Factors Underlying Financial Well-Being: A Young Adult Perspective
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Background
Although financial resources (e.g., income, savings) are typically associated with greater financial well-being, objective economic factors alone do not fully account for one’s perception of financial well-being (Johnson & Krueger, 2006).
Because financial instability among young adults is growing and many rely on parents for continuing emotional and financial support (Fingerman et al., 2009; Settersten, 2012), the present study sought to obtain a broader understanding of financial well-being as perceived and experienced by young adults.

Method
The primary research question guiding this study is:
“What are the factors that contribute to young adults’ perception of financial well-being?”

Transcribed interviews coded following the steps of content analysis (Weber, 1990).
1) Read through interviews and inductively developed mutually exclusive codes from emerging themes.
2) Grouped the coded data into categories. During this step, consensus meetings were held to assess the reliability of the coders using the same coding schema (κ = .87).
3) Disagreements were discussed until reaching total consensus on themes and categories.
4) After the coding was completed, the themes and categories were merged and findings triangulated (Creswell, 2007).

Sample
➢ One-on-one semi-structured interviews with a subsample of young adults (part of a larger longitudinal study).
➢ 31 participants including 6 men and 25 women (M = 24 years old).
➢ Three recent college graduates; 28 in their 4th year of college.
➢ Self-reported average GPA was 3.24.

Results
Financial Well-Being Conceptualized (n = 28)
“If you are financially well it doesn’t limit you to a lot of things” (Female).

Personal Financial Behavior (n = 26)
“I want to take classes in order to be successful. I want to be as financially independent as possible” (Female).

Financial Security (n = 28)
“Maybe just being stable; being able to provide for one’s self without being dependent on parents or you know some other source like a loan” (Female).

Explicit Financial Practices (n = 26)
“My parents sat me down and said okay so, you have X amount in your bank account and you need to figure out what you need to make to purchase a car” (Female).

Goal of Self-Sufficiency (n = 31)
“I really wish that I had a sense of money. We did grow up living very frugally...but we never really talked about it [money] very much” (Female).

Implicit Financial Practices (n = 25)
“I’ve seen a lot of my friends whose parents never explained things to them so, they didn’t understand that if they get a huge lump sum of money to not just go out and buy one thing with it but try and make it last a long time if you need it” (Female).

Implications
Because young adults continue to rely on their parents and families as they face increasing financial demands (Fingerman et al., 2009; Settersten, 2012), this study provides unique insight into interplay between financial well-being and young adults’ reflections on the parenting factors that contribute to financial well-being.