

Financial Stress, Self-Efficacy, and Financial Help-Seeking Behavior of College Students

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Financial stress and self-efficacy are examined in relationship to college students' financial help-seeking behavior utilizing Grable and Joo's (1999) framework. A cognitive approach is taken by focusing on the moderating role of financial self-efficacy on the relationship between financial stress and financial help-seeking. Data from the 2010 Ohio Student Financial Wellness Survey are analyzed. Logistic regression results indicate that those who are Black, have had a financial education course, have larger current student loan debt, experience higher levels of financial stress, and have high financial self-efficacy tend to seek help from professionals. A moderating role of financial self-efficacy is observed, although the effect is relatively weak. Implications for financial counselors, educators, and practitioners include attention to strategies for reaching populations that underutilize available services, increased effort to reach populations most in need of services, and optimizing opportunities for the inclusion of financial information as an antecedent to productive service provision.

Keywords: college students, financial stress, help-seeking, self-efficacy

According to the National Center for Education Statistics, the price of undergraduate tuition, room, and board increased 42% at public institutions and 31% at private institutions between the 2000 and 2010 academic years, after adjusting for inflation (NCES, 2012a). To afford the rising cost of education, students turn to borrowing and, as a result, many graduate with debt. Consequently, two-thirds of four-year college students report having completed their degree with some form of debt (NCES, 2012b).

Recent national surveys show that college students' debt and other related financial situations are one of the leading causes of stress. Finances were ranked as the second largest stressor among college students, following academics, in the National College Health Assessment (ACHA, 2011). More than one-third of the respondents report that finances are traumatic or very difficult to handle. Additionally, results from the 2012 National Survey of Student Engagement (NSSE, 2012) indicate that finances are a significant concern for the majority of college students and that three in five first-year students worry about paying for school and having enough money for regular expenses. Furthermore, in a national survey of college students and recent college graduates by Inceptia, four of the top five stressors identified by currently enrolled college students were related to personal finances, such as the need to repay loans, the cost of education, borrowing money

for college, and the need to find a job after school (Trombitas, 2012).

Since financial stress has been associated with academic failure (Joo, Durband, & Grable, 2008; Ross, Cleland, & Macleod, 2006; Trombitas, 2012; Wharton, 2007), adverse health issues (Nelson, Lust, Story, & Ehlinger, 2008; Westefeld et al., 2005), and negative financial practices (Hayhoe, Leach, Turner, Bruin, & Lawrence, 2000), identifying the factors affecting college students' coping behaviors is an important component of the effort to improve college students' well-being. Grable and Joo (1999) summarized the coping strategies related to financial problems that have been documented in the previous literature, which include reducing expenses, increasing income, improving management skills, borrowing money, employing psychological means to reduce or avoid stress, and seeking help. This study focuses on seeking financial help as a coping strategy for college students dealing with stress from personal finances.

The purpose of this study is to identify factors related to college students' seeking financial help based on Grable and Joo's (1999) financial help-seeking behavior framework. In this paper, financial help refers to professional personal financial help. Although students may seek financial help from

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other sources (e.g., family members or friends), our focus is on seeking help from personal finance professionals. In addition, this study incorporates a cognitive approach into the original framework by positing a moderating role for financial self-efficacy between financial stress and seeking financial help. Acknowledging the increasing interest in the role of psychological factors in financial behavior (e.g., Hira, 2010; Lown, 2011), this study furthers our understanding of the psychological influences on college students' financial help-seeking behavior by combining theoretical frameworks from personal finance and psychology.

Literature Review

Financial Help-Seeking Behavior

Help-seeking behavior has been studied extensively in medical, psychological, and sociological research (Grable & Joo, 1999). However, until Grable and Joo (1999) developed a framework applied to financial help, there had been very limited research on financial help-seeking behavior. Grable and Joo viewed help-seeking behavior as a coping strategy related to financial problems and based their approach on help-seeking behaviors in health care decision-making processes (see Suchman, 1966). The financial help-seeking process consists of five stages: (1) the exhibition of financial behaviors, (2) the evaluation of own financial behaviors, (3) the identification of the causes of financial behaviors, (4) the decision to seek help, and (5) the choice among help assistance options. Based on Grable and Joo's framework, two streams of research are most prevalent: the decision to seek help (stage 4) and from whom or what type of help to seek (stage 5).

Grable and Joo's (1999) empirical analysis examined whether demographic and socioeconomic factors, financial knowledge, financial stressors, financial risk tolerance, and financial behaviors were determinants of help-seeking behavior among clerical workers. The results from the discriminant analysis showed that individuals who were younger, did not own homes, reported high levels of financial stressors, or reported poor financial behaviors were more likely to seek help.

Britt et al. (2011) explored factors affecting whether students seek on-campus, peer-based financial counseling. Data were obtained from students who sought free financial counseling from an on-campus financial counseling center (the clinical group) and a sample of students who completed the survey in response to a cash incentive (the non-clinical group). All respondents were college students from the same university. The dependent variable was an indicator variable for whether the student was in the clinical group (i.e., sought help) or

the non-clinical group. The independent variables included measures of demographic characteristics, financial resources, financial attitudes, and mental health status. The results from a Classification and Regression Tree indicated that, in order of importance, persons with lower perceived net worth, higher mental health distress, higher age, lower perceived financial knowledge, and lower predicted income satisfaction were more likely to seek on-campus financial counseling. Results from the logistic regression analysis confirmed that students who were older, had less net worth, and less financial knowledge were more likely to be help-seekers (Britt et al., 2011).

Several studies have explored the types of help individuals use for personal finance assistance. Grable and Joo (2001) examined factors associated with the choice of seeking help from a financial professional or a non-professional. Those who indicated use of financial planners, financial counselors, insurance agents, or stockbrokers as their primary help provider were classified as professional help-seekers, while those who indicated use of friends, family, or work colleagues as their primary help provider were classified as non-professional help-seekers. Two psycho-social variables, self-esteem and financial satisfaction, were included in the analysis in addition to the explanatory variables utilized in Grable and Joo's (1999) original framework. The results from the discriminant analysis suggested that the decision to seek professional help is most directly associated with higher financial risk tolerance, better financial behaviors, homeownership, higher financial satisfaction, and higher age.

Joo and Grable (2001) also explored the factors associated with seeking professional help when making retirement investment decisions. The dependent variable was a dummy variable indicating whether or not the respondents used the advice of a financial professional for their recent retirement investment decisions. The independent variables included various demographic and socioeconomic variables, and factors for financial behavior, retirement attitude, and risk tolerance. The logistic regression results indicated that males and those with low income were significantly less likely to seek help from professionals while those who had better financial behaviors, positive retirement attitudes, and higher levels of risk tolerance were significantly more likely to seek professional help for their retirement investment decisions.

Financial Stress Among College Students

The literature on financial stress among college students has

focused on the negative effects of financial stress on well-being in terms of academic performance, health issues, and financial practices. Wharton (2007) explored college students' financial characteristics affecting their academic success, measured by GPA and credit hours earned. Financial stress of college students was measured by self-reports of whether or not the amount of debt caused them to reduce class loads, consider dropping out of college, or neglect academic work. The students who reported financial stress were found to earn lower grades and enroll for fewer credit hours per quarter. Joo, Durband, and Grable (2008) also approached college students' financial stress from the perspective of academic impacts. The students who experienced academic interruption, such as reducing course loads or dropping out for a semester due to financial matters, reported higher stress from their personal finances.

In the United Kingdom, Ross, Cleland, and Macleod (2006) investigated debt, stress, and academic performance of medical school students. The respondents rated money as the second most significant cause of stress following coursework. Students who perceived that worrying about money affected their academic performance were found to have poorer academic performance, while the level of debt itself showed no direct relationship with academic performance. More recent surveys have found that financial concerns interfere with academic performance (NSSE, 2012; Trombitas, 2012). A study by Trombitas (2012) found that one third of respondents reported that financial stressors have had a negative impact on their academic performance or progress.

Researchers have also investigated negative health issues related to financial stress. Nelson, Lust, Story, and Ehlinger (2008) found that credit card debt and perceived stress are related to unhealthy behaviors, such as insufficient physical activity and binge drinking. Financial stress has also been associated with suicide risk among college students. Among students who had attempted suicide, 78% cited financial stress as one of the reasons for the attempt (Westefeld et al., 2005).

Hayhoe et al. (2000) explored the relationship between financial stress and financial practices. They measured financial stress using the number of reported financial stressors, which included (1) not able to purchase clothing, (2) not able to discuss financial matters, (3) not able to pay utilities, (4) not able to save for emergencies, (5) have financial concerns that affect relationships, (6) no money for medical bills, and (7) not able to keep a car running. They found financial stress was negatively related with good

financial practices and positively related with bad financial practices. Students who were experiencing more financial stress were less likely to save regularly and feel they are doing a good job managing their finances, and more likely to pay interest, make minimum payments, write checks with insufficient funds in the bank, and regret making purchases.

Lastly, Archuleta, Dale, and Spann (2013) explored associations between financial anxiety among college students and measures of financial satisfaction, financial debt, and demographic control variables. Hierarchical multiple regression results indicated that student loan debt was associated with a larger increase in financial anxiety than an aggregate measure of total debt. Across all measures of debt, financial satisfaction retained a large and significant effect on lowering financial anxiety.

Financial Self-Efficacy

Self-efficacy, an important construct in social psychology, refers to a feeling of being able to deal with a situation effectively (Bandura, 1977). High levels of self-efficacy are expected to produce benefits to individual well-being, especially physical and mental health, through its influence on individuals' behavioral changes (Bandura, 1977, 1982; Gecas, 1989). In the cognitive theory of stress and coping, self-efficacy operates as a cognitive mediator of stress and stress-related adaptive behaviors (Folkman, 1984; Folkman, Schaefer, & Lazarus, 1979).

In the personal finance field, financial self-efficacy has been operationalized by incorporating financial management references into the general self-efficacy concept. Based on the global mastery (self-efficacy) scale first developed by Pearlin and Schooler (1978), Dietz, Carrozza, and Ritchey (2003) used a financial self-efficacy scale to analyze retirement saving strategies. Three items were chosen to form the scale: (1) I have little control over financial things that happen to me, (2) I often feel helpless in dealing with the money problems of life, and (3) There is little I can do to change many of the important money issues in my life. Danes and Haberman (2007) used financial self-efficacy to evaluate the effects of the National Endowment for Financial Education (NEFE) High School Financial Planning Program (HSFPP) curriculum on high school students, focusing on gender differences. Two aspects of financial self-efficacy were employed: (1) I believe the way I manage my money will affect my future, and (2) I feel confident about making decisions that deal with money. Lapp (2010) measured financial self-efficacy with three items: (1) I was good at planning for my financial future, (2) I was

satisfied with my financial situation, and (3) I was able to save money. Higher financial self-efficacy was associated with lower debt, fewer financial problems, lower financial stress, and higher savings and financial happiness. In an analysis of college students, Heckman and Grable (2011) used Danes and Haberman's (2007) construct related to confidence in financial decisions to measure financial self-efficacy and found that college students' financial knowledge was positively associated with financial self-efficacy.

Recently, Lown (2011) developed and assessed the validity of a financial self-efficacy scale. Adapted from the 10-item General Self-Efficacy scale by Schwarzer and Jerusalem (1995), the following items were used to measure financial self-efficacy: (1) It is hard to stick to my spending plan when unexpected expenses arise, (2) It is challenging to make progress toward my financial goals, (3) When unexpected expenses occur I usually have to use credit, (4) When faced with a financial challenge, I have a hard time figuring out a solution, (5) I lack confidence in my ability to manage my finances, and (6) I worry about running out of money in retirement. To assess the validity of the scale, the financial self-efficacy scale was compared with the Retirement Personality Type measure, a self-perception measure of investment sophistication, and financial confidence; the results supported the validity of the scale.

Conceptual Framework

To investigate the factors related to college students' financial help-seeking behavior, this study utilized Grable and Joo's (1999) financial help-seeking framework. Based on their five-stage framework, this study focused on the fourth stage, the decision to seek help, and specifically professional financial help. Grable and Joo's (1999) original framework includes financial knowledge, financial stressors, financial attitudes, and demographic and socioeconomic factors, such as age, gender, marital status, ethnic and racial background, household income, education, and number of financial dependents, as the determinants of financial help-seeking behavior. This study modified Grable and Joo's framework. The sample for this study was college students, therefore class rank and school type variables were included and age, marital status, education, and number of financial dependents were excluded. Household income was also excluded from the analysis since this information is not included in the data set. Financial knowledge (financial education) and financial stressors both remained in the model. The amount of student loan debt was included in the model as a financial stressor along with a factor score for financial stress. Financial attitudes also

remained in the model and were measured with the financial self-efficacy variable.

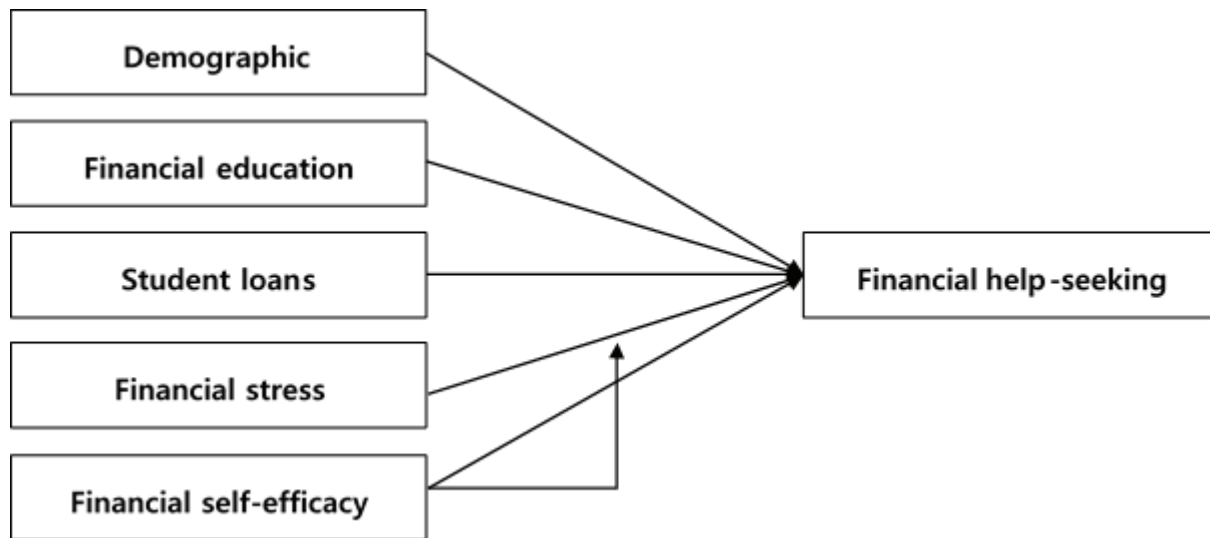
Additionally, this study extended the original framework of Grable and Joo by taking a cognitive approach. Financial self-efficacy could have a direct effect on financial help-seeking behavior, but the cognitive approach posits possible mediating or moderating roles as well. Individuals with higher financial self-efficacy may feel more able to deal with financial situations effectively and may seek professional financial expertise resulting in a direct and positive relationship between financial self-efficacy and financial help-seeking. The cognitive theory of stress and coping emphasizes that self-efficacy can also have a mediating role on the relationship between stress and help-seeking behavior. A mediator is defined as a variable that accounts for the relationship between an independent variable and a dependent variable (Baron & Kenny, 1986). If self-efficacy mediates the relationship between stress and help-seeking, then the impact of stress on help-seeking should be reduced and possibly become insignificant when financial self-efficacy is included in the model. On the other hand, a moderator is defined as a variable that affects the direction and/or strength of the relationship between an independent variable and a dependent variable (Baron & Kenny, 1986). If self-efficacy moderates the relationship between stress and help-seeking, then the strength of the relationship between stress and help-seeking will differ between individuals with high and low self-efficacy. Guided by previous research documenting associations between stress and help-seeking and between self-efficacy and help-seeking, the moderating role of financial self-efficacy was adopted. Figure 1 illustrates this framework.

Hypotheses

Based on the theoretical framework discussed above, three hypotheses were generated. The first two hypotheses were based on the financial help-seeking framework and the third hypothesis was based on the cognitive theory of stress and coping

- H1: There is a positive relationship between financial stress and financial help-seeking.
- H2: There is positive relationship between financial self-efficacy and financial help-seeking.
- H3: The relationship between financial stress and financial help-seeking is moderated by financial self-efficacy.

Figure 1. Conceptual Framework



Methodology

Data and Sample

This study utilized data from the 2010 Ohio Student Financial Wellness Survey (OSFWS). Following IRB approval, the OSFWS was administered in the fall of 2010 and nineteen Ohio postsecondary schools participated in the survey. Each participating institution drew a random sample of students from their undergraduate population who were then invited to participate in the online survey. To encourage participation, respondents were entered into a drawing for an iPad. The survey response rate was 17.1% resulting in 5,729 respondents. Information was collected on demographics, financial behavior, financial support, financial stress, financial socialization, academic priorities, and perception of debt. After eliminating observations with missing values on key variables, a sample of 4,713 respondents was used in the analysis.

Dependent Variable

The dependent variable was a binary variable distinguishing students who have sought financial help, coded 1, from those who have not, coded 0. Students who indicated that they have met with a financial counselor or advisor, a financial aid counselor, or a credit counselor concerning their finances were coded as seeking financial help.

Independent Variables

The independent variables included demographic characteristics, financial education, student loans, financial stress, and financial self-efficacy.

Demographic Characteristics. Variables were created to control for student characteristics including gender, racial/

ethnic identity, class rank, and type of institution attended. Gender was a binary variable with males coded 1. Students self-identified their racial/ethnic identities as one of the following categories: “White,” “Black,” “Hispanic,” “Asian,” or “other.” Dummy variables were created for each group and White was the reference category. Dummy variables were also created for the students’ class rank. The five categories were “freshman,” “sophomore,” “junior,” “senior,” and “other,” with freshman as the reference category. Lastly, dummy variables were created to distinguish the type of educational institution each student attends. The three categories were “community college,” “4-year public university,” and “4-year private university,” with 4-year public university as the reference category.

Financial Education. Financial education was measured with two dummy variables. The survey used a 4-point Likert scale to measure agreement with statements about attending personal finance classes or workshops while in high school and while in college. To make a distinction between students who took a financial education course and those who did not, students were coded as receiving high school financial education if they agreed or strongly agreed that they have attended personal finance classes or workshops while in high school. Financial education in college was measured in a similar manner. Dummy variables were appropriate in this case because the distinction was between students who took a financial education course and those who did not; the degree to which they received financial education was not the focus.

Student Loans. The respondents to the 2010 OSFWS were asked how much they currently owe in student loans. The

possible answers were 1 (none), 2 (less than \$1,000), 3 (\$1,000 to 4,999), 4 (\$5,000 to 9,999), 5 (\$10,000 to 19,999), 6 (\$20,000 to 29,999), 7 (\$30,000 to 39,999), 8 (\$40,000 to 49,999), 9 (\$50,000 to 74,999), 10 (\$75,000 to 100,000), 11 (over \$100,000), and 12 (don't know). Those who answered that they don't know how much they currently owe in student loans (category 12) were excluded from the sample in this study. Because the intervals between categories were not consistent, the categorical answers were transformed to continuous values by using \$0 for category 1, \$112,500 for category 11 and taking the midpoint of each range for the other categories.

Financial Stress. Financial stress was measured with a factor score obtained from the following six statements/questions:

1. I feel stressed about my personal finances in general.
2. I worry about being able to pay monthly expenses.
3. I worry about having enough money to pay for school.
4. How much stress does the total amount of money you owe cause you?
5. How much stress does credit card debt cause you?
6. How much stress does student loan debt cause you?

For items 1 to 3, students responded on a four-point scale, ranging from 1 (strongly disagree) to 4 (strongly agree). For items 4 to 6, students responded on a six-point scale: 1 (does not apply/no debt), 2 (none), 3 (small amount), 4 (medium amount), 5 (large amount), and 6 (extreme amount). Higher scores on the financial stress factor represent higher financial stress. From the factor analysis, one factor was extracted from the above six items with a Cronbach's alpha of 0.826.

Financial Self-Efficacy. Financial self-efficacy was measured by a single question that prompted self-assessment of one's ability to manage personal finances. The statement was "I can manage my money well" and students responded on a scale ranging from 1 (strongly disagree) to 4 (strongly agree). Given the distribution of student responses to this statement, the four categories were collapsed into two groups: those who

disagreed and those who agreed. For simplicity of discussion, students who disagreed or strongly disagreed to this statement are referred to as the "low" financial self-efficacy group; students who agreed or strongly agreed are referred to as the "high" financial self-efficacy group.

The measurement of financial self-efficacy in the survey is a limitation worth noting. Both the question and the scale likely skewed participant responses towards agreeing since disagreeing at any level suggested the student was not competent and a neutral option or larger scale was not available. See Schwarz (1999) for a thorough discussion about the influence of questions and scales on participant responses.

Data Analysis

For the multivariate analysis, a series of logistic regressions were conducted. All the analyses were conducted using SPSS 20 for Windows.

Results

Descriptive Analysis

About two out of five respondents (18.5%) reported to have met with a financial counselor or advisor; 27.2% reported to have met with a financial aid counselor; and 4.9% reported to have met with a credit counselor concerning their finances. Those who have met with at least one of those financial professionals were categorized as financial help-seekers, representing approximately 40% of the sample (Table 1). This number is lower than what has been reported in past studies. In Grable and Joo's 1999 study of clerical workers, about 53% reported that they sought financial help from a financial planner, an attorney, a credit/budget counselor, or friends/relatives/co-workers. In the study of faculty and staff members (Grable & Joo, 2001), 51% sought professional help or advice about a personal finance question, problem or issue, while 57% of workers who sought or used help regarding retirement investment reported that they sought help from financial professionals (Joo & Grable, 2001). The lower reported financial help-seeking frequency in our study may be explained by the relatively young age of our sample and the fact that traditional undergraduate students are still financially

Table 1. Help-Seeking by Financial Professional

		Frequency (Percentage)
Concerning my finances, I have met with	Financial counselor or advisor	873 (18.5%)
	Financial aid counselor	1,280 (27.2%)
	Credit counselor	229 (4.9%)
	At least one of them	1,860 (39.5%)

Table 2. Descriptive Statistics of the Independent Variables

Variables	Full Sample (N=4,713)	Help-Seeker (N=1,860)	Non Help-Seeker (N=2,853)
	Proportion	Proportion	Proportion
Gender			
Female	68.10%	71.30%	66.10%
Male	31.90%	28.70%	33.90%
Race			
White	83.20%	80.50%	85.00%
Black	7.20%	9.50%	5.70%
Hispanic	2.30%	2.50%	2.10%
Asian	2.70%	2.20%	2.90%
Other race	4.70%	5.30%	4.30%
Rank			
Freshman	26.10%	30.00%	23.60%
Sophomore	23.60%	24.20%	23.20%
Junior	19.20%	19.00%	19.40%
Senior	25.70%	22.20%	28.00%
Other rank	5.30%	4.60%	5.80%
Institution type			
4-year public	36.70%	26.90%	43.10%
4-year private	36.30%	42.10%	32.60%
2-year public	27.00%	31.00%	24.30%
Financial education - high school			
No	73.80%	65.90%	79.00%
Yes	26.20%	34.10%	21.00%
Financial education - college			
No	82.80%	73.80%	88.70%
Yes	17.20%	26.20%	11.30%
Financial self-efficacy			
Low	20.00%	18.80%	20.80%
High	80.00%	81.20%	79.20%
	Mean	Mean	Mean
Student loan (\$1,000)	13	15	12
Financial stress factor	0	0.23	-0.15

dependent upon parents.

The majority of the respondents were female (68%) and White (83%). These characteristics are comparable with the characteristics of the respondents in past studies with a large proportion of the sample made up of females and white respondents (Grable & Joo, 1999; Grable & Joo, 2001; Joo & Grable, 2001). Respondents' ranks were distributed relatively evenly with 26% freshmen; 24% sophomores; 19% juniors; 26% seniors; 5% of respondents reported their rank as "other."

Students who attended a 4-year public college, 4-year private college, and 2-year community college accounted for 37%, 36%, and 27% of the sample, respectively. Only a small proportion of students in the sample reported that they have attended personal finance classes or workshops while in high school (26%) or college (17%). A majority of the respondents (80%) reported that they manage money well. The average student loan amount was \$13,000, although this was higher in the help-seeking group (\$15,000) than the non-help-seeking group (\$12,000). The help-seeking group had higher scores

Table 3. Items Used for Financial Stress Factor

	Mean Score		
	Full Sample (N=4,713)	Help-Seeker (N=1,860)	Non Help-Seeker (N=2,853)
I feel stressed about my personal finances in general. (1-4)	2.98	3.09	2.9
I worry about being able to pay monthly expenses. (1-4)	2.68	2.84	2.58
I worry about having enough money to pay for school. (1-4)	2.76	2.94	2.64
How much stress does the total amount of money you owe cause you? (1-6)	3.62	3.95	3.41
How much stress does credit card debt cause you? (1-6)	2.32	2.47	2.23
How much stress does student loan debt cause you? (1-6)	3.41	3.85	3.13

of financial stress (+0.23) than the non-help-seeking group (-0.15). Table 2 contains descriptive statistics for the full sample as well as the help-seeking and non-help-seeking sub samples. The items used to create the financial stress factor score are summarized in Table 3. The mean score on each item was higher for the help-seeking group compared to the non-help-seeking group.

Multivariate Analysis

Three empirical models were estimated in order to assess the relative contribution of the sets of explanatory variables of interest in this study. Model 1 included only demographic characteristics. Model 2 added two financial education variables, student loans, a financial stress factor score, and a financial self-efficacy variable. Finally, the interaction term between financial stress and financial self-efficacy was included in Model 3 to examine the moderating role of financial self-efficacy. Likelihood ratio tests were conducted to examine whether newly entered variables added explanatory power to the models. In this study, financial self-efficacy is regarded as a moderator, since it is hypothesized to affect the relationship between financial stress and help-seeking behavior. If the interaction is significant, the moderator hypothesis is supported (Baron & Kenny, 1986; Cohen, Cohen, West, & Aiken, 2003). Table 4 contains the logistic regression results.

Model 1. Gender, race, rank, and institution were significantly associated with financial help-seeking. Males and older students had lower odds of having met with financial professionals compared to females and freshmen, while Black students and students attending 4-year private colleges or 2-year public colleges had higher odds of having met with financial professionals compared to White students and students attending 4-year public colleges, respectively. When controlling for other demographic characteristics, students

attending 4-year private schools or 2-year public schools had approximately two times the odds of seeking help compared to 4-year public school students. The odds of having met with financial professionals were 80% higher for Black students than for White students.

Model 2. The variables entered in Model 2 added significant explanatory power evidenced by the likelihood ratio test ($p < 0.001$). Both financial education variables were positively associated with help-seeking behavior. Compared to students who did not complete a personal finance class in high school, students who had completed a high school personal finance class had 60% higher odds of seeking financial help. The impact of financial education in college was even stronger. Students who attended a personal finance class in college had almost 2.5 times the odds of seeking help compared to students who did not attend a personal finance class in college. Also, student loan debt amount, financial stress, and financial self-efficacy were positively associated with help-seeking behavior. Those who reported “high” financial self-efficacy had about 34% higher odds of having sought financial help compared to those who reported “low” financial self-efficacy. After these new variables were added, the demographic characteristics remained significant.

Model 3. Model 3 tested the moderating effect of financial self-efficacy on the relationship between financial stress and help-seeking behavior by adding an interaction term between financial stress and financial self-efficacy to Model 2. The result of the likelihood ratio test indicates that the interaction term between financial stress and financial self-efficacy adds some explanatory power in Model 3, though only at the $p < 0.1$ level.

The direct effects of financial stress and financial self-efficacy decreased slightly after including the interaction term between

financial stress and self-efficacy. The interaction term showed a positive impact on help-seeking behavior, but was only significant at the $p < 0.1$ level. Compared to those with low financial self-efficacy, those with high financial self-efficacy had higher odds of seeking financial help when financial stress increased. Figure 2 illustrates the relationship among financial stress, financial self-efficacy, and help-seeking behavior after controlling for other covariates at the respective means. A steeper slope of the financial stress on the probability to seek help in the high financial self-efficacy group implies that high financial self-efficacy leads financially-stressed students to seek financial help.

Discussion

The findings in this study contribute to the understanding of the type of college student who may seek financial help. We found that male students are less likely than female students to seek financial help, consistent with the findings by Joo and Grable (2001). There are also differences by racial/ethnic identity as Black students are more likely to seek help than White students. Our results indicate that students are increasingly less likely to seek help as class rank increases. Although Britt et al. (2011) found that older students were more likely to seek help, there are important differences between the independent variables in the current study and the study by Britt et al. that may be influenced by age. For example, Britt et al. included mental health, income, net worth, and self-perceived financial knowledge as independent variables. Our data did not allow us to measure these variables but did include other variables that were not included in the study by Britt et al. (e.g., race/ethnicity and a richer financial stress measure). These variables may plausibly be correlated with age so our finding may be explained by differences in these factors. Our finding on the relationship between class rank and the probability of seeking help may reflect the recent growth of financial counseling services for college students and the reality that these programs are more likely to reach students at the front end of their college education. Students tend to be more engaged with the university community in the early years of college as many students live on campus and have more opportunities to participate in university programs and to learn about university services.

Compared to students from 4-year public schools, those attending 4-year private or 2-year public schools are almost twice as likely to seek financial help. This could be due to the nature of those schools. Because many private schools have higher tuition (NCES, 2012a), some students and their families may seek help in financing private education. Also, 2-year

schools tend to have more nontraditional students who may have unique financial circumstances, such as lack of financial support from family or full-time employment (Lapovsky, 2008), which may lead to greater help-seeking behavior.

Financial education courses, financial stress, and student loan balances are significant predictors in the model. While Britt et al. (2011) found that less knowledgeable students are more likely to seek help, we found that students who have received personal finance education are more likely to seek help; while this may appear to be a contradiction, there are some possible explanations for our finding. One possible explanation is that students become more aware of local and/or on-campus services through personal finance education. Research has also shown that consumers generally overestimate their ability in a number of areas (Barber & Odean, 2000; Lusardi & Mitchell, 2007; Perry, 2008). Therefore, another possible explanation is that personal finance education reduces student overconfidence in their ability to handle their personal finances. Students who attend personal finance classes are exposed to material that they did not know about prior to the class, which reduces their tendency to overestimate their own level of competency. This speculation needs to be examined more closely by future research. The findings on financial stress are consistent with Grable and Joo (1999) who found that individuals experiencing financially stressful events are more likely to seek help. Those who currently owe larger amounts of student loans are more likely to seek financial help. This is consistent with Britt et al. (2011) who found that students with lower perceived net worth are more likely to seek financial counseling. This may lend further support to concerns about the effect that student loans are having on students. Students may perceive loans as being problematic which motivates them to seek help.

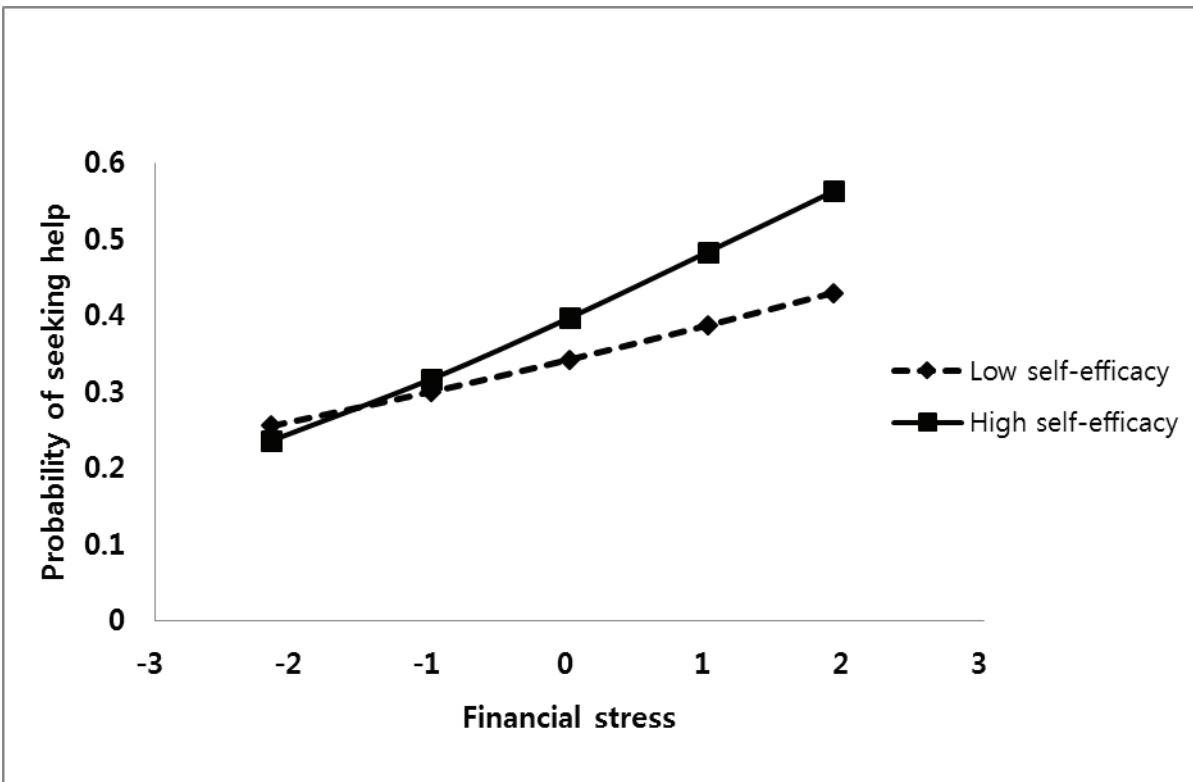
The positive effect of financial self-efficacy on financial help-seeking in the current study provides further evidence of the favorable outcomes associated with self-efficacy in social psychology research (Gecas, 1989). The role of self-efficacy in stress and coping processes has been largely recognized in the cognitive theory of stress and coping (Folkman, 1984; Folkman, Schaefer, & Lazarus, 1979). The current study found only a weak moderating effect of financial self-efficacy on help-seeking behavior. This might be due to the limitation of the financial self-efficacy measure used in the current study. Although previous research (Danes & Haberman, 2007; Dietz, Carrozza, and Ritchey, 2003; Heckman & Grable, 2011; Lapp, 2010) has also utilized relatively simple measures of items of financial self-efficacy, future research should adopt a more

Table 4. Results from Logistic Regression Analysis (N=4,713)

	Model 1			Model 2			Model 3		
	b	SE	Odds Ratio	b	SE	Odds Ratio	b	SE	Odds Ratio
Gender (Reference category: Female)									
Male	-0.168*	0.066	0.845	-0.145*	0.07	0.865	-0.148*	0.07	0.863
Race (Reference category: White)									
Black	0.596***	0.116	1.815	0.498***	0.121	1.645	0.500***	0.121	1.648
Hispanic	0.28	0.202	1.322	0.186	0.209	1.204	0.192	0.209	1.212
Asian	0.026	0.197	1.026	0.108	0.206	1.115	0.106	0.206	1.112
Other race	0.318*	0.142	1.374	0.252†	0.15	1.287	0.254†	0.15	1.289
Rank (Reference category: Freshman)									
Sophomore	-0.193*	0.085	0.824	-0.278**	0.089	0.757	-0.274**	0.089	0.761
Junior	-0.202*	0.093	0.817	-0.412***	0.099	0.662	-0.409***	0.1	0.664
Senior	-0.366***	0.088	0.694	-0.614***	0.098	0.541	-0.609***	0.099	0.544
Other rank	-0.431**	0.147	0.65	-0.565***	0.155	0.568	-0.560***	0.155	0.571
Institution (Reference category: 4-year public)									
4-year private	0.720***	0.073	2.054	0.594***	0.076	1.812	0.593***	0.076	1.809
2-year public	0.645***	0.082	1.907	0.569***	0.086	1.766	0.569***	0.086	1.767
Financial education in high school				0.472***	0.074	1.602	0.470***	0.074	1.6
Financial education in college				0.854***	0.086	2.348	0.857***	0.087	2.357
Student loan (\$1,000)				0.008***	0.002	1.008	0.008***	0.002	1.008
Financial stress				0.323***	0.036	1.381	0.193*	0.079	1.213
Financial self-efficacy				0.293***	0.081	1.34	0.235**	0.086	1.265
Financial stress * Financial self-efficacy							0.158†	0.086	1.171
Constant	-0.692***	0.082	0.5	-1.129***	0.11	0.323	-1.074***	0.114	0.342
Nagelkerke R square (-2Log Likelihood)	0.054 (6131.993)			0.147 (5780.875)			0.148 (5777.513)		
Likelihood Ratio Test: χ^2 (df)	190.8 (11)***			351.1 (5)***			3.4 (1)†		

Note. † $p < .1$. * $p < .05$. ** $p < .01$. *** $p < .001$

Figure 2. The Effect of Financial Stress on the Probability of Seeking Help by Financial Self-Efficacy



sophisticated measure for financial self-efficacy (e.g., Lown, 2011).

Conclusion and Implications

Seeking financial help in college can be advantageous for students, particularly in the current environment of escalating student loan debt. In this paper, we discuss which student characteristics are associated with increased likelihood of seeking financial help. This information is useful for developing programs and services designed to assist college students with their personal finances. Despite escalating student loan debt, fewer than half of the respondents in the current study have sought financial help. Higher education administrators should consider ways to reach out to populations who underutilize the services available to them— such as men and students further along in their studies. Specifically, we recommend greater focus from financial counselors and administrators on students near graduation because they are less likely to seek help but are likely facing greater financial responsibility and growing debt burdens following graduation. Additionally, there may be ways to capitalize on the finding that new students are more likely to seek financial help. First-year experience classes may be an ideal setting to highlight financial assistance on campus and to begin to educate students about student loan borrowing and repayment so that responsible decisions can be made

throughout their college careers. Students who had taken financial education courses or had participated in financial education workshops were more likely to engage in financial help-seeking. While the mechanism that triggers this behavior needs further research, we suggest that financial education may increase awareness of available resources and services, or may reduce tendencies to overestimate one’s own level of competency, which in turn increases the perceived value of professional financial help.

One of the most valuable contributions of this paper is highlighting the relationship between financial stress, financial self-efficacy, and financial help-seeking. As concerns about student financial stress grow, this study provides some evidence that financial self-efficacy could be an important consideration in campus financial wellness initiatives. The results suggest that increasing financial self-efficacy may be an effective way to improve student financial well-being because it leads to seeking financial help. Given that previous research has shown a positive relationship between financial knowledge and financial self-efficacy (Heckman & Grable, 2011), offering personal financial classes on campus may help increase financial self-efficacy among students. This is of course, assuming that financial education increases financial knowledge among students. Future research should consider using experimental designs to more strongly establish

the causal relationship between financial stress, financial education, financial knowledge, and financial self-efficacy.

Knowledge and awareness were found to be important antecedents to help-seeking. The implication for the practice of financial planning is to highlight the importance of providing appropriate information that can increase client understanding as an important antecedent to a successful client-practitioner relationship. The relationship between financial stress, financial self-efficacy, and financial help-seeking transfers to the practice of financial planning. Financial stress is positively associated with financial help-seeking, and the positive association is stronger among individuals with high financial self-efficacy. Understanding self-efficacy of clients can inform appropriate outreach in response to economic and market changes. Clients with higher financial self-efficacy may self-identify the need for help and initiate contact, while clients with lower self-efficacy may respond better to advisor-initiated contact.

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