<---	FinBeh	-.180	.134	-1.335	.182

As shown in Table 7, financial attitudes, knowledge, and capabilities (FAKC) had the greatest direct association with financial behaviors (FinBeh) and financial well-being (FWB). For each one standard deviation increase in FAKC financial behaviors (FinBeh), increased by .377 standard deviations and FWB would increase by .396 standard deviations. All direct effects for the observed and latent variables were significant except gender, mother's education, and variables related to PFE latent variable. This aligns with the negative error term on that construct. Also insignificant was financial behavior on financial well-being. These findings suggest a positive correlation between FAKC (input) to financial outcomes of FinBeh and FWB.

**Table 7***Standardized Regression Coefficients for Model 1*

			<b>Estimate</b>
FIR	<---	MEdu	.045
FIR	<---	FEdu	.024
FIR	<---	HHInc	.207
FIR	<---	Gender	-.215

			<b>Estimate</b>
PFE	<---	MEdu	-.012
PFE	<---	FEdu	.018
PFE	<---	HHInc	-.029
PFE	<---	Gender	.074
PFE	<---	FIR	.218
FAKC	<---	FIR	.591
FAKC	<---	PFE	-.120
FinBeh	<---	FAKC	.377
Infl	<---	FIR	.279
IR	<---	FIR	.253
Comm	<---	PFE	6.130
Model	<---	PFE	-.003
FinAtt	<---	FAKC	.549
FinKnow	<---	FAKC	.240
FinCap	<---	FAKC	.770
FWB	<---	FAKC	.396
FWB	<---	FinBeh	-.111

Table 8 below is the covariance matrix for model 1 which indicates that the observed variables for family characteristics were associated.

**Table 8**

*Covariance Matrix for Model 1*

			<b>Estimate</b>	<b>S.E.</b>	<b>C.R.</b>	<b>P</b>
MEdu <-->	HHInc	.391	.116	3.370	***	
FEdu <-->	HHInc	.292	.127	2.299	.022	
MEdu <-->	FEdu	.682	.138	4.956	***	

Table 9 below shows the total effects which is an illustration of the combined direct and indirect effect of a variable in the model with a focus on the pathways, so it excludes observed variables associated with a latent construct. For example, gender only had a direct hypothesized effect with purposive financial education (PFE) with an effect of 0.027. The tested effect was indirect through FIR, FAKC, FinBeh, and FWB. In the case of gender, the total effect was negative (-.028). The total effect of father education (FEdu) on financial behaviors and financial well-being was insignificant at .004.

However, mothers' education did have a significant effect on FIR although PFE was insignificant. Communication but otherwise was found insignificant. Mothers' education was also found to be insignificant in terms of the effect on FWB and FinBeh. Household income (HHInc) had the greatest total effect on FIR with .207 and the effect on FWB and FinBeh were .043 and .045, respectively. Family interactions and relationships had positive and significant effects on PFE (.218) FAKC (.565) FinBeh (.213) and FWB (.200). FAKC had a significant effect on FinBeh (.377) and FWB (.354). These findings suggest that FIR has a positive impact on a student's financial attitudes, knowledge, and capabilities. Also, as expected the FAKC of respondents has a positive effect on their financial behaviors and well-being both findings support the FFST.

**Table 9**

*Standardized Total Effects for Model 1*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	-.215	.207	.024	.045	.000	.000	.000	.000
PFE	.027	.016	.023	-.003	.218	.000	.000	.000
FAKC	-.130	.120	.012	.027	.565	-.120	.000	.000
FinBeh	-.049	.045	.004	.010	.213	-.045	.377	.000
FWB	-.046	.043	.004	.009	.200	-.042	.354	-.111

Table 10 shows the direct effects of between variables in the model. Financial behaviors (FinBeh) had the largest direct effect on FWB. The direct effect of FinBeh on FWB was .405. FAKC had a direct effect of .396 on FWB. Household income had the greatest effect on financial interactions and relationships (.207). Both FAKC with 0.591 and PFE of 0.218 were found to be positively and significantly associated with FIR. It is important to note that Gender, HHInc, FEdu, MEdu, FIR, and PFE were not hypothesized to have a direct effect on FWB.

**Table 10***Standardized Direct Effects for Model 1*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	-.215	.207	.024	.045	.000	.000	.000	.000
PFE	.074	-.029	.018	-.012	.218	.000	.000	.000
FAKC	.000	.000	.000	.000	.591	-.120	.000	.000
FinBeh	.000	.000	.000	.000	.000	.000	.377	.000
FWB	.000	.000	.000	.000	.000	.000	.396	-.111

Table 11 illustrates the indirect effects of the variables to one another. FinBeh has a negative indirect relationship with gender, and the other variables were deemed insignificant except for FIR of 0.213. Father's education and mother's education were not significant in the model.

**Table 11***Standardized Indirect Effects for Model 1*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	.000	.000	.000	.000	.000	.000	.000	.000
PFE	-.047	.045	.005	.010	.000	.000	.000	.000
FAKC	-.130	.120	.012	.027	-.026	.000	.000	.000
FinBeh	-.049	.045	.004	.010	.213	-.045	.000	.000
FWB	-.046	.043	.004	.009	.200	-.042	-.042	.000

Table 12 shows the model fit indices of Model 1. The  $\chi^2$  statistic was found to be significant, which was not unexpected given the sample size. RMSEA was below benchmark criterion values ( $< .08$ ), and the CFI was below the .90 criterion level.

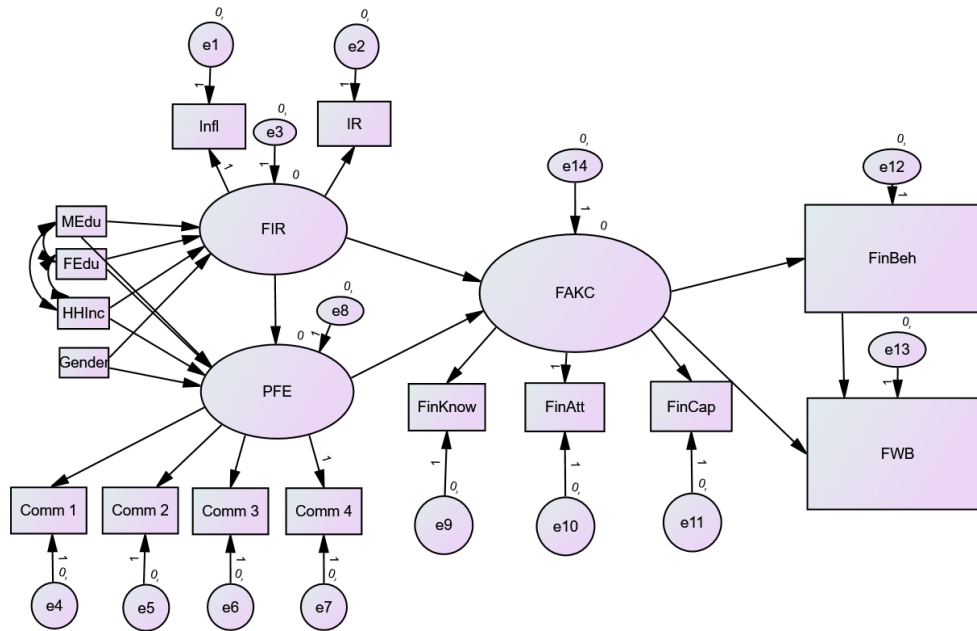
**Table 12***Model Fit Indices for Model 1*

<b>Chi-square (df)</b>	<b>105.21 (54), p = 0.000</b>
CFI	0.739
RMSEA	0.073

The Figure 3 below shows the updates made to the Model 1 to improve the overall fit indices of the model. The specific updates and changes are discussed below.

**Figure 3**

*Revised Conceptual Model 2*



**Model 2 Results**

After a review of the fit issues of model 2, the factor loadings were reviewed. Upon further examination of the multiple factor analyses for model 1, the factor loading for the parental modeling (Model) and communication (Comm) for the PFE latent variable was not meeting the desired threshold. Because of this, updated confirmatory factor analysis was conducted with the four individual communication variables as observed variables for the PFE construct. This analysis showed high factor loadings for the PFE latent construct. As a result, a third model was created that listed the individual observed communication variables loading to the PFE construct, and the two model

variables were removed due to low factor loading. Model 2 was updated to only include the four observed variables for communication and the model variables were removed due to low factor loading. This model's chi-square was statistically significant with 144.63 and degrees of freedom equal to 79 and a probability level of 0.000. Updating the PFE construct caused the CFI goodness-of-fit measure improved from 0.739 to 0.81 although close it still does not quite meet the baseline criterion level of  $\geq .90$ . The Root Mean Square Error of Approximation (RMSEA) also improved from .073 to 0.068, which was relatively good as scores below 0.08 are acceptable. As another method to assess for fit, the chi-square was divided by the degrees of freedom which were 1.83 and meets the threshold of being  $<5$  (Hu & Bentler, 1999). Given that this model also yielded a negative variance error for E8 (-2.97) which indicated there were some issues with the PFE construct, but the error decreased significantly. While the model is slightly under the ideal fit for CFI this is aligned with a smaller sample size (less than 200) and most of the ideal fit indices for SEM analysis do not factor in sample size. This also yielded a negative error term for the PFE construct which indicates that the construct was not doing a great job of explaining purposive financial education. Kolenikov and Bollen (2012) note that negative variance errors are common with SEM analysis and latent variables. Noting that sample size and missing data can be a cause of these errors. However, Jorgensen et al. (2017) noted that fixing a negative error variance has very little to no impact on fit indices and noted a negative error on the same construct in his study. CFI and RMSEA were used as they both tend to be less sensitive to sample size (Fan, Thompson, & Wang, 1999). These fit challenges are attributed to the smaller sample size and align with the study being exploratory.

Tables 13 through 20 show the (1) unstandardized regression weights; (2) standardized regression weights; (3) covariance matrix; (4) total, direct, and indirect effects; (5) the model fit indices; and (6) updated factor loadings for Model 2. Financial behaviors (FinBeh) continued to have the largest direct effect on financial well-being. FinBeh was significant at the  $p < .001$  significance level.

**Table 13**

*Unstandardized Regression Weights for Model 2*

		Estimate	S.E.	C.R.	P
FIR	<--- MEdu	.136	.541	.250	.802
FIR	<--- FEdu	-.056	.473	-.119	.905
FIR	<--- HHInc	1.084	.616	1.759	.079
FIR	<--- Gender	-1.780	1.786	-.997	.319
PFE	<--- MEdu	-.140	.627	-.223	.824
PFE	<--- FEdu	.131	.477	.274	.784
PFE	<--- HHInc	-.983	2.923	-.336	.737
PFE	<--- Gender	2.269	5.013	.453	.651
PFE	<--- FIR	1.006	2.661	.378	.705
FAKC	<--- FIR	-.054	.087	-.622	.534
FAKC	<--- PFE	.396	.526	.753	.452
FinBeh	<--- FAKC	.096	.027	3.564	***
Infl	<--- FIR	1.000			
IR	<--- FIR	.120	.035	3.410	***
Comm 4	<--- PFE	1.000			
Comm 3	<--- PFE	1.078	.146	7.376	***
FinAtt	<--- FAKC	1.000			
FinKnow	<--- FAKC	1.171	.461	2.540	.011
FinCap	<--- FAKC	1.027	.257	3.992	***
FWB	<--- FAKC	.173	.048	3.586	***
FWB	<--- FinBeh	-.162	.134	-1.216	.224
Comm 2	<--- PFE	.578	.105	5.498	***
Comm 1	<--- PFE	.863	.130	6.635	***

Table 14 illustrates the standardized regression weights for Model 2 which also supports the findings of Model 1 in that HHInc has the greatest positive correlation with FIR and FAKC has the greatest positive relationship with FinBeh and FWB.

**Table 14**

*Standardized Regression Weights for Model 2*

			Estimate
FIR	<---	MEdu	.071
FIR	<---	FEdu	-.033
FIR	<---	HHInc	.524
FIR	<---	Gender	-.257
PFE	<---	MEdu	-.210
PFE	<---	FEdu	.219
PFE	<---	HHInc	-1.359
PFE	<---	Gender	.936
PFE	<---	FIR	2.874
FAKC	<---	FIR	-.047
FAKC	<---	PFE	.121
FinBeh	<---	FAKC	.354
Infl	<---	FIR	.180
IR	<---	FIR	.233
Comm 4	<---	PFE	.700
Comm 3	<---	PFE	.717
FinAtt	<---	FAKC	.513
FinKnow	<---	FAKC	.234
FinCap	<---	FAKC	.820
FWB	<---	FAKC	.392
FWB	<---	FinBeh	-.101
Comm 2	<---	PFE	.498
Comm 1	<---	PFE	.610

As shown in Table 15, each of the covariances in the model was statistically significant. This implies that the participant reported family characteristic variables were associated.

**Table 15***Covariance Matrix for Model 2*

			Estimate	S.E.	C.R.	P
MEdu	<-->	HHInc	.385	.116	3.322	***
FEdu	<-->	HHInc	.293	.127	2.302	.021
MEdu	<-->	FEdu	.681	.137	4.952	***

Table 16 illustrates the total effects table that displays the combined direct and indirect effect of a variable in the model. Based on the results mother education did not have a direct effect on family interaction and relationships as well as purposive financial education. Also, the only significant effect gender had was on PFE (.197). FAKC had the most significant total effect on FIR, which was .299. HHInc was mostly only positively correlated with FIR (.524) and PFE (.148), which would imply that income levels positively affected the family interactions and relationships as well as the purposive financial education within the family. The theory is supported by the strong relationship between PFE and FIR with a total effect of 2.874.

**Table 16***Standardized Total Effects for Model 2*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	-.257	.524	-.033	.071	.000	.000	.000	.000
PFE	.197	.148	.124	-.005	2.874	.000	.000	.000
FAKC	.036	-.007	.017	-.004	.299	.121	.000	.000
FinBeh	.013	-.002	.006	-.001	.106	.043	.354	.000
FWB	.013	-.002	.006	-.001	.107	.043	.356	-.101

Table 17 below displays the direct effects between constructs and variables in Model 2 and highlights the strong relationship between HHInc and FIR as well as FAKC on FinBeh and FWB.

**Table 17***Standardized Direct effects for Model 2*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	-.257	.524	-.033	.071	.000	.000	.000	.000
PFE	.936	-1.359	.219	-.210	2.874	.000	.000	.000
FAKC	.000	.000	.000	.000	-.047	.121	.000	.000
FinBeh	.000	.000	.000	.000	.000	.000	.354	.000
FWB	.000	.000	.000	.000	.000	.000	.392	-.101

Table 18 illustrates the indirect effects of Model 2 these findings indicate some indirect relationships between a respondent's household income and their purposive financial socialization (PFE). It also implies a positive, although indirect relationship between family interactions (FIR) to the financial attitudes, knowledge, and capabilities (FAKC) of participants. The other correlations are mostly insignificant, but it is worth noting that the mother's education has a small but positive effect on the financial socialization.

**Table 18***Standardized Indirect effects for Model 2*

	Gender	HHInc	FEdu	MEdu	FIR	PFE	FAKC	FinBeh
FIR	.000	.000	.000	.000	.000	.000	.000	.000
PFE	-.739	1.507	-.095	.205	.000	.000	.000	.000
FAKC	.036	-.007	.017	-.004	.347	.000	.000	.000
FinBeh	.013	-.002	.006	-.001	.106	.043	.000	.000
FWB	.013	-.002	.006	-.001	.107	.043	-.036	.000

The model fit indices assessed for Model 2 are listed below and notes improvement in both indices with the adjustments to the model discussed above.

**Table 19**

*Model Fit Indices Model 2*

<b>Chi-square (df) 144.63 (79), p = 0.000</b>	
CFI	0.808
RMSEA	0.068

The table below are updated factor loadings based on the revised Model and show that the variables are loading to their respective constructs.

**Table 20**

*Factor Loadings for Latent Constructs Model 2*

<b>Variables</b>	<b>Factor Loadings</b>
<b>FIR</b>	
Infl	.709
IR	.709
<b>PFE</b>	
Comm 1	.771
Comm 2	.672
Comm 3	.766
Comm 4	.765
<b>FAKC</b>	
FinCap	.750
FinAtt	.816
FinKnow	.597

### **Summary**

This chapter addressed the results of the quantitative findings. These results demonstrate that some financial knowledge and family financial socialization is occurring, which has a direct effect on the financial behaviors of the participants. Results of the SEM analysis show that there is a significant relationship between family interactions and relationships to both the purposive financial education, through socialization, as well as financial knowledge. The family financial socialization theory (FFST) was supported as results show that there is a positive and significant relationship

between financial behaviors and financial knowledge, attitudes, and capabilities (FAKC). The findings support that the higher the individual's FAKC, the more positive financial behaviors were exhibited. While there were not many points of assessment for financial well-being, results indicate that it was most positively affected by FAKC and was negatively correlated to financial behaviors. This negative correlation implies that positive financial behaviors were not an indicator of higher assessed financial well-being and research has indicated mixed results of the effects of FinBeh on FWB (Gudmunson & Danes, 2011). There were some indirect relationships reported between household income (HHInc) and the purposive financial education which is known as their socialization. This finding would indicate that the higher the household income there would be more financial socialization in the home. These results were expounded upon in the qualitative findings where participants further explained and demonstrated their financial knowledge, behaviors, and socialization. Further analysis of the findings will be explored in the discussion chapter.

## **CHAPTER FIVE**

### **QUALITATIVE FINDINGS**

This chapter presents qualitative findings that utilized an inductive analysis approach (Smith & Osborn, 2008) through a critical race theory lens. The chapter is divided into four categories that include eight themes found during the inductive analysis of the data. The categories are 1) perceptions of their financial knowledge, 2) personal engagement in financial practices, 3) participants' beliefs about money and wealth, and 4) participants' perceptions of race and the acquisition of money and wealth. The transcripts were coded based on themes, and the themes were condensed into four overarching categories. The following are the themes associated with the categories. Support for these themes and categories are then discussed. The themes and their recurrence among participants are summarized in a table in Appendix C.

Interview participants were selected from the list of those who specified interest in participating in follow-up interviews and were contacted first. Self-identified individuals were contacted in the order in which they expressed interest to maximize the momentum, which aligned with the concurrent mixed-method research design. An overview of the demographic data for the participants can be found in Appendix D.

#### **Category 1: Perceptions of their financial knowledge**

This category encompasses the participants' financial knowledge and how they have obtained this knowledge. Specifically, it is composed of the following themes: knowledge of money and indirect influences.

This category addresses research question 1, which sought to understand the financial literacy among Black college students, and provides insight into research

question 3, which addresses the financial socialization of participants. Participants noted multiple ways of socialization about money, including family/parents and within a school. This category would align with financial knowledge and purposive financial socialization constructs within the FFST model. Captured within this category were two themes which were (1) the direct influences on the knowledge of money, (2) indirect influences on the knowledge of money. The financial topics most discussed were savings, budgeting, and investing in order of frequency of recurrence. Most participants' family financial knowledge was often obtained indirectly through observations and passing conversations. It is important to note that some participants lacked detailed knowledge about their family's financial practices, and some often noted a lack of transparency about savings practices. Participant D commented that "my father is not really known to like share stuff like that." There were not enough instances of money transparency to create a different theme, but it will be further explored in the discussion.

### **Direct influences on the knowledge of money**

Many participants noted experiences where they were directly (explicitly), taught, or instructed about financial concepts and practices, such as savings, investing, and budgeting. Saving was a financial concept that often surfaced in conversations with the participants and often related to the family's observed and direct influence on the participant. Participants C & H noted a lot of self-instruction around investments and reviewing online content such as YouTube videos. Participants noted that after family, schools, peers, and self-instruction are the other financial socialization modes. Participants A, B, mentioned learning some money basics in school. "The math problems that we have you like if Jimmy save this much money and spend this much money, how

much we have left” (Participant A). Participant F noted learning about money and investing through observations of their friend’s practices.

Direct instruction or influence around investing was always reported as information obtained outside of the family and usually within a school course or organization-based workshop. As anticipated, self-instruction or personal experience was the most reported way participants noted learning about money, as Participant H noted doing their research to better learn about financial concepts. "I was just self-taught I started watching YouTube videos" (Participant H). Participants B & E indicated that they learned directly about budgeting via in-school course(s), Participant D mentioned also reviewing YouTube videos about the topic, and another participant mentioned using an app on their phone, noting that “this is really showing me how to budget I guess” (Participant G). One participant mentioned being in a magnet program that focused on law and finance, learning different topics, and participating in an investment game (Participant B).

The second most noted way participants reported direct learning about money was from parents or family. Interview question 10 specifically asked participants to identify the most meaningful way that they learned about money, and Participant G indicated their parents in the quote below:

So, my parents really taught me like the true value of money and how it’s to be used and how important, how important money can be and how like how you were supposed to use it, how you're supposed to save it (Participant G).

When asked about her parent’s socialization, Participant B commented that "they didn't exactly have at that time the resources to do the same as her, but they did instill in us like

just the importance of like investing our money in things" and overall being responsible with their money and not to spend it frivolously. Another participant commented:

I learned about savings when from my parents when I was about 13 because I really wanted to go to a movie, and my parents said well, you'll have to save your money up for that, and that's when I started learning about how to save my money (Participant G).

The timing of these interactions ranged from elementary-aged to high school, with Participant A recalling their mom facilitating exercises around counting coins and having to be able to recall the coin name and value when they were elementary-aged. However, most of the interactions appeared to happen during high school. Alternatively, another participant noted first familial conversations as a teenager, stating that "it was talking about money was when I first had my debit card when I was around 16 years" (Participant C).

Participant C had an interesting take on financial socialization, commenting that it "feels like it there's, there's like some reason why, like people aren't being taught this." Here the participant implies that there seems to be a reason schools and other institutions do not teach financial literacy and implies that it is intentional as they believe that with a better knowledge of money, people would be happier. Those who learned financial topics in school were often limited to stock simulations. Participant D noted the direct influence of participation in Junior Achievement; a global nonprofit organization focused on educating youth about financial literacy, economics, and work readiness topics.

## **Observed influences on money and financial behaviors**

Observed influences (implicit) on money and financial behaviors capture all the observations of participants and how the observed behavior affected their knowledge of money and financial management. Participants acknowledged observing practices and behaviors within the home and some observations from external sources such as peers. "Well, we never really sat down to have a conversation like that but, I was just, I was watching her [mother], so I already knew." Participant A comments about observing their mom working more than one job. This observation translated into the participant prioritizing the idea of working multiple jobs to create wealth. Participant B discusses observing their grandmother owning various rental properties and how these observations influenced her beliefs about wealth, commenting:

I was able to kind of go around with her to some of the rental properties that she has that she's been able to like accumulate, so that was like a big example and like indicator for me. (Participant B)

The participant continues to discuss indirect influences from their parents, including examples of savings and investing for their parents in comparison to their grandmother. Participant H noted that their environment directly influenced some of their desires around money and savings, commenting:

Oh uh, well, I grew up really poor, and so you're growing up really poor like I guess anyone who's growing up like you know, in a really bad environment as probably understands like saving. (Participant H)

Participant F noted some indirect observations from their best friend around their money management and investing practices, commenting, "...I kind of was like observe what he does". There were sometimes conflicting observations as one participant noted, "so I

guess when it comes to money and like what I saw I guess to sum up, it would just be like either not spending it well, [or not] not spending it at all” (Participant E). These observations affected the participant regarding how to interact with money appropriately and they are learning how to have a balanced relationship with money.

### **Category 2: Personal engagement in financial practices**

One consistent thread throughout the participants’ responses was the engagement in financial or money management practices. These practices frequently included savings as their priority and investing as a second practice. These practices were often the result of the financial knowledge obtained by the participants and connected with exhibited financial behaviors as listed by the FFST (Gudmunson & Danes, 2011). As mentioned, savings was one of the top direct socialization topics, so it was also the most observed financial behavior. Participants B & G noted the use of piggy banks as their first introduction to saving. In contrast, others mentioned receiving money for special occasions such as birthdays and wanting to save the money. Each participant had a strong sense and understanding of the importance of saving as a financial practice, often emphasized by their parental figures, and that theme surfaced throughout the interviews. While there was not often direct or explicit socialization around saving, participants noted many observations and indirect influences around saving from family members.

#### **Money-saving practices**

When examining participants' existing practices and financial behaviors, the most noted practice was saving money. Participant C indicated a heavy emphasis on the importance of saving within the home and learning how to invest, believing that doing both will better situate them financially. "...saving money still lingers the thoughts of just

putting it in the Bank, but now I am trying to figure out other ways of doing it since I'm just now learning how little that can actually help oneself in the long term" (Participant C). In addition to savings practices, budgeting was also a financial practice that participants mentioned. Participant C referenced employing a 50/20/30 rule for their budgeting, commenting that "50% put in the bank like 30% into long term solutions like 10% into just weird investments stuff they like to experiment on," and they did not address the remaining 10% of their budget.

Regarding savings, one participant commented, "so I guess it started then like I just separated the money and just like watched it grow and I guess I kind of liked that, so I kept doing it" (Participant D). Participant F noted that "I always had this idea of like every time I get a check to like put like \$200, \$300 set aside for it just in case" when discussing their savings practices. Participant E commented that their savings practice consists of "50-60% of my paycheck I put in my savings and then about like 60 to 70% of what my mother sends me I also put in savings."

Budgeting was mentioned by seven (88%) out of the eight total participants and was always referenced with savings practices, and it was not identified as a separate theme.

### **Engagement in investment practices**

Another financial practice participants engaged in was investing money. Participants noted part of their saving practices was to be able to invest the money saved. Those participants engaging in investment practices noted that it was something they were doing on their own or learned about outside of the home. Five (50%) of the participants (Participants A, B, C, H, and F) mentioned actively participating in

investment practices. Of the remaining participants, two (25%) listed investing as a financial topic they would want to learn more about, and only one participant did not mention investing. There was a noticeable difference among participants regarding their understanding and comfortability of investing, with a few of them noting wanting to learn more. Participant B noted wanting to do more investing in stocks with their savings commenting that “I want to re-direct the money that I’ve saved to go towards in investments.” They also mentioned wanting to purchase a house with their parents that would serve to generate rental income in their college town, along with a Roth IRA account that their father had created for them. Participant H commented:

I will just scroll through Twitter watching YouTube and I would just be in the cryptocurrency, and I like investment circles, and I would just try to learn as much as I could from that (Participant H).

### **Category 3: Beliefs about money and wealth**

This theme addresses perceptions that came up as part of the interviews with participants. It connects to research question 5, which seeks to understand how Black college students make meaning of personal financial management and their lived experience around money. Within this theme were two subthemes: the perceptions of money for the use and attainment of wealth and perceptions of wealth and the attainment of wealth.

#### **Perceptions of money**

This theme showcased participants' overall thoughts about money and how they value money. Perceptions about money ranged from working to generate income to the ideas to multiple sources of income to obtain additional money. When asked about first

memories of money and its use, many participants would recall a time during their elementary school years with instances from getting their first piggybank, as Participant B mentioned, to receiving money for good grades (Participant E). Participant B commented about multiple streams of income, noting "I just like having that freedom of it or just being able to be like oh if I really don't want to, I really didn't want to do whatever job I'm doing." There were recurring sentiments of multiple streams of income equating to freedom of choice around a job or career one might want and the freedom to live life on one's terms. With one participant commenting "I would put that just freedom in a lot of ways I, as a person I just I don't like being held down to expectations are just different like societal standards" (Participant B), along with it being a way to hedge against the risk of losing an income source. Money also came up as a source of security for the entire family as Participant A commented, "so I learned that like uh, if you don't make a lot of money, it can affect your family, like down the line." Participant A indicates that the lack of money can multi-generational affects which is a nod to the idea of the poverty cycle. Another thing that emerged was motivation about money. Participant H commented, "I guess like jealousy like some jealousy with other people like seeing other people have like you know really cool stuff that you want and that you can't afford."

When discussing the importance of money management, a few comments connected the importance to family and the ability to have or support the family. Participant B noted having "to cover someone's tuition back in Nigeria or someone living situation back in Nigeria."

Participant F commented:

Especially right now, I will have a cousin who is in a situation like her mom's homeless she's five. So, I try and move so she can stay with me. I need to be in a good space, so I can see her but also be in a good space to be mentally in a good space and financially in a good space so I can like deal with all the situations I'll have to deal with being the main guardian and all of that. (Participant F)

Participant B commented that "unfortunately, the world operates off of money and your ability to kind of just possess it and use it" when discussing the importance of understanding money.

An additional item noted here was their perception of their financial well-being, which connects to their ability to manage their money. The definition used for financial well-being was the participant's ability to meet current and future financial obligations (Consumer Financial Protection Bureau, 2015). Participants were asked to rate their financial well-being according to the above definition on a scale of 1 to 10. The average self-assessment was 5.3, indicating that participants' perceived well-being is average. This discovery is not surprising given that participants are college students, and some are not entirely responsible for all their expenses. Some participants noted that they do not have full adult financial responsibility when discussing their well-being. There were outliers as Participant C rated themselves a 1 out of 10, noting that they were not financially independent or working full-time. Participant B rated themselves a 9 out of 10, indicating that financial well-being was vital to them as it determines many of the financial "decisions that I make honestly." All the participants agreed that financial well-being was essential to them.

## **Perceptions of wealth**

Perceptions about wealth were mostly positive but ranged from curiosity to pessimism around the possibility of personal wealth. First, participants were asked to define wealth, and the definitions ranged from Participant G stating, "so when I think about wealth, I guess, I just think about like rich people. And um yeah when I think about money and just think about like who really has it." Participant B believes that wealth extends beyond monetary attainment, commenting that "...it doesn't always have to relate to money per se," implying that being wealthy was a state of mind and a reflection of overall wellness. Participant D noted that in terms of attaining wealth, "um so my goal in life is to create a lot of wealth but it's not really like for selfish reasons it's more like helping the environment, like people around me" indicating that she wants to use her wealth to help others. Participant G commented, "I remember going to their houses when I was younger and I just thought they were like these extremely rich people, and that was just based off the size of their houses." There was even a connection between wealth and entrepreneurship as Participant D stated: "that's what I like about entrepreneurship but exploring different ways and like finding different ways to create wealth." The participant conveyed seeing entrepreneurship as an opportunity to gain wealth as they learned about entrepreneurship through their participation in Junior Achievement. The participant implies that being wealthy requires finding multiple ways to generate income. Still, she notes that entrepreneurship provides the freedom to create wealth and make an impact. Another topic discussed by participants was generational wealth. One participant commented:

It's definitely something I would love to obtain especially, you know, with the whole everyone's talking about generational wealth and things like that now, and that's something I definitely would love for those coming after me (Participant E).

#### **Category 4: Perceptions of the effects of race on money and wealth**

This category attempts to answer research question 5a to understand how race influences participants' meaning making around personal financial management. In alignment with CRT, this category assumes that race is a part of the participants' lived experiences and that race impacts how one views and approaches financial management. The themes that emerged were the perceived wealth gap based on race and perceived inequality based on race and are explored below.

##### **Perceived wealth gap based on race**

There was a general sense of lack as it related to participants view of wealth within their families and the Black community at large, in that Blacks had less access to wealth than their White counterparts. When asked about wealth in their families, all participants indicated that there was none or that it could be better. They were all aware of the concept of wealth, but most felt that they were not personally impacted as it was not available to them within the context of their personal experiences. Participant E noted that the idea of having wealth personally felt unattainable, commenting that:

if you dug deeper there's probably like those societal factors, you know of like who you see being wealthy you don't see being wealthy or things like that, but it's just something that I never thought was actually attainable (Participant E).

This quote alludes to the idea that external factors, like systematic racism, create a lack of representation of wealth among Black people. This lack of representation keeps wealth feeling unattainable.

Participant A observes the wealth gap commenting "like more black people live in apartments than houses" connecting housing and wealth attainment. Similarly, another participant discusses redlining practices as one example of injustices against the Black community that has affected the ability to own a home and create wealth, noting:

It's like racism has a lot to do with a lot of other things like buying a house like communities like don't want like diversity in certain neighborhoods (Participant D).

While redlining, or the practice of determining where borrowers of color were allowed to purchase, is not as prominent today the new issue facing communities of color is gentrification. Gentrification or redevelopment often displaces people of color out of their homes to make way for new commercial and residential spaces under the premise of improving the neighborhood (Taylor, 2019). Participant B expressed pessimism around minimizing the wealth gap, noting "if the gap between like just white people and black people will, will ever close per se, just because it's, it's just been so deeply rooted for such a long time." Participant H expressed emotions around racial wealth, commenting: "I guess it was like it was a mixture that it was a mixture of jealousy by looking at the people who were born into wealth." Overall, some participants believed that the ability to be wealthy was unattainable because they did not see examples of wealth in their communities or neighborhoods (Participant C & B). When comparing the difference in wealth in the Black versus White community, Participant C stated, "the difference, I like

to say is one had more time for it to accumulate generational wise and the other is that they're actively learning." This participant seems to suggest that the Black community has not had the same amount of time to create generational wealth and are just now starting to make strides as a community towards wealth. After, the participant noted the injustices that prevented the Black community from generating wealth despite earnest attempts. As mentioned, most participants acknowledge wealth, but several seemed to believe wealth was outside of their realm of personal attainment and that the injustices have created greater barriers to the attainment of wealth in the Black community.

### **Perceived inequality based on race**

Several comments from income inequalities to racism and other prejudices uncovered perceived inequalities based on race. This theme highlights the integration of CRT into this study by placing race as the focal point of the participants' experience of inequities and injustices within the U.S. Participant F notes seeing "that you could literally have the same as someone and they can get paid more than you." There were also frustrations noted when thinking about racial inequalities as Participant G commented that "sometimes, just to know that you know just that, because someone is white that they'll get more opportunities to have this wealth over me and someone I know," or "I just like it just irritates me that some people are in the position that they're in and don't have to work for it when like everyone, and everyone that most people I know we're all really, really, really working for what we have" (Participant G). There were even instances of recognition of a history of racism and Participant E noted that "a perfect example that I recently learned about I believe it was Tulsa, the...what happened in Tulsa all those years ago the massacre." The tenet of CRT where racism is endemic to our

society was realized and supported by participants' experiences. Participant C commented "there's still like underlying prejudice and turns of many higher up areas in terms of accepting Black communities for like wealth growth." In the interview the participant expanded stating that the prejudice has gone back several generations and gave examples of income disparities, access to jobs and homeownership. Participant C commented: "I am not sure how much of it is done all propaganda to make the situation seem a whole lot worse than it is" implying that what is often shown about wealth or the lack thereof in Black communities feels intentional. Participant C seemed to believe that the differences between wealth of Blacks and Whites was perpetuated. Her quote is in relation to the systematic injustices that continue to plague the Black community.

### **Summary**

The qualitative findings support that there is financial knowledge, behaviors, and socialization among Black college students. Participants acknowledge that there are several areas where additional knowledge of financial topics could exist. This portion of the study compared the knowledge and socialization of the participants in qualitative form, but the primary purpose was to understand the lived experiences of these participants. A better understanding of the lived experiences of the participants and how they make sense of wealth and money revealed that there is an awareness and strong desire to obtain both. However, when contextualizing race against their lived experiences, the possibility of obtaining wealth was often viewed as unobtainable. The quotes above highlight participants' skepticism around personal wealth attainment but also how they have internalized racism and systematic injustices. Both playing an integral part in their belief that they too may have wealth one day.

## **CHAPTER SIX**

### **DISCUSSION**

#### **Overview**

This study aimed to advance the literature on financial literacy and socialization within the Black community and explore racial differences in their experience of money management. Research shows that the racial wealth gap persists despite socioeconomic status and education (Asante-Muhammed et al., 2017). And while existing research continues to emphasize that Black people are less financially literate than their White counterparts, this study took a deeper dive into the literacy of Black college students and their racialized experiences of money. Danes et al. (1999) noted that teens are entering adulthood ill-prepared financially. With this information, college students were chosen for this study because college is an intersection between childhood and adulthood. This study was an exploratory attempt to understand the existing financial knowledge, attitudes, capabilities, behaviors, and well-being of Black college students and how they are socialized around these topics. It also explored the lived experiences of these students around financial management and how they make meaning of these experiences. The study was guided by the Family Financial Socialization Theory (FFST) through quantitative inquiry and Critical Race Theory (CRT) through the examination of the lived experiences of a subset of these college students by qualitative inquiry. This chapter examines the connections between the quantitative and qualitative data and discusses the results and implications of the data. It also presents the study's limitations and implications for future research. Specifically, this chapter will advise how this research can inform policy and future research.

### **Exploratory Findings from the Family Financial Socialization Theory**

The quantitative survey utilized the Family Financial Socialization Theory (FFST) model, and some interview questions assessed the same constructs of the model for comparison. This section will combine the findings from the quantitative and qualitative exploration of FFST. Overall, the study's results supported a significant relationship among the majority pathways of the FFST. There was no strong connection between pathways B and H, representing demographic information and purposive financial socialization (Pathway B), and between financial behaviors and financial well-being (Pathway H). There is more work to be done to the model to improve the fit, as previously mentioned. The FFST constructs studied as part of the research are financial knowledge, attitudes and capabilities, socialization, financial behaviors, and financial well-being. The CSFL survey itself is not culturally responsive, which is one of the reasons these same concepts were explored through qualitative inquiry using a CRT lens.

#### **Financial knowledge**

While financial literacy and knowledge are often used interchangeably, for this study, financial literacy is defined as one's ability to use financial knowledge to make financial decisions (Britt et al., 2015). Murphy's (2005) study of college students at a predominantly Black institution noted that the level of financial literacy was at about 30% versus 48% of the current study. Although the knowledge of this study is higher than Murphy's average, the findings of this study identify there is still room for improvement in financial literacy as defined by the CSFLS among Black college students. Existing research suggests that African Americans are not as financially literate as their White counterparts (Hudson et al., 2017). Bahrani and Weathers (2019) research

revealed literacy scores of Black Americans to be 9-16% lower than Whites. And while this study did not seek to compare the financial knowledge of Blacks versus Whites, the results from the quantitative data would appear to support that there is undoubtedly a lack of financial knowledge among Black college students according to existing survey scales. This finding is supported by previous literature in Chapter 2, which concluded that college students' financial knowledge is inadequate across racial lines (Chen & Volpe, 1998).

This study's results noted that objective financial knowledge from the survey was slightly below average at 48% out of 100%. Participants' subjective knowledge was three out of ten from the interviews, which is lower than the average subjective financial knowledge survey, where 34% rated themselves as average or above. Also important was the difference between the respondent's self-identified or subjective financial knowledge, and the assessed objective financial knowledge, as it shows that participants were less confident about their financial knowledge. Of the respondents, 67% ranked themselves as low or very low in their financial knowledge. In contrast, the mean financial knowledge score was 48%, suggesting that the respondents' financial knowledge is slightly below average. These findings oppose the Prudential Financial (2015) report, which noted that self-reported financial knowledge among Black people was high. This lack of self-efficacy around financial knowledge could be a point of future exploration. Research has shown that women typically have lower self-efficacy around money (Fulk & White, 2018). While this study did not explore gender differences, most respondents, over 80%, were female. However, prior research (Murphy, 2005; Jorgensen, 2007) has shown that

gender was not a significant factor in financial knowledge, and the quantitative results of this study support that finding.

In the interviews, it was clear that participants were often very well socialized around financial topics of saving and budgeting. This finding supported the quantitative results where respondents were asked to indicate what topics they learned at home. The top two responses were savings and budgeting, with over 60% of respondents indicating they learned about both. Prudential Financial (2015) also found that African Americans often focus more on saving than investing. Interview results supported this finding, as participants often noted a lack of knowledge or socialization about investing and credit. Several participants wished they knew more about credit, loans, and investing in the stock market (e.g., Participants A, C, E).

### **Financial attitudes/capabilities**

Financial attitudes and capabilities were explicitly explored in the quantitative survey. The results from that data indicate that respondents overall had a positive attitude around financial knowledge and their financial capability, which is notable as it dispels existing misconceptions and is an essential input into financial behaviors and well-being. Within the qualitative interviews, questions about the participants' attitudes were asked, although capabilities were not explicitly assessed. The qualitative theme around perceptions and beliefs about money relates to and can inform their financial attitudes and capabilities in that it incorporates their attitudes towards money which was largely positive. All participants indicated that money and money management are integral to them, and they see it as important in their daily lives. Baity (2020) noted that respondents' attitudes were

typically at the midpoint, which aligns with the mean score of 3.34 for financial attitudes and capabilities of this study.

From the qualitative inquiry, what mostly aligned with the financial attitudes variable was the exploration of the participant's beliefs about money and what comes to mind when they often think about money. Each participant approached answering the question with interest and openness and appeared to enjoy speaking about the subject. At no point did any participant appear visibly uncomfortable in expressing their thoughts about money or wealth. Participant B noted that learning about money early on sparked her curiosity in the subject and made her want to learn more. One additional concept from the interviews was that money was often a very private matter. And while the participants would receive guidance at home, most of their socialization around money matters was through observations. This finding led to some gender-related beliefs about money management and how pride was a source of conflict for males. Fulk and White (2018) found that 43% of Black students versus 32% of White college students rarely discussed money in their households. As mentioned, capabilities were not explicitly assessed; however, participants expressed strong capability around saving money as this was a topic all participants were comfortable with executing. Another question asked participants about personal financial struggles; only two participants (G and H) indicated that they struggled with money management. The remaining participants indicated feeling capable in their current money management practices but indicated room for improvement in their financial situation, mostly around additional income generation post-college.

## **Financial Socialization**

The financial socialization of participants was explored both through the survey and interviews. According to the survey, respondents expressed strong relationships with their families, which positively impacts the family financial socialization according to the FFST model. The results supported most of the model's assumptions, including the importance of family interactions and relationships on purposive financial education (PFE), which is the deliberate and explicit financial socialization by parental figures to their children. It also supported that PFE impacts the participants' financial knowledge, attitudes, and capabilities (FAKC). Results showed a positive correlation between PFE and FAKC, supporting the construct's positive effect. Within the survey itself, family closeness was assessed and how often respondents discussed specific financial topics within their homes. The results of the frequency statistic for this question are shown in Table 4. As expected, the most frequently expressed socialization method was from family members. Research supports this finding, stating that children learn through observation, purposive instruction, and practice, influencing their beliefs and attitudes about money (Danes, 1994). The school was second when asked in interviews about other modes that participants think are most useful for socialization. These findings support Fulk and White's (2018) study, which indicated that parents were of most significance to participants' financial socialization. A few participants even noted their peers as ways in which they have learned about money management, which may connect to school socialization as multiple participants (e.g., Participants A, B, E) noted learning some basic concepts in school. Those that learned from peers indicated that these were friends from school.

Question 58 of the financial socialization section asked respondents to identify how much they learned about money from various sources. The highest response among interpersonal connections was by parents, with about 75% of respondents indicating they have learned from their parents. The next most crucial mode of socialization among respondents was via media and the internet at 65% and 77%, respectively. The use of social media and the internet is not surprising. Jorgensen (2007) notes prior research suggests that the media often socialize children that parents bring into the home or expose them to television, radio, internet, etc. These results support the idea that social learning is an essential instructional method (Gutter et al., 2009).

The question from the interviews that most addresses financial socialization was question 10. This question prompted participants to identify the most influential way they learned about money management. Hudson et al.'s (2017) study of primary and secondary data sources identified that primary socialization agents were parents, noting the second agent being life experiences, which was fully supported by the findings of this study. About 50% of the participants indicated that learning from their family was the most influential way they learned about money, supporting the quantitative findings. However, 38% of the participants indicated trial and error, making it the second most influential way participants learned about money.

From the interviews, one subtheme that emerged was that some participants did not have open conversations with their parents about their parents' actual financial situation. Many participants noted not being fully aware of their parents' or guardians' financials and never speaking explicitly about their money. Participant D commented that "my father is not really known to like share stuff like that with me." Some participants (e.g.,

C, D, G) noted that while their parents would discuss or model certain financial concepts such as saving, they were never told explicitly about their parent's financial situation. One participant noted that "I didn't really see I don't really my parents aren't to[o] open about our financial situations like I don't get to see a whole lot of it" (Participant G). Most respondents could only make assumptions about their family's financial status based on living arrangements and experiences. Participant A commented, "yeah...I grew up in Section 8 housing, so there was like a time, like...where we would get these late notices mailed to our houses," indicating that they made conclusions about the family's financial situation based on observations of their housing challenges and need to move frequently.

### **Financial behaviors**

In the participants' interviews, saving and budgeting were the most exhibited financial behaviors. Investing was one topic in which some participants engaged, but most of the participants had not participated in investing activities. The quantitative results supported the marginal engagement in financial behaviors as respondents had a mean financial behavior score of 2.77 out of 5. Jorgensen (2007) noted a positive correlation between financial knowledge and attitudes on financial behaviors. This finding was corroborated with the results of this study, as FAKC was shown to have the most significant positive effect on financial behaviors (.377). Based on the survey, the most frequent financial behaviors exhibited were budgeting, tracking spending, and contributing to a savings account. This finding was further supported through qualitative inquiry, where most participants noted participating in savings and investing practices, with 88% participating in savings. Budgeting also came up but was often associated with savings practices.

However, when asked about contributing to an investment account, only 29% indicated doing so via the survey. The qualitative findings corroborated the lack of engagement in investing activities, as only 38% indicated engagement in investing. These results are not surprising as savings and budgeting are often heavily stressed in households of color. Hudson et al. (2017) found that among African American respondents, 17.1% noted exposure to the topic of investing as opposed to 46.9% that reported exposure to budgeting. Investing is often an area in which many participants lack experience, given the lack of disposable income to invest in the stock market and limited to no understanding of stocks (Hamilton & Darity, 2017). The barriers to entry for investing have lessened with apps such as Robinhood, which allows anyone to invest as little as needed. One participant noted: "What I do is, I check on my stock and I put \$1 in more" (Participant A). The three participants who noted investing did so via an application, while one noted interest in investing in rental real estate with their family. Those students who mentioned saving and budgeting noted learning about these concepts from their parents, suggesting a correlation between family financial socialization and financial behaviors even though the quantitative analysis did not show a clear connection between the two variables.

### **Financial well-being**

The quantitative and qualitative inquiries both assessed financial well-being. One question from the survey assessed the participants' financial well-being, and 65% identified with the statement that their finances are a source of worry for them. This supported the results from the interviews, as the mean financial well-being score was 5.4 out of 10, which would indicate that many participants see their financial well-being as

average at best—only three out of the eight interview participants (38%) rated themselves a seven or higher. Most of the responses from participants indicated that their rating for financial well-being was attributed mainly to the fact that they are not 100% financially independent as college students. It would be interesting to see how this score might change after the same individuals have worked for a few years. These results are like the findings of Baity's (2020) study, also of Black individuals, as she found that participants' financial well-being was slightly below the middle point, suggesting a less than average financial well-being. Financial well-being among Black individuals has been represented as low due to the correlation between financial literacy and financial well-being. Financial well-being had the most significant correlation with the FAKC construct, supported by the FFST theory. Financial attitudes, knowledge, and capabilities were the respondents' strongest predictors of financial well-being. At the same time, there was a negative association between financial well-being and financial behaviors, which indicates that financial behaviors are not a predictor of financial well-being.

### **Summary of FFST Findings**

Overall, the analysis of the FFST model showed some positive results related to the respondents' financial attitudes, knowledge, capabilities, and financial behaviors. The findings supported most of the model assumptions, including the relationship between FIR, PFE, FAKC, and FinBeh. There was no strong correlation between demographic variables and PFE or purposive financial socialization. This finding was in line with Jorgensen's (2007) study, which found no differences in financial knowledge based on the same demographic factors. Still, he noted surprise that household income levels did not affect financial knowledge. He suggests that those of lower-income households

potentially have learned to be more frugal (Jorgensen, 2007). This finding may align with the participants' results and would explain why saving is an amplified financial behavior in Black households. That is, there was a clear connection between the family interactions and relationships (FIR) and purposive financial education (PFE). The results did not strongly support pathway B, which is the relationship between demographics and PFE, as most demographic variables did not have a strong correlation to PFE. The only demographic variable that had a direct relationship with PFE was household income, as there was a positive correlation between the two. The results indicated limited effects of the demographic information on financial socialization or family interactions and relationships (FIR). As mentioned, gender, nor educational attainment, had a solid relationship to the other constructs. This finding aligns with prior research as Murphy (2020) noted that while there have been historical differences in gender and financial knowledge, gender was still not a significant variable in determining socialization. However, there was a strong positive connection between household income to FIR, which is supported by prior research (Watkins, 2018). One explanation for this finding could be that with higher household income, there is an improvement in family interaction and relationships, which suggests that with less financial strain, parents have more time to spend with and socialize with their children.

### **Discussion of Themes from Qualitative Inquiry & CRT**

Overall, the following eight themes emerged from the inductive analysis process: direct influences on the knowledge of money, observed influences on money and financial behaviors, money-saving practices, engagement in investment practices, perceptions of money, perceptions of wealth, perceived wealth gap based on race, and

perceived inequality based on race. These themes were later combined into what could be considered four categories based on the nature of the themes. The first two categories, perceptions of their financial knowledge and personal engagement in financial practices, were discussed above as part of the FFST analysis of financial knowledge and financial behaviors. The last two categories, (1) beliefs about money and wealth and (2) perceptions of the effects of race on money and wealth, were connected to CRT. Both categories align on racism as endemic and race as a social construct that would affect the experiences and thus the perceptions of the participants. It also captures the varying perceptions of participants promoting anti-essentialism. These categories include the perceptions of money, perceptions of wealth, perceived wealth gap on race, and perceived inequality based on race and are discussed in the categories below.

### **Category 3: Beliefs about money and wealth**

Participants' perceptions about money and wealth were largely positive as they were comfortable discussing the topics. Many expressed their desire to have wealth and the importance of money and wealth towards financial freedom. Comments around multiple sources of income surfaced in the interviews, and participants often connected it to generating wealth.

Generational wealth is also another term that emerged from the qualitative inquiry. Many participants noted the importance of generational wealth and how those before them were not necessarily able to transfer wealth to them but are thinking of ways to ensure they can transfer wealth to their future families. This idea did not differ based on household income or SES background. Participant A defined it as leaving something of value behind and noted, "[I] want to be able to give my kids something." These

perceptions are in direct contrast with the implications of the deficit theory. Gorski (2008) discusses the constant portrayal of the poor as being due to a lack of intellect or desire to make sound decisions which is the exact stereotype that this study sought to disprove, grounding the work in the anti-essentialism tenet of CRT. Hudson et al. (2017) also noted that several studies reinforce the disadvantage of the economic well-being of the Black community and that few implicate a positive future. This representation directly connects to racial capitalism as it benefits those in power to represent others as powerless (Leong, 2013; Robinson, 2019). However, Participant C noted very eloquently that there is a desire to portray the Black community this way and a deliberate attempt not to show representations of wealth within the Black community. This points to stereotyping and essentialism which this study dispels using CRT. Much of the existing literature and rhetoric would have one believe that Black families are not socializing their children around money and that these families do not prioritize the importance of money management, which is not aligned with the findings of this study despite participants being of varying SES backgrounds. This study aligns with prior research, which suggests that the wealth gap is not reflective of individual issues but systematic issues such as racism (Glaude, 2016; Shapiro, 2005). As mentioned, there is a lack of recognition of the debt due to the Black community due to systematic racism. Ladson-Billings (2006) refers to the idea of debt versus a gap when discussing the differences in achievement and this concept also applies to the wealth gap as there are resources that have been a lack of resources invested in the Black community, which and the deficit has led to an increase in gaps among the Black community versus the White community. Each interview participant strongly believed in the importance of financial knowledge and managing

their money. One participant even noted that their father started Roth IRAs for them and their siblings. They mostly noted the importance of these topics when thinking of family planning and the comfortability and freedom that financial security offers. This finding would lead to the need to examine the wealth gap beyond socialization and acknowledge the impact of racism and race as a social construct on Black people's experiences. It continues to stifle the economic mobility of the Black community, thus reinforcing the growing wealth gap. However, there is still a stigma around talking about money. Participant C noted that "it's still not fully socially acceptable to really talk about money so openly," which impacts the community's ability to share knowledge and improve collective literacy.

#### **Category 4: Perceptions of the effects of race on money and wealth**

This study was grounded in understanding how financial education might aid in the minimization of the racial wealth gap. The wealth gap is again defined as the unequal distribution of wealth and assets among residents in the U.S. (Asante-Muhammed et al., 2017). Participants' perceptions about the wealth gap and inequalities were examined during the interviews, and many noted seeing wealth gaps, explicitly identifying the differences in majority Black versus majority-White neighborhoods. Multiple participants mentioned realizing wealth differences between the Black and White communities because there were often well-kept houses and neighborhoods in the White communities. Participant B commented on this contrast in neighborhoods noting that "things would change right when you cross that line, the road start[s] getting bumpy you know how [it starts] looking kind of different and more rundown." They were contrasting this to their experiences of seeing fewer homes and more apartments, and these houses and

complexes not being as well kept in the Black community (Participants A & B). This difference in wealth is rooted in the racial wealth gap and discriminatory practices, such as redlining, which created 'ghettos' and essentially segregated communities of color and ensured that funding would be difficult for these neighborhoods (Taylor, 2019). As previously mentioned, Bates and Triplett (2014) reported that almost half of Black Americans anticipated enduring race-related discrimination in the home lending process. These practices result from racial capitalism, where lending companies benefit from exploiting neighborhoods of color (Robinson, 2019). Murphy Gray (2020) notes that income, homeownership, and education are critical to long-term wealth generation. Her study purports racial segregation in America's largest cities, resulting in unequal resources for households of color, further perpetuating the racial wealth gap (Murphy Gray, 2020).

The participants acknowledged the racial wealth gap, and some believed it to be something that would always exist for them, which is a nod to the first tenet of CRT that acknowledges racism as normal in America and is deeply woven in America's cloth (Ladson-Billings, 1998). "I don't know if we will If the gap between like just White people and Black people will ever close per se, just because it's, it's just been so deeply rooted for such a long time" (Participant B). Statements like this are why research needs to acknowledge systematic racism, as education alone cannot address these challenges and barriers. The dismantling of racist practices and systems is the only way real change will happen related to wealth generation within the Black community.

One participant noted there are many national stories where the Black community has tried to make advancements in wealth and independence to only be destroyed by external

means (Participant C). One notable example of this was the Tulsa massacre, where an entire Black neighborhood, also known as Black Wall Street, was destroyed, which Participant E noted. These homes and businesses burned down during the Tulsa massacre of 1921 (Darity et al., 2018). Things like housing instability were also discussed, which is one of the main ways to generate wealth. Still, the Black community has experienced housing discrimination for years, from the inability to own homes to redlining and predatory lending practices (Baradaran, 2017). One participant mentioned that they knew more Black people living in apartments than White people living in houses (Participant, A). "You know, with the way you know capitalism and whatnot like a huge part of our world is money" (Participant E). While the participant notes the existence of financial capitalism, this is also a nod to the effects of racial capitalism that Leong (2013) discusses, where race and the power assigned to 'Whiteness' have become capital itself and create disadvantages for anyone not White. This is the intersection of our nation's economic structure and the inevitable history of racism and atrocities against any nonwhites in our society.

### **Summary of Qualitative Inquiry**

The main goal of the qualitative interviews was to explore the meaning-making of the personal finance of the participants. Therefore, their financial knowledge, behaviors, and socialization were also explored. Race, as related to meaning-making, was explored concerning the participants' perceptions of wealth and money management. Results showed that participants saw and felt that race affected wealth, often noting racial differences in perceived wealth. Participants often recognized and exhibited an understanding of wealth and its importance. However, they lacked to acknowledge

wealth as something within their reach in terms of attainment. The lack of representation could be why participants do not see wealth as something personally attainable, as many noted not seeing examples of wealth in their homes or communities. Participant C stated that it almost feels intentional that Black people are represented as less than opposed to their White counterparts regarding wealth and other things. This statement alludes to the systematic injustices that keep the Black community from advancing, which is precisely how racial capitalism continues to inhibit progress toward true racial equity.

### **Implications for Practice, Policy, and Future Research**

The research within this study can be used by policymakers, financial planners, educators, and financial literacy researchers who use education as an intervention for the wealth gap. The research of this study is particularly timely as financial literacy within schools has become a popular topic. In 2021, 38 of the 50 states in the U.S. have some financial literacy legislation enacted (Morton, 2021). Research showed that high school students with a state financial literacy requirement were almost twice as likely to have learned financial literacy concepts than students without the mandate (Kasman et al., 2018).

### **Implications for Practice**

This study is well-timed as the new bill requiring a financial literacy course as a requirement for high school graduation in Florida was recently passed. In March 2022, Governor DeSantis signed into effect Senate Bill 1054, titled the Dorothy L. Hukill Financial Literacy Act, which requires high school students to take a financial literacy course for graduation. The passing of this bill emphasizes that a school is a good place for one to learn foundational concepts regarding money. However, the bill only requires a

student to have one semester of financial education before high school graduation. Existing research supports that one semester is not enough time to affect financial behaviors. In their study, Mandell and Klein (2009) found that students who took a high school course were no more financially literate than those who did not take the course, noting that the duration of the intervention should be extended. It should also be noted that all participants believed that learning about money as early as possible would have been helpful. Participant A believed that financial literacy should be introduced earlier than high school, noting that she would be better off financially if she had learned about money management earlier. Experiential learning was also mentioned and seems like the most desired form of instruction supported by literature (Mandell & Klein, 2009). It is not just enough to offer financial knowledge; there needs to be a real investment in the curriculum. Otherwise, the efforts will fall short.

The curriculum must be culturally relevant for students to understand the concepts (Ladson-Billings, 2021). "Critical race theory sees the official school curriculum as a culturally specific artifact designed to maintain a White supremacist master script" (Ladson-Billings, 1998, p. 18). Participant C noted that "school itself is very strange in terms of like getting stuff curriculum wise because it always feels like it's very shallow and not many teachers get an opportunity to go in-depth about various topics." This observation should be considered when schools implement financial literacy mandates and develop curricula that will deviate from the existing curriculum to promote inclusion and equity. Educators must prioritize the importance of different learning styles, as it is the only way sustainable change will be accomplished (Capper, 2015). Research supports that a culturally responsive curriculum could increase the effectiveness of financial

education (Hudson et al., 2017). Participants also noted interactive instructional methods as most effective for those socialized at school, which should be considered when thinking of instructional methods. Given the lack of research tools and financial curricula that is culturally responsive, this is a vast area of opportunity for educators and curriculum designers to implement.

In addition to implementation, interview participants noted several financial concepts that they would want to learn. The most mentioned financial concept that participants expressed wanting to learn more about was taxes. It was mentioned among five of the participants as an additional financial concept that they would want to learn. Participant G commented: "I would love for there to be some sort of actual financial literacy class in high school but is required for students to take because I still really don't know how to file taxes." While most participants expressed some knowledge of investing, learning more about investing was the second most mentioned financial concept with three (38%) out of the eight participants. Chen and Volpe (1998) also noted that students often have less experience and knowledge of investment topics. As a result, high schools should consider a curriculum that teaches some basics of financial management, including budgeting, investing, and credit (Mandell, 2008).

Two participants wanted to learn more about the financial implications of obtaining housing. This included wanting to know about purchasing a home, as cited by Participant A and E, and securing an apartment, as mentioned by Participant F. Participant A expressed an interest in learning more about the loan process for purchasing a home, commenting: "I want to learn more about mortgages like purchasing houses." Additional topics ranged from learning more about budgeting to the banking system and

understanding credit. These findings can inform community-based programs, such as Junior Achievement and public programs offered by local cities and community redevelopment agencies. It could also inform employer-based resources for employees that want to offer financial literacy training for their employees. There is a need for more community-based resources as most of the training provided by banks is geared to selling their products or those looking to purchase homes, often excluding individuals looking to improve their financial situation.

### **Implications for Policy**

This research is important for policymakers as state and federal standards and requirements for financial education could increase literacy and improve financial well-being (Kasman et al., 2018). Policymakers should consider implementing financial literacy into lessons as early as elementary school. The results support existing literature (Gudmunson & Danes, 2011; Fulk & White, 2018; Watkins, 2018) and the effect financial socialization has on financial well-being and positive behaviors. All interview participants agreed that this is important information and would have wanted to start learning concepts around financial management earlier, which has implications for schools. Bosshardt and Walstad (2014) suggest that topics such as earning money, purchasing, and saving are topics that should be taught at the fourth-grade level.

This research is critical for policymakers who want to minimize the racial wealth gap through financial literacy education (Bahrani & Weathers, 2019). "CRT argues that inequality in school funding is a function of institutional and structural racism" (Ladson-Billings, 1998, p. 20). Therefore, policymakers should consider funding more programs to provide free financial education for Black communities. Although, financial education

has shown to have a more significant effect on Whites than on Blacks, and as a result, the curriculum of financial education should be considered (Bahrani & Patel, 2018). Because of this differential, "policymakers should examine the content of their financial literacy programs and the sources of financial literacy education to identify if there is a systemic bias in the provision of financial literacy education" (Bahrani & Patel, 2018, p. 23). Ensuring that free financial education is provided to the Black community helps protect against systematic biases. Having mandates and standards around financial literacy curricula will also help ensure the intervention's consistency and effectiveness. As mentioned, the State of Florida has recently passed a financial literacy mandate for incoming first-year students, and the results of this study could have implications for implementing that mandate.

Policymakers should also consider requiring public colleges and institutions of higher education to require some type of financial literacy course, specifically as part of first-year orientation. This is often the first time many students have had financial responsibilities (Chen & Volpe, 1999). Many students go off to school either with student loans or access to their first credit card. Murphy (2005) suggests that colleges could require credit card companies that solicit on-campus to provide financial education resources. With the ever-increasing student loan debt, which Murphy Gray (2020) noted, there is over \$1trillion of student loan debt in the U.S. The rising debt makes it imperative that students understand what they sign up for when they take out student loans, and this is where policymakers could make a difference. Researchers have suggested that Black and Latinx students are 2x more likely to take out student loans than their White counterparts to attend college, which is also related to financial distress

(Murphy Gray, 2020). With the consequential effects financial education has on financial literacy; there is a consensus that financial literacy is improved with access to financial education (Bahrani & Weathers, 2019). Prior research, such as Skimmyhorn (2016), supports a positive effect of financial education on financial behaviors. This assumption is supported by this study's findings that the FAKC construct positively affected financial behaviors. Also, when interviewing the participants, those who noted having access to formal financial education, such as a webinar, class, or workshop, tended to engage in more positive financial behaviors, such as savings and budgeting.

### **Future Research**

Replications of this study should increase their sample size would be necessary for running the FFST model and SEM analysis. With SEM analysis, larger sample sizes, typically over 200, are better (Wolf et al., 2013), and given the constructs of the FFST model, the model fit would likely perform better with 200+ responses. The larger sample size would ultimately increase the model fit and strengthen the quantitative results. For the qualitative phase of the study, additional interviews could also be conducted to increase the sample size, along with follow-up interviews or observations to explore the lived experience of the participants further.

Also, future focus on the gender distribution of this study is warranted to see if there are significant differences based on gender, as this study had a disproportionate number of female participants to males. Also, gender differences in wealth generation and money management were a topic that came out of the qualitative data. This finding aligned with the CRT tenet of intersectionality, which acknowledges that race and sex are both individual factors often at play and affect experiences and should not be examined

independently (Ladson-Billings, 2015). Given that most of the respondents were female when examining wealth differences, many of them noted gender differences as they related to pay. There were differences between mother and father educational attainment where graduate attainment for fathers was 19.9% versus 26% for mothers, and the attainment of bachelor's degrees was also higher for mothers. There may be some correlation between the educational attainment of males to females that could be explored in future research. These items were not further explored due to the limited scope of this research. Still, it is an area for future research especially given the national gender changes in the workforce, as a recent job report indicates women hold more jobs than men (Kelly, 2021). This is important as this shift in the gender workforce has real implications on future wealth if inequalities are unaddressed.

Also, it might be helpful to explore students in secondary education or older adults with varying educational attainment and backgrounds to see if that makes a difference in the reported financial knowledge. This is important as more life experiences could lead to better financial knowledge, and research supports that this knowledge often increases with the age of individuals (Chen & Volpe, 1998). The examination of self-efficacy and how that affects financial behaviors, attitudes, and capabilities in this study did not address this issue.

### **Limitations**

There are limitations to this exploratory study. One limitation was related to the primary data collection, and as a result, this affected the sample size for the quantitative phase of the study. As mentioned in the results chapter, there were some limitations to this study's SEM model fit tests due to the sample size. While the model fit test results

met the designated criteria on one test, they were below the general CFI threshold.

However, there is support stating that while this is not an excellent fit, it is only slightly less than good and is acceptable (Kim et al., 2016).

There were also two fundamental tenets to the FFST model, subjective financial knowledge and family interactions and relationships, which were not reflected in the original CSFLS. The survey was modified to add these questions. The survey tool used is a preexisting survey with nonculturally responsive questions. There is a threat to the validity of these results, given that the entire sample were individuals who identified racially as Black. Although these questions were tested by the original creators and found reliable, there could have been effects on the results based on the modified survey tool.

Additional limitations to this study include the participants only being college students, which may impact and influence the results, especially financial knowledge and well-being. Future researchers may want to study the differences of both variables among different age groups and educational levels. Baity (2020) noted that there was merit to having participants from varying academic backgrounds.

In his study, Jorgensen (2007) noted that there were limitations due to the study being conducted online and the data being collected at one point. There were also no observations of the participants in their day-to-day lives, so the results of this study rely on the participants' self-reporting, and research has noted that this can result in inaccurate reporting (Creswell & Clark, 2017). Thus, generalizations should be limited to the population and sample of the study alone.

## Conclusion

Despite the limitations noted earlier, this study adds to the literature as it combines quantitative findings of the FFST and qualitative findings, which were grounded in CRT. It is also one of the first studies to use a mixed-method approach, with the frameworks above, to understand the Black lived experience of money management. It also explored the effects of race, both explicit and implicit, acknowledging the history and effects of institutional racism on this population and how the intersection of money, wealth, and race influences their experiences. While the Baity (2020) study, to the researcher's knowledge, is the first to explore FFST theory through a CRT lens, it does so solely through quantitative exploration and only focuses on two of the five tenets.

"Inattentiveness to cultural issues in assessment often ends up pathologizing Black families, which likely does more harm than good" (Baity, 2020, p. 54). The Baity (2020) study included age ranges from 22 to 42, examining those who are younger working professionals, whereas this study examines college students exclusively. This study adds to the literature by examining younger Black individuals who are still learning and looking at college students and those in higher education institutions. Along the lines of CRT work, this study expounds on Baity's study. In addition to acknowledging racism as endemic and race as a social construct, this study also focuses on counter-narratives and anti-essentialism principles. As Murphy (2005) surmised, there is a lack of Black college students represented in existing financial literacy studies, and this study expands the literature on this point. But improving the financial literacy of Black students requires the collaborative efforts of individuals, families, educators, and policy makers (Amoah, 2016; Austin & Arnott-Hill, 2014).

At the same time, this study expounds upon the normative assessment tool to hear from the participants amplifying their race and how it affects their lived experience. This was done using Interpretative Phenomenological Analysis (IPA). This qualitative inquiry was used to give the participants agency and further explore their lived experience, the intersectionality of financial knowledge, and the effects of race on their experience (Alase, 2017). The questions specifically examined their perceptions of race related to money and wealth. It also examined the difference in results from the quantitative survey versus the qualitative questionnaire. The findings uncovered additional knowledge about money and wealth that was not assessed in the survey, such as generational wealth and multiple streams of income. These findings would imply that at least existing survey tools are not a complete representation of an individual's financial knowledge, especially of Black college students. More qualitative research is needed in financial literacy and education to truly understand the knowledge of marginalized communities as the existing normative written tools do not account for varying cultural experiences. Therefore, they will never fully capture the knowledge of individuals in the Black community. Also, the existing scales used to assess financial literacy do not fully account for a person's financial acumen and practices. The findings from the qualitative section of this study support that there is often additional knowledge not assessed in these surveys. Given that there is no one definition of financial literacy, there is no consistency among existing scales, leading to inconsistent data that should not be generalized, especially to populations of color (Baity, 2020).

This study refuses to ignore the effects of racism on the lived experiences of Black people and therefore allows for a better understanding of their financial experience. This

research also centers on one of the main tenets of CRT, which is that racism is endemic to this country, and there is no way to understand any lived experience of a marginalized group without exploring how race and racism intersect with that experience (Ladson-Billings, 2015). While we have a long way to go, there have been some strides towards progress, and Participant E said it best when asked about wealth in the Black community "I do think a lot of people are making them, taking the steps and making the moves to get there."

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## APPENDIX A

### College Student Financial Literacy Survey

#### Section 1: Background Information

Choose the following that best represents your answer:

1. Age – select the value below:
  - a. 18
  - b. 19
  - c. 20
  - d. 21
  - e. 22
  - f. 23
  - g. 24
2. Gender – I best identify as the following:
  - a. Female
  - b. Male
  - c. Transgender
  - d. Nonbinary
3. What is your academic standing?
  - a. First-year (Freshman)
  - b. Sophomore
  - c. Junior
  - d. Senior
4. What is your race/ethnicity? (select all that apply)
  - a. African American/not Hispanic
  - b. Asian
  - c. Caucasian/White-not Hispanic
  - d. Hispanic
  - e. Multiracial
  - f. Native American/Pacific Islander
  - g. other
5. What is your major field of study?
  - a. Business
  - b. Agriculture and Life Sciences
  - c. Education
  - d. Liberal Arts
  - e. Human Sciences
  - f. Science
  - g. Engineering
  - h. Medicine

- i. Law
  - j. other: (comment box for text)
6. Which best describes your parent's income last year?
    - a. 0-\$34,999
    - b. \$35,000-\$49,999
    - c. \$50,000-\$79,999
    - d. \$80,000 or more
    - e. Don't Know
  7. How many years of working experience do you have? (Include full or part-time experience,
    - a. internships, co-ops, summer jobs, etc.)
    - b. None
    - c. Less than 2 years
    - d. Two to less than 4 years
    - e. Four to less than 6 years
    - f. Six years or more
  8. My father's primary occupation is:
  9. My mother's primary occupation is:
  10. What is the highest level of schooling your father has completed?
    - a. Less than high school
    - b. High school or equivalent
    - c. Associates/community college degree
    - d. Bachelor's degree
    - e. Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer
    - f. other
  11. What is the highest level of schooling your mother has completed?
    - a. Less than high school
    - b. High school or equivalent
    - c. Associates/community college degree
    - d. Bachelor's degree
    - e. Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer
    - f. other
  12. My college education is paid by (including who will payoff student loans if applicable)
    - a. Self (100%)
    - b. Parents (100%)
    - c. Mostly self (more than 50%)
    - d. Mostly parents (more than 50%)
    - e. 50% self, 50% parents
  13. What is your overall GPA?

14. Where do you attend school (optional)?

**Section 2: Financial Knowledge**

15. Net worth is:

- a. The difference between expenditures and income
- b. The difference between liabilities and assets
- c. The difference between cash inflow and outflow
- d. The difference between borrowings and savings
- e. Cs. None of the above

16. In which year after a car is bought does it lose its value the fastest?

- a. First Year
- b. Second year
- c. Fourth year
- d. Seventh year

17. Which account usually pays the MOST interest?

- a. Certificate of deposit (CD)
- b. Savings account
- c. Checking account
- d. Money Market account

18. When a check bounces, who, if anyone, is usually charged a fee?

- a. The check writer only
- b. The person to whom the check is written only
- c. Neither the check writer nor the person to whom the check is written
- d. Both the check writer and the person to whom the check is written

15. Rob and Molly are the same age. At age 25 Rob began saving \$2,000 a year for 10 years and then stopped at age 35. At age 35, Molly realized that she needed money for retirement and started saving \$2,000 per year for 30 years and then stopped at age 65. Now they are both 65 years old. Who has the most money in his or her retirement account (assume both investments had the same interest rate)?

- 1. Molly, because she saved more money overall
- 2. Rob, because his money has grown for longer period of time
- 3. They would each have about the same amount
- 4. Unable to determine with information provided

16. If you signed a 12-month lease for \$300 /month but never occupied the apartment, you legally owe the landlord:

- a. Your security deposit
- b. Your first month's rent of \$300
- c. Your twelve month's rent of \$3600
- d. Nothing
- e. Whatever the landlord wants

17. The MOST important factors that lender use when deciding whether to approve a loan are:

- a. Marital status and number of children

- b. Education and occupation
  - c. Age and gender
  - d. Bill-paying record and income
18. If you co-sign a loan for a friend, then you
- a. Become eligible to receive part of the loan principal
  - b. Vouch for the friend's reliability but have no legal obligation for the loan
  - c. Are responsible for repaying the loan if the friend defaults
  - d. Are in a better position to get a personal loan
19. If a consumer fails to pay personal debts, a creditor is allowed to do all of the following EXCEPT:
- a. Discuss the consumer's debts with his or her employer
  - b. Bring suit against the consumer
  - c. Tell a credit bureau that the account is delinquent
  - d. Turn the account over to a professional debt collector
20. All of the following are TRUE of bankruptcies except:
- a. It is more difficult to get a low interest rate loan
  - b. It will stay on your credit for ten years
  - c. Any loan you receive will have a higher interest rate due to the bankruptcy
  - d. For all types of bankruptcies you are released from all your debt
21. What does a credit bureau do?
- a. 1. Approves applications for credit
  - b. 2. Informs applicants of the reasons for denial of credit
  - c. 3. Extends credit to qualified applicants
  - d. 4. Provides creditors with reports of consumers' bill-paying records
22. The owner of a credit card that is lost or stolen is legally responsible for
- a. Any unauthorized charges
  - b. Any unauthorized charges until the loss or theft is reported
  - c. Only the first \$50 of any unauthorized charges
  - d. Only the first \$500 of any unauthorized charges
  - e. No unauthorized charges
23. If a credit card account has a balance carried over from the previous month, when will interest charges usually begin on a new credit purchase?
- a. On the day of the purchase
  - b. One month after the date of the purchase
  - c. After a 2-week grace period
  - d. After a 2-month grace period
24. Your take home pay for your job is less than the total amount you earn. Which of the following best describes what is taken out of your total pay?
- a. Federal income tax, property tax, and Medicare and social security contributions
  - b. Social security and Medicare contributions
  - c. Federal income tax, social security and Medicare contributions
  - d. Federal income tax, sales tax, and social security contribution

- e. Federal income tax, social security, Medicare contributions, state and local taxes
25. Is a \$500 tax credit or a \$500 tax deduction more valuable to you?
- a. A \$500 tax credit
  - b. A \$500 tax deduction
  - c. They are the same
  - d. Depends on your tax bracket
26. Assume you are in your early twenties and you would like to build up your nest egg for a secure retirement in 30 years. Which of the following approaches would best meet your needs?
- a. Start to build up your savings account gradually in an insured bank
  - b. Save money in certificate of deposit accounts
  - c. Put monthly savings in a diversified growth mutual fund
  - d. Invest in long-term Treasury bonds
  - e. Accumulate money in a safe-box rented from a local bank
27. Which of the following combination of investments is most risky?
- a. A mutual fund containing 80% stocks and 20% bonds
  - b. A mutual fund containing 80% bonds and 20% stocks
  - c. An index fund (like the S&P 500)
  - d. Stock in a single company
28. Hector and Maria just had a baby. They received money as baby gifts and want to put it away for the baby's education. Which of the following tends to have the highest growth over periods of time as long as 18 years?
- a. A U.S. Government savings bond
  - b. Stocks and mutual funds
  - c. A savings account
  - d. A money market account
29. Many people put aside money to take care of unexpected expenses. If Susan and Joe have money put aside for emergencies, in which of the following forms would it be of LEAST benefit to them if they needed it right away?
- a. Savings account
  - b. A house
  - c. Stocks
  - d. Checking account
30. If an auto insurance policy has bodily injury limits of \$100,000/\$300,000, the insured person is covered for:
- a. Up to \$100,000 for each accident but no more than \$300,000 for the life of the policy
  - b. Up to \$100,000 for medical bills but no more than \$300,000 for hospital costs
  - c. Up to \$100,000 for each person injured but no more than \$300,000 for each accident
  - d. Up to \$100,000 for people in the insured auto but no more than \$300,000 for people outside the insured auto

31. Choose the type of insurance coverage (1. liability, 2. comprehensive, 3. collision, 4. uninsured motorist) that pays for the following:
- The replacement of a stolen car
    - liability
    - comprehensive
    - collision
    - uninsured motorist
  - A loss resulting from a lawsuit
    - liability
    - comprehensive
    - collision
    - uninsured motorist
  - Damage to our own car from an accident caused by you
    - liability
    - comprehensive
    - collision
    - uninsured motorist
32. The main reason to purchase insurance is to
- Protect you from a loss recently incurred
  - Provide you with excellent investment returns
  - Protect you from sustaining a catastrophic loss
  - Protect your from small incidental losses
  - Improve your standard of living by filing fraudulent claims
33. Assume you are in your twenties, don't have a lot of money, are married and have one child. Assuming you already have disability insurance through your employment, which of the following would you do regarding your life insurance?
- You would buy a term insurance policy
  - You probably do not need to buy any life insurance policy
  - You would buy flight insurance each time you travel by air
  - You would buy a cash value insurance policy
34. The owner of a bank debit card that is lost or stolen is legally responsible for
- Any unauthorized charges
  - Any unauthorized charges until the loss or theft is reported
  - Only the first \$50 of any unauthorized charges
  - Only the first \$500 of any unauthorized charges
  - No unauthorized charges
35. Which of the following cannot legally access your credit report?
- Creditors
  - Employers
  - Apartment rental agencies
  - Insurance companies
  - All of the above can access your credit report
36. Rate your overall understanding of money management concepts on the following scale: 1 = very low to 5 = very high

### **Section 3: Financial Attitudes & Capabilities**

37. How sure do you feel about your ability to manage your own finances?
- Not sure at all - I wish I knew a lot more about money management
  - Not too sure - I wish I knew more about money management
  - Somewhat sure - I understand most of what I'll need to know
  - Very sure - I understand money management very well

38. How interested are you in increasing your financial knowledge? Why?
- Very uninterested
  - Somewhat uninterested
  - Not sure
  - Somewhat interested
  - Very interested
  - Why? (text box)
39. Would you take a personal finance course as an elective if offered?
- yes
  - no
  - Why or why not? (text box)
40. Which topics would be of interest to you? (Check all that apply)
- Budgeting
  - Investing
  - Taxes
  - Credit
  - Wills
  - Life Insurance
  - Auto Insurance
  - Loans/debt
  - Credit cards
  - Saving
  - Interest rates
  - other: (text box)
41. Using the scale given below, please rate the importance of items to you (1. not important, 2. somewhat unimportant, 3. not sure, 4. somewhat important, 5. very important)
- Maintain adequate financial records
  - Spending less than your income
  - Maintain adequate insurance coverage
  - Planning and implementing a regular savings/investment program
42. Rate the following items on a scale of 1-5 (1 =not at all true of me and 5 =very true of me)
- I feel in control of my financial situation
  - I feel capable of using my future income to achieve my financial goals
  - My finances are a significant source of worry or "hassle" for me
  - I am uncertain about where my money is spent
  - I feel credit cards are safe and risk free
  - Purchasing things is very important to my happiness
  - I feel capable of handling my financial future (e.g. buying insurance or investments)
  - I am afraid of credit and credit cards
  - I feel the cost of using a credit card is too high
  - I feel putting away money each month for savings or investments is important

- k. I feel having life insurance is an important way to protect loved ones
- l. I feel it is important to understand apartment leases and loan agreements before I sign
- m. I enjoy thinking about and have interest in reading about money management
- n. I enjoy talking to my peers about money management issues (i.e. taxes, investing, credit cards)
- o. I am comfortable with not paying my credit card bills in full each month as long as I make the minimum payment
- p. I feel disability insurance is less important than life insurance
- q. I feel being covered by homeowner's or renter's insurance is important

#### **Section 4: Financial Behaviors**

43. Some people tend to be very thrifty, saving money whenever they have the chance while others are spending-oriented, buying whenever they can and even borrowing to consume more. How would you classify yourself?
- a. Very thrifty, saving money whenever I can
  - b. Somewhat thrifty, often saving money
  - c. Neither thrifty nor spending oriented
  - d. Somewhat spending-oriented, seldom saving money
  - e. Very spending-oriented, hardly ever saving money
44. What kind of financial accounts do you have? (Check all that apply)  
Savings, checking, money market, certificate of deposit (CD), stocks, bonds  
mutual funds IRA other:
- a. 38. How much do you estimate you owe on all debts including credit cards, student loans and other debts? (Do not include mortgage)1. \$0
  - b. 2. \$1 - 4999
  - c. \$5000-\$9999
  - d. \$10,000 - \$19,999
  - e. \$20,000 - \$39,999
  - f. \$40,000 or more
  - g. 7. Don't know
45. Respond to the following questions on credit cards: (if you have no credit cards skip to question 45)
- a. How many credit cards do you have? (free text)
  - b. What is the combined total balance owed on your credit cards?
    - 1. \$0 - \$99
    - 2. \$100 - \$499
    - 3. \$500 - \$1999
    - 4. \$2000 - \$4999
    - 5. \$5000 or more
    - 6. Don't know
  - c. How do you usually pay your monthly credit card bills?

1. I pay the minimum
  2. I pay between the minimum and full amount
  3. I pay credit bills in full
  4. My parents pay my credit card bill
46. In what manner do you maintain financial records?
- a. Maintain no records
  - b. Maintain minimal records
  - c. Maintain very detailed records
47. Indicate how often you have engaged in the following activities within the past six months using the following scale: (1) "Never," (2) "Rarely," (3) "Sometimes," (4) "Often," and (5) "Very often."
- a. I budget and track spending.
  - b. I compare my receipts of purchases to my monthly statement.
  - c. I use credit cards to make purchases that I can't afford and I don't have the money in the bank to pay the bill.
  - d. I get cash advances from my credit card.
  - e. I have my parents "bail me out" of credit card debt.
  - f. I work extra hours (in excess of 20 hours a week) to meet bills and expenses.
  - g. I miss class to work extra hours to meet bills and expenses.
  - h. I contribute to a savings account regularly.
  - i. I find legal ways to lower my taxes.
  - j. I compare prices when shopping for purchases.
  - k. I have a life insurance policy.
  - l. I read to increase my financial knowledge.
  - m. I read over and understand apartment leases and loan agreements before I sign them.
  - n. I contribute to an investment account.
  - o. I have a disability insurance policy.
  - p. I am covered by a homeowner's or renter's insurance policy

### **Section 5: Financial Socialization/Influences**

48. Rate the following influences on a scale of 1-5 (1 =none, 2 = not much, 3 = not applicable, 4 =some, 5 =a lot). How much did you learn about managing your money from the following:
- a. Parents
  - b. Friends
  - c. School
  - d. Books
  - e. Media
  - f. Job
  - g. Life Experiences
  - h. Internet

- i. Informal public seminar or class
  - j. Financial planner or counselor (professional)
49. Rate the following on a scale of 1-5 (1 = never, 2 = once per year, 3 = every few months, 4 = twice per month, 5 = weekly). How often were you influenced by or did you discuss finances with the following:
- a. Friends
  - b. School
  - c. Books
  - d. Media
  - e. Job
  - f. Life Experiences
  - g. Internet
  - h. Informal public seminar or class
50. Which of the following items did you learn about in your home while growing up? (Check all that apply): Budgeting, Investing, Taxes, Credit, Wills, Life Insurance, Disability Insurance, Auto Insurance, Renter's/Homeowners Insurance, Loans/Debt, Credit Cards, Saving, giving to charities, Interest Rates, Keeping records, Being honest in all dealings, Work for what you receive
51. Which of the following classes have you had? (check all that apply)
- a. An entire course in money management or personal finance
  - b. A portion of a course where at least a week was focused on money management or personal finance
  - c. An entire course in economics
  - d. A portion of a course where at least a week was focused on economics
  - e. Other
52. Where do you expect to learn/increase your financial knowledge? (check all that apply)
- 1. Parents
  - 2. Friends
  - 3. School
  - 4. Books
  - 5. Media
  - 6. Job
  - 7. Life Experiences
  - 8. Internet
  - 9. Informal public seminar or class
  - 10. Financial planner or counselor (professional)
  - 11. Other
53. How would you describe how finances were handled in your family? (check all that apply)
- 1. My parents usually argued about the finances

2. Within the family we openly discussed our finances
  3. My parents explicitly taught me about finances (e.g., credit cards, debt, budgeting, savings)
  4. We didn't talk much about finances but I learned from their examples
  5. My parents included me in various financial decisions
54. Comparing yourself to your parents would you say that you are:
1. Much more likely to save
  2. Somewhat more likely to save
  3. About as likely to save/spend
  4. Somewhat more likely to spend
  5. Much more likely to spend
55. How often do you and your father(mother) / stepfather(stepmother) / other father(mother) figures talk about future job plans? Rate on the following scale: (1) "Never," (2) "Rarely," (3) "Sometimes," (4) "Often," and (5) "Very often"
56. How often do you and your father(mother) / stepfather(stepmother) / other father(mother) figures talk about future education plans? Rate on the following scale: (1) "Never," (2) "Rarely," (3) "Sometimes," (4) "Often," and (5) "Very often"
57. How often do you and your father(mother) / stepfather(stepmother) / other father(mother) figures talk about future family plans? Rate on the following scale: (1) "Never," (2) "Rarely," (3) "Sometimes," (4) "Often," and (5) "Very often"
58. How often do you and your father(mother) / stepfather(stepmother) / other father(mother) figures talk about family and work responsibilities? Rate on the following scale: (1) "Never," (2) "Rarely," (3) "Sometimes," (4) "Often," and (5) "Very often"
59. How close do you feel to your father and mother, including biological parent/ stepparent/ adoptive parent/ other parental figure? Rate closeness on a scale from 1 (not close at all) – 5 (very close)

## APPENDIX B

### Interview Questions

1. What were your first memories of money and its use?
2. What are your feelings about wealth and money?
  - a. What does wealth mean to you? What did you learn about wealth, if anything, growing up?
3. What are your thoughts about wealth in your family? In the Black community?
  - a. Where did you get these perceptions of wealth?
4. Do you think there are any racial differences in wealth generation? Why or why not?
  - a. Example: housing ownership, income disparities
  - b. Did your family role models (parents, grandparents, aunts, or uncles) own their home? Did they experience any challenges in homeownership?
5. What are your thoughts about Black [women/men] and money? What has society taught you about Black [men/women] and money?
6. Have you noticed any gender or cultural differences in relation to wealth or money management? If so, please tell me about this situation or time.
  - a. What are your thoughts about white people and money?
  - b. How has this impacted you?
7. Please share some of your current practices for managing money.
8. Have you had a time where you had to struggle with money?
  - a. If so, tell me about that time
  - b. If not, what do you think has helped you not struggle with money?
9. When you think about saving money, what comes up for you?

- a. Do you save money?
  - b. Tell me about your family's relationship with saving money? What did they do?
  - c. Have you ever learned about saving money?
    - i. If you haven't learned, how do you think things would be different if you had learned about it?
10. What would you consider to be the most influential way you have learned about money management to date?
- a. Family, Formal Education, Friends, Trial & error?
  - b. Why has this been most influential?
11. Do you believe it is important to learn about money management? Why or why not?
- a. Do you feel comfortable in your knowledge of money? If so, please share an examples specific area you are comfortable or uncomfortable in related to money?
12. Financial wellbeing is a term that can be defined as a state of being where a person can current and financial obligations. With this definition in mind, on a scale of 1-10, 10 being the highest, how would you rate your financial wellbeing?
- a. How important is financial wellbeing to you?
13. Have you taken a course in school and/or outside of school about money management?
- a. If so, please tell me about what you've learned [try to prompt them to examine anything they may have taken earlier in school]
  - b. If not, what would you like to have learned and when? Why?

- c. In your opinion, what might be an important way to help others learn about money [parents, high school teachers etc.]?

14. In reflection on the survey [items on financial knowledge, give examples], did you feel the survey captured important points about your financial knowledge and practices?

- a. If so please share, if not please explain?
- b. Are there ways you feel the survey can be improved upon? [how so, suggestions for items to add/remove, or wording]
- c. Did you find the questions clear? What feelings came up when you were completing the survey?

## APPENDIX C

### Qualitative Themes and Frequencies

<b>Themes</b>	<b># of participants referenced</b>	<b>Total # of instances</b>
Direct influences about the knowledge of money	8	133
Indirect influences about the knowledge of money	8	85
Areas for new/additional knowledge	6	20
Engagement in savings practices	7	17
Engagement in investment practices	3	12
Perceptions about money & wealth	8	83
Perceived wealth gap based on race	7	34
Perceived inequality based on race	7	33

## APPENDIX D

### Demographic Summary of Interview Participants

Participant	Age	Gender	Classification	Major	Parent's Income	Highest Education of Father	Highest education of Mother	GPA
Participant A	20	Female	Junior	Business	\$50,000-\$79,999	High school or equivalent	High school or equivalent	3.3
Participant B	20	Female	Junior	Other	0-\$34,999	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	3.52
Participant C	20	Male	Junior	Engineering	Unknown	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	3.47
Participant D	18	Female	Freshman	Science	0-\$34,999	Less than high school	High school or equivalent	2
Participant E	20	Female	Junior	Human Science	0-\$34,999	Associates/community college degree	Associates/community college degree	3.3
Participant F	19	Female	Sophomore	Other	0-\$34,999	High school or equivalent	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	2.1
Participant G	19	Female	Freshman	Education	Unknown	Bachelor's degree	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	3.2
Participant H	20	Female	Sophomore	Liberal Arts	0-\$34,999	Masters, doctorate, or professional degree like medical doctor, veterinarian, or lawyer	High school or equivalent	3.5

## APPENDIX E

### IRB APPROVAL



Office of Research Integrity  
Research Compliance, MARC 414

#### MEMORANDUM

**To:** Dr. Jacqueline Lynch  
**CC:** Jocelyn Morris  
**From:** Maria Melendez-Vargas, MIBA, IRB Coordinator *WV*  
**Date:** June 3, 2021  
**Protocol Title:** "An exploratory examination of the knowledge, attitudes, capabilities, and socialization of Black college students and their lived experience of personal financial management"

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The Social and Behavioral Institutional Review Board of Florida International University has approved your study for the use of human subjects via the **Expedited Review** process. Your study was found to be in compliance with this institution's Federal Wide Assurance (00000060).

**IRB Protocol Approval #:** IRB-21-0201      **IRB Approval Date:** 06/02/21  
**TOPAZ Reference #:** 110120      **IRB Expiration Date:** 06/02/24

As a requirement of IRB Approval you are required to:

- 1) Submit an IRB Amendment Form for all proposed additions or changes in the procedures involving human subjects. All additions and changes must be reviewed and approved by the IRB prior to implementation.
- 2) Promptly submit an IRB Event Report Form for every serious or unusual or unanticipated adverse event, problems with the rights or welfare of the human subjects, and/or deviations from the approved protocol.
- 3) Utilize copies of the date stamped consent document(s) for obtaining consent from subjects (unless waived by the IRB). Signed consent documents must be retained for at least three years after the completion of the study.
- 4) **Receive annual review and re-approval of your study prior to your IRB expiration date.** Submit the IRB Renewal Form at least 30 days in advance of the study's expiration date.
- 5) Submit an IRB Project Completion Report Form when the study is finished or discontinued.

**HIPAA Privacy Rule:** N/A

**Special Conditions:** N/A

For further information, you may visit the IRB website at <http://research.fiu.edu/irb>.

MMV/em

## VITA

### JOYCELYN MORRIS

Born, West Palm Beach, Florida

- |             |  |
|-------------|--|
| 2002 – 2005 | B.S., Business Administration<br>Florida A&M University<br>Tallahassee, FL   |
| 2005 – 2007 | M.B.A., Business Administration<br>Florida A&M University<br>Tallahassee, FL |
| 2020 – 2022 | Doctoral Candidate<br>Florida International University<br>Miami, FL          |
| 2018 - 2022 | Graduate Student Assistant<br>Florida International University<br>Miami, FL  |

### PUBLICATIONS AND PRESENTATIONS

White, K., Park, N., Watkins, K., McCoy, M., and Morris, J. (2021). The relationship between objective financial knowledge, financial management, and financial self-efficacy among African American students. *Financial Services Review*, 29(3), pp 169 – 185.

Morris, J. (February, 2019). *Historical Examination of the Wealth Gap in the Black Community*. Paper presented at the meeting of Southeast Philosophy of Education Society, Decatur, Georgia.