

# Putting Research to Work for Families



**Focus:**  
Civilian

## Purposive and Unintentional Family Financial Socialization, Subjective Financial Knowledge, and Financial Behavior of High School Students.

Deenanath, V., Danes, S.M., & Jang, J. (2019). Purposive and unintentional family financial socialization, subjective financial knowledge, and financial behavior of high school students. *Journal of Financial Counseling and Planning*, 30(1), 83-96. doi:10.1891/1052-3073.30.1.83

**SUMMARY:** Financial socialization plays an important role in the development of financial knowledge and behaviors in youth. To explore this role, relationships between the various factors that influence financial knowledge and behaviors were examined in a sample of students in a financial education program. Results found that financial socialization significantly impacted financial knowledge and financial knowledge was positively associated with healthy financial behaviors.

### KEY FINDINGS:

- Female high school students were found to be less confident with making financial decisions and less likely to access money through income or parents exclusively compared to male high school students.
- Communication with parents about finances was found to be positively correlated with high school students' confidence in financial decision-making and healthy financial behaviors.
- Latino and Native American students were found to be less confident with making financial decisions than White students, while Black students were more confident in financial decision-making than White students.
- Access to money through parents exclusively was found to be negatively correlated with perceptions of personal financial knowledge.

### IMPLICATIONS FOR YOUTH DEVELOPMENT PROFESSIONALS:

- Encourage discussion between students and their parents about financial matters to reinforce the practice of financial socialization
- Develop curricula for students to learn and discuss topics and questions related to financial literacy and decision-making

### IMPLICATIONS FOR PROGRAM LEADERS:

- Offer workshops on exploring careers and developing professional skills to encourage building financial literacy through employment
- Provide financial parenting curriculum for parents to teach them how to financially socialize and encourage healthy financial decision-making with their children

### IMPLICATIONS FOR POLICY MAKERS:

- Encourage integration and development of financial literacy curricula in schools that teach students financial knowledge and healthy financial behaviors
- Support partnerships between schools and local business that provide students with job or internship opportunities

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## METHODS

- Participants were recruited from the High School Financial Planning Program (HSFPP) through an evaluation survey of the program curriculum.
- Surveys measured for participant financial knowledge and behavior, as well as communication with parents about financial matters, confidence in making financial decisions, family and personal characteristics, and sources of income.
- Data analysis examined the relationships between intentional and unintentional financial socialization and financial knowledge and behavior as well as the association between financial knowledge and behavior.

## PARTICIPANTS

- The sample consisted of 4,473 students (46.3% males and 51.2% females) participating in the High School Financial Planning Program (HSFPP) curriculum with participants ranging from the 9th to 12th grade.
- Of the participants, 54.3% were White, 18.6% were Black, 15.1% were Hispanic/Latino, 2.8% were Asian American, 1.8% were Native American, and 4.6% were reported as “other”.
- Most participants reported living in a town with a population of less than 25,000 people (30.8%).

## LIMITATIONS

- Data were collected through self-reported measures which may have led participants to respond to questions in a socially desirable manner.
- Data were analyzed to determine significance of relationships between variables but these findings cannot draw conclusions on the direction of causality.
- Majority of participants were in the 12th grade (44.8%), which could affect generalizability of results to students in other grades.

## AVENUES FOR FUTURE RESEARCH

- Include a qualitative self-report approach such as semi-structured interviews to further understand the context and motivations of participants
- Examine other factors that may influence financial socialization such as participants’ or their parents’ culture
- Include measures from additional participants such as family members for a better understanding of family context and dynamic

## ASSESSING RESEARCH THAT WORKS



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