

# Financial Situation of College Students

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## Abstract

The aim of the study was to determine the financial well-being of university students in sports education according to their gender, age, grade/class, education department and residence (place to live). Total 654 college students (M, age=21.08 ± 1.25) participated in the study. The study designed as a descriptive study and the Turkish version of Financial Well Being used as the data-gathering tool. In the evaluation of data independent samples t-test and one-way ANOVA statistical methods used as the hypothesis tests. According to the study findings, financial situation of university students in the research is a bad level. However, although there was no statistically significant difference in the gender variable, the financial status perceptions of the female participants were found to be worse than the male participants. Also as a result of the analyses, no statistically significant difference was determined according to the variable of department. According to the results of the study, it was found that financial well-being decreased with age. According to the results of the research, it was found that the financial well-being decreased as the grade level increased. In addition, it was found that the financial situation of the participants living in the student house was worse than the other group participants.

**Keywords:** college students, financial situation, money

## 1. Introduction

In recent years, it is obvious that the embargoes of the conflicts have been economically centered and the countries with a better economy than the others have a stronger structure. In addition, it is a fact that countries' economic conditions directly affect people. Financial well-being, which can also be defined as a person's perception of himself / herself in financial terms, is affected by many factors. In addition to being indebtedness, financial attitudes also affect the state of debt.

Increasing product diversity and instability of the global economy in the twenty-first century have led to increased complexity of financial decisions and at the same time caused consumers to face difficulties in economic and financial activities (Taft et al., 2013).

Today, the majority of young adults face serious threats to their financial and economic well-being. The consumer economy encourages them to spend money, offers an easy way to shop on the Internet, and the credit card system provides them with easily accessible and transparent borrowing tools (Shim et al., 2009).

Many of the students prefer the option of borrowing or using a credit card to cover the cost of education and living (Lim et al., 2014). In this context, this situation can also affect the poor students. Especially in recent years, there is a lot of research about the financial situation of students. (Chan et al., 2012; Lantara and Kartini, 2015; Richardson et al., 2018; Hageman et al., 2019).

The concept of monetary poverty negatively affects the way people live and the societies in parallel. In particular, the phenomenon of material poverty, which has a high impact on mentally affecting individuals negatively affects people physically as well (Tasdemir, 2014; Ngamo and Mayimbo, 2017). The youth of individuals is one of the most important parts of their lives and forms the basis for future periods (Bas, 2017). It is thought that the material deprivations that individuals will experience in these periods will adversely affect their thoughts about life. Many studies linking the concept of happiness and peace to the financial situation show that there is a positive but not strong relationship between these two concepts. (Noland, 2015; Boyce et al., 2010; Sengupta et al., 2012; Mogilner

and Morton, 2016). The positive relationship between these two concepts has an impact on people's minimum living standards.

The period of university students is a period in which individuals are free and can apply their own decisions. During this period, university students make their economic decisions with their own free will. In general, university students become financially difficult because they do not have sufficient knowledge and experience about financial expenditures. Financial education should be provided in universities. Education in universities is not expected to be the only factor that will solve the financial problem. Education in universities should only be considered as an integral part of the whole. In this context, the economic education of individuals should be given more importance and started earlier to solve the problem (Crain, 2013).

As a result of the evaluations made, it is important to determine the perceptions of the financial situation of university students and to make suggestions about this issue. The aim of the study was to determine the financial well-being of university students in sports education. The research question in this study is to determine the financial well-being of university students in sports education and to determine whether the financial well-being of university students varies according to different variables.

## 2. Method

The research was carried out using quantitative research method. A total of 654 students from the School of Physical Education and Sports of Kastamonu University participated in the study. The research data were obtained from the participants in the electronic environment. As a sampling method, simple random sampling method was preferred. In the research, Financial Goodness Scale consisting of two sub-dimensions and ten items, adapted by Sunal (2010) to Turkish, was used as a measurement tool. The high average score of the participants indicates that the participants are in a worse financial situation.

For the analysis of the data obtained from the research, the normality values of the data were examined and total score and sub-dimensions were found to be normal distribution (Can, 2016). In this sense, Independent T Test and One Way Anova methods were used for parametric analysis methods. Scheffe test was preferred to see the difference between groups with more than two variables. The reliability value of the research data was tested with Cronbach Alpha value and it was found that the data had .89. Expressions in the scale, I fully agree "5 points (5.00-4.20)", I agree "4 points (4.19-3.40)", I am undecided "3 points (3.39-2.60)", disagree "2 points (2.59-1.80)", I strongly disagree The  $n-1 / n$  formula was used to determine the score ranges ( $5-1 / 5 = 4/5 = 0.80$ ). In the evaluation of the data, the highest score should be 5 and the lowest score should be 1. The study was conducted following the Declaration of Helsinki (1964). Confirmatory factor analysis method was used for the validity of the data. As a result of the confirmatory factor analysis, the fit indices of the data were determined to be sufficient ( $\chi^2/sd$ , 2.47; RMSEA, .63; SMRM, .60; NFI, .91; CFI, .92; GFI, .91; AGFI, .89; PGFI, .69).

**Table 1.** Demographic Information of Participants

	Groups	n	%
Age (Mean)	21.07	654	100
Gender/Sex	Man	438	66.9
	Woman	216	33.1
Grade/Class	1	136	20.8
	2	153	23.4
	3	139	21.3
	4	226	34.6
Department	Sports Management	297	45.4
	Coach Education	190	29.1
	Physical Teacher Education (P.E.T.E)	167	25.5
Residence (Place of Live)	Dormitory	170	26.0
	Student House	376	57.5
	Family House	108	16.5
Total		654	

### 3. Results

**Table 2.** Financial Well-Being Scores of Participants and Skewness-Kurtosis Values

Sub-Dimensions	$\bar{X}$	Std. Deviation	Skewness	Kurtosis
Current Financial Situation	3.19	1.32	-.242	-1.296
Future Financial Situation	3.47	1.31	-.426	-1.016
Total	3.24	1.27	-.283	-.394

Accordingly, data's analyses, the sub-dimension with the highest average was found to be the Future Financial Situation sub-dimension and the sub-dimension with the lowest average was the Current Financial Situation sub-dimension. In addition, the total score obtained from the Financial Well-Being scale was  $\bar{X}=3.24$ .

**Table 3.** T-test Results of Participants According to Gender Variable

Sub-Dimensions	Gender/Sex	n	$\bar{X}$	Ss	p	Difference
Current Financial Situation	Man (1)	438	3,17	1,31	.531	-
	Woman (2)	216	3,23	1,34		
Future Financial Situation	Man (1)	438	3,45	1,31	.607	-
	Woman (2)	216	3,51	1,31		
Total	Man (1)	438	3,22	1,27	.533	-
	Woman (2)	216	3,29	1,29		

\*p<0.05

According to the gender variable, there is not any statistical differences in mean scores of scale and sub-simension score. But in total score and sub-dimensions scores of women participants has a higher scores than man participants. In other words, women participants' perception of their financial situation worse than man participants.

**Table 4.** Anova Results of the Participants According to Department Variables

Sub-Dimensions	Department	n	$\bar{X}$	Ss	p	Difference
Current Financial Situation	Sports Management (1)	167	3.08	1.04	.30	-
	Coaching Education (2)	189	3.15	1.04		
	Physical Education Teacher (3)	297	3.27	1.24		
Future Financial Situation	Sports Management (1)	167	3.40	1.14	.60	-
	Coaching Education (2)	189	3.45	1.06		
	Physical Education Teacher (3)	297	3.52	1.07		
Total	Sports Management (1)	167	3.16	0.84	.35	-
	Coaching Education (2)	189	3.20	0.83		
	Physical Education Teacher (3)	297	3.32	1.06		

\*p<0.05

According to the gender variable, there is not any statistical differences in mean scores of scale and sub-dimension score. However, total score and sub-dimensions scores of P.E.T.E student's participants has a higher scores than other groups. In other words, P.E.T.E student's participants' perception of their financial situation was worse than other group's participants

**Table 5.** Anova Results According to Grade/Class Variables

Sub-Dimensions	Grade/Class	n	$\bar{X}$	Ss	p	Difference
Current Financial Situation	1	136	2.81	1.39	.000*	2.3.4>1
	2	153	3.09	1.30		
	3	139	3.34	1.23		
	4	226	3.42	1.29		
Future Financial Situation	1	136	3.17	1.42	.011*	3.4>1
	2	153	3.43	1.35		
	3	139	3.56	1.20		
	4	226	3.17	1.25		
Total	2	153	3.16	1.27	.000*	3.4>1
	3	139	3.47	1.17		
	4	226	3.38	1.24		

\*p<0.05

There were a statistically significant difference total scale cores and all sub-dimension according to class variable. According to the results, the average of the 2nd, 3rd and 4th grade group’s points were found to be higher than the 1st grade group average scores in current financial situation sub-dimension. Also the average of the 3rd and 4th grade points were found to be higher than the 1st grade group average scores in future financial situation sub-dimension In total scale scores 3rd and 4th grade points were found to be higher than the 1st grade group average scores and 3rd grade e points were found to be higher than the 2nd grade group average scores. In other words, according to the results of the analysis, it is seen that the perception of financial ill-worsening increases with the increase of class status.

**Table 6.** Anova Results According to Residence Variables

Sub-Dimensions	Residence	n	$\bar{X}$	Ss	p	Difference
Current Financial Situation	Dormitory	170	3.07	1.34	.023*	2>3
	Student House	376	3.31	1.29		
	Family House	108	2.96	1.34		
Future Financial Situation	Dormitory	170	3.43	1.31	.314	-
	Student House	376	3.53	1.32		
	Family House	108	3.32	1.27		
Total	Dormitory	170	3.14	1.30	.036*	2>3
	Student House	376	3.35	1.26		
	Family House	108	3.03	1.26		

\*p<0.05

There were a statistically significant difference total scale cores and current financial situation sub-dimension according to Residence variable. According to the results student house groups scores higher than family house groups scores in current financial situation sub-dimension and total scale scores. It means the perception of financial well-being of the participants living in the student house was found to be worse than the participant living in family house.

**Table 7.** Perason Correlation Analysis between Participants' Age Variable and Sub-Dimensions and Total Score

		Age	Current Financial Situation	Future Financial Situation	Total
Age	Pearson Correlation	1	.104**	.048	.096*
	Sig. (2-tailed)		.008	.218	.014
	N	654	654	654	654
Current Financial Situation	Pearson Correlation	.104**	1	.801**	.992**
	Sig. (2-tailed)	.008		.000	.000
	N	654	654	654	654
Future Financial Situation	Pearson Correlation	.048	.801**	1	.868**
	Sig. (2-tailed)	.218	.000		.000
	N	654	654	654	654
Total	Pearson Correlation	.096*	.992**	.868**	1
	Sig. (2-tailed)	.014	.000	.000	
	N	654	654	654	654

#### 4. Discussion

According to the results of the research, the financial status of the participants was found to be moderately low. According to the results of the research conducted by Daud et al. (2018), it is stated that students in higher education are in poor financial condition and cannot finance high living costs. According to the results of the study conducted by Palm (2017), the credit card usage behaviors of many university students were expressed as problematic. In this context, researches examined, it is concluded that the financial status of university students is low.

According to the results of the study, although there was no statistically significant difference in the gender variable, the financial status perceptions of the female participants were found to be worse than the male participants. These results are thought to be related to the fact that female participants have less employment opportunities. It can also be linked to the low level of financial experience of women in a culturally social society. Sabri and Falahati (2011) investigated the relationship between university students and financial well-being according to gender. According to the results of the research, female students have a much higher level of financial satisfaction than male students. In this context, it is seen that there is a difference between the results of this research and the results of Falahati and Paim. This difference is thought to be due to the social and cultural structures of the participants in different countries. In the study conducted by Tran et al. (2018), financial stress levels of university students were examined. According to the results of the research, financial stress levels of female participants were found to be higher than male participants.

In the study conducted by Theodos et al. (2014), financial well-being and financial knowledge levels of men and women were examined. According to the results of the study, financial well-being of female participants was lower than male participants. In this sense, the results of this research are similar to those of Theodos et al. This similarity is thought to be related to the high level of financial knowledge of the female participants in the research conducted by Theodos et al.

As a result of the analyses, no statistically significant difference was determined according to the variable of department. Nevertheless, it has been found that the students of sports management department have a better level of financial well-being. This situation is thought to be related to the course content (finance, economics, etc.) given in the sports management department. Kılıc et al. (2015) examined the financial literacy status of university students. According to the results of the study, the students with the highest average score were the students of the faculty of economics. In this context, it is thought that finance courses given to students cause similarity of results.

According to the results of the research, it was found that the financial situation of the participants living in the student house was worse than the other group participants. This situation is thought to be related to the financial burden of living in the student house. The fact that the participants living in the student house have extra expenses such as invoice, kitchen expenses, fuel natural gas and internet compared to the participants living in the dormitory and living in the family house are thought to be the reason for this situation.

In the study conducted by Özer (2019), financial literacy levels of university students were examined according to different variables. According to the results of the research, financial expenditure perception levels of university students living in student houses were found to be higher than other groups. In this context, it is seen that there is a

similarity between the results of this research and the results of the research done by Ozer. This similarity is thought to be related to the inclusion of participants from the same culture in the researches.

According to the results of the study, it was found that financial well-being decreased with increasing age. This result is thought to be related to increasing needs with age and development of social life. Fry (2014) investigated the economic status of young adults. According to the results of the study, financial well-being decreased with increasing age. In this sense, it is seen that there is a similarity between the results of Fry and the results of this research within the scope of age variable.

According to the results of the research, it was found that the financial well-being decreased as the grade level increased. The increase in the level of the individual's personal development and education needs with the increase in the class can be shown as the cause of this result.

In the studies conducted by Bicer and Altan (2016) on university students, a significant difference was found according to the students' class levels. According to the results, the average scores of 4th grade students in the expenditure sub-dimension were found to be higher than the 1st grade and 3rd grade students. In this context, it is seen that there is a similarity between the results of Bicer and Altan and the results of this research according to the class variable.

## 5. Limitations and Conclusion

As a result, it has been determined that the financial situation of university students in the research is not at a good level. In addition, it was found that the participants showed statistically significant differences according to the residence, age and class variables. It is thought that the financial disadvantage of the young population in particular will adversely affect the future of communities and countries. In order to correct this negative situation, it is considered beneficial to provide economic behaviour education to individuals since primary school age. In addition, students' financial support levels within education policies should be increased and in this context, it should be ensured that individuals focus on education.

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