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Understanding Consumers' Thoughts and Feelings about Financial Literacy and How Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation Technique (ZMET)

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Understanding Consumers' Thoughts and Feelings about Financial Literacy and How
Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation
Technique (ZMET)

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Submitted to the School of Business

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In partial fulfillment of the requirements for the degree of

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March 3, 2014

Approval Form

**Understanding Consumers' Thoughts and Feelings about Financial Literacy
and How Financial Literacy Affects Their Lives Using
the Zaltman Metaphor Elicitation Technique (ZMET)**

By

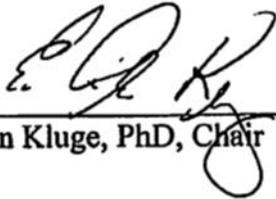
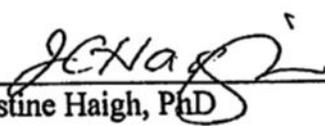
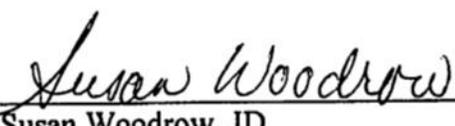
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Abstract

Financial literacy impacts the lives of individuals, families, and communities. Not all individuals appear to possess the basic financial knowledge necessary to plan for a comfortable lifestyle (Mandell, 2008). Some individuals possess financial knowledge but other psychosocial factors interfere with the ability of that knowledge to influence their actual consumer financial behavior (Dodaro, 2011; Estelami, 2008; Huston, 2010). Personal construct theory (Kelly, 1955) posits that behavior reflects self-constructed meaning and reality derived from a combination of experience and anticipation of future events that frame an individual's worldview. Meaning is self-constructed yet influenced by society's complex interrelationships. Thus, behavior reflects social aspects and psychological aspects in addition to factual knowledge. The purpose of this phenomenological qualitative study was to develop a deeper understanding of the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. This study used a phenomenological qualitative approach as the critical lens through which to view the meaning, structure, and essence of the lived experience of financial literacy. Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used the Zaltman Metaphor Elicitation Technique (ZMET) for data collection and analysis. Fourteen individuals who had completed a financial literacy program (i.e., Dave Ramsey's *Financial Peace University*) and 12 individuals who had not completed a financial literacy program participated in this study. ZMET was used to elicit participants' thoughts and feelings about financial literacy and how financial literacy affected their lives. Common themes elicited

included the deep metaphors of journey, balance, connections, and resources. Of particular note, the deep metaphor of transformation was elicited as a theme for individuals who had participated in a financial literacy program. Participants' lives, the lives of their families, and, ultimately, broader society were transformed as a result of completion of a financial literacy program. Not only were lives transformed as a result of financial literacy, participants reported transformed attitudes towards financial literacy. A consensus map illustrating the essence of the lived experience of financial literacy was developed. Participants described financial literacy as a holistic phenomenon. Financial literacy resulted in financial well-being; a personally constructed concept that reflected individuals' aspirations for themselves, their families, and broader society. A holistic model of financial literacy that illustrated the relationships between financial knowledge, consumer financial behavior, and psychosocial factors was developed.

Keywords: consumer financial behavior, financial knowledge, financial literacy, ZMET, holistic model of financial literacy

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Chapter 1

Introduction

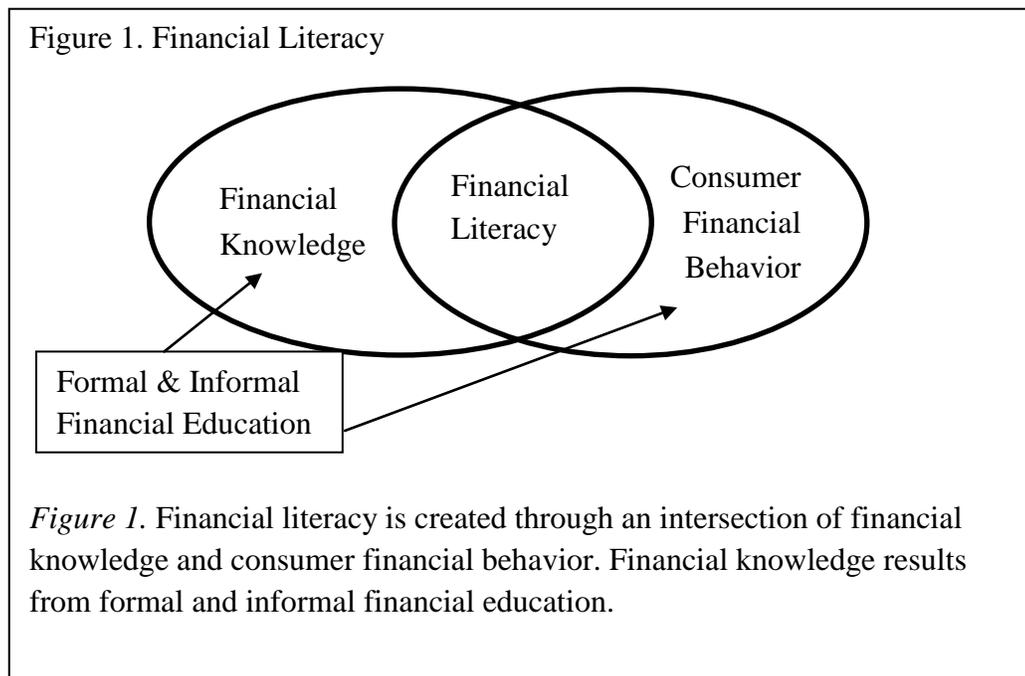
The challenges of financial decision-making in modern society affect immediate and long-term well-being of individuals, families, and society. Financially literate individuals possess financial knowledge along with the wherewithal to engage in consumer financial behavior that evidences their financial knowledge. Psychosocial factors including cognitive, emotional, social, and spiritual dimensions (Donatelle, 2009) impact the successful combination of financial knowledge and consumer financial behavior. In this study, a deeper understanding of consumers' thoughts and feelings about financial literacy and its impact on their lives provided additional insight into the phenomenon of financial literacy.

Literacy, as a complex social phenomenon, had been explored in a number of disciplines including Forster's (2012) phenomenographic research into how nurses experience information literacy, Norman and Malicky's (1986) study to determine how adults view reading literacy in relation to themselves, and Bruce's (1998) phenomenographic approach to describe information literacy as experienced by university instructors, counselors, and librarians. Martensson & Hensing (2011) concluded that health literacy was a complex phenomenon that "comprises skills in obtaining, understanding and acting on information about health issues" (p. 1).

Financial literacy had been studied for decades but continued to suffer from fragmented efforts. *Financial literacy* was defined in this study as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung, Yoong, & Brown, 2012, p. 8). *Financial well-being* consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011).

The financial literacy definition above encompasses both financial knowledge and consumer financial behavior. *Consumer financial behavior* includes “any human behavior that is relevant to money management” (Xiao, 2008, p. 70). Consumer financial behavior can range from simple purchases of basic daily necessities to complex long-term financial decisions including sophisticated decisions concerning education, home purchases, insurance, and retirement planning. *Financial knowledge* involves a variety of skills, abilities, or tools including the ability to manage bank accounts, an understanding of investment basics, knowledge of credit, cash flow management, and budgeting skills (Bowen, 2002; Lyons, 2005). Financial knowledge can be acquired through formal or informal financial education. *Financial education* has been described as “the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts” (Dodaro, 2011, p. 2). Financial education can be delivered through *financial literacy programs* defined as courses “intended to increase a person’s human capital, specifically financial knowledge and/or application (i.e., financial literacy)” (Huston, 2010, p. 308).

All individuals engage in consumer financial behavior whether or not they have acquired financial knowledge. At the same time, an individual who has acquired financial knowledge may engage in consumer financial behavior that does not represent the application of his or her knowledge. Therefore, financial literacy only exists when individuals have acquired financial knowledge and engage in consumer financial behavior that demonstrates their financial knowledge. The interrelationships between financial knowledge, consumer financial behavior, and financial literacy are depicted in Figure 1.



Enrollment in courses that present basic financial knowledge is not a common educational requirement for students in the United States. Since 1998, the non-profit Council for Economic Education has examined state requirements for personal finance

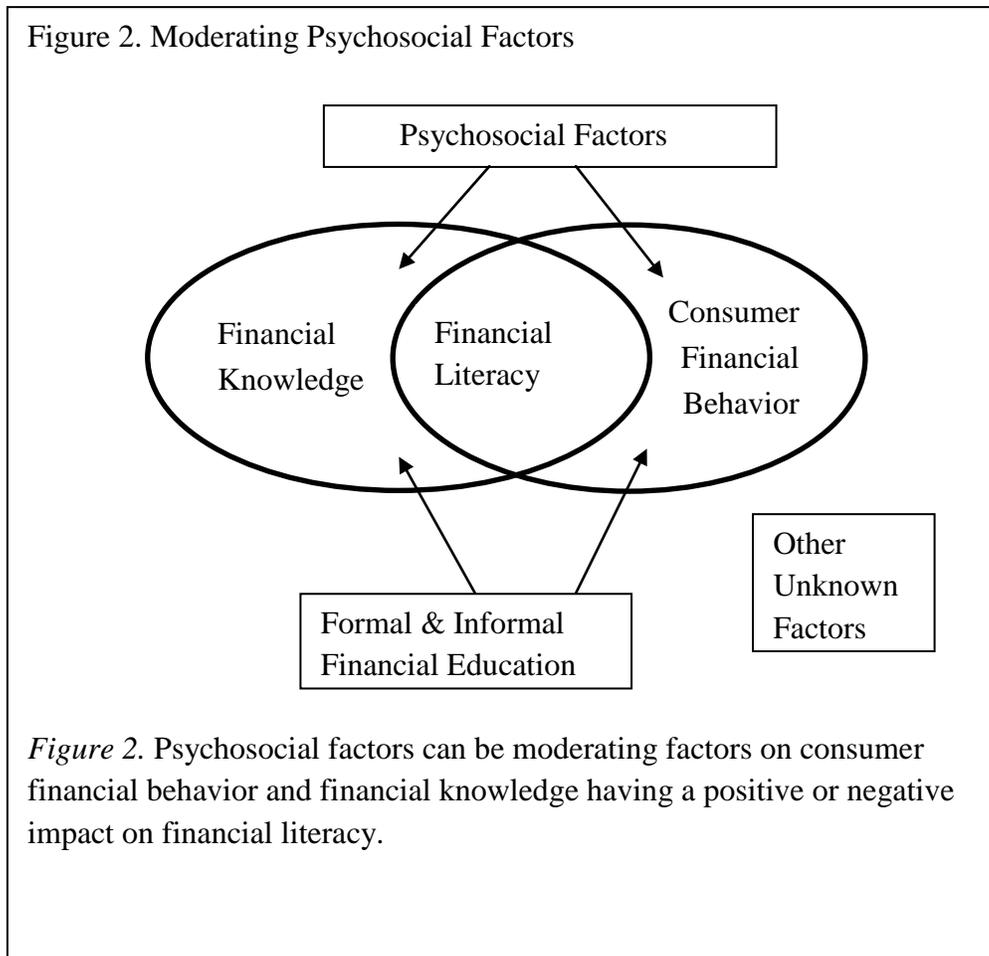
education. According to the most recent survey at the time of this study, only 13 states required personal finance education as a high school graduation requirement, unchanged from 2009 to 2011 (Council for Economic Education, 2011). At the same time, recognizing the importance of empowering all individuals in the United States with financial literacy, the U. S. government has approved a number of initiatives that range from the establishment of the Financial Literacy and Education Commission (Fair and Accurate Credit Transactions Act, 2003) to, beginning in 2004, the designation of April as *National Financial Literacy Month* (S. Res. 316, 2004). In the aftermath of the 2008 financial crisis, the Obama Administration reaffirmed its commitment to financial literacy by creating the Advisory Council on Financial Capacity to further address the issue (Executive Order No. 13,530, 2010). The Comptroller General of the United States remarked that “financial literacy plays an important role in ensuring the financial health and stability of individuals and families, and economic changes in recent years have further highlighted the need to empower all Americans to make informed financial decisions” (Dodaro, 2011, p. 1).

Even when financial knowledge increases, consumer financial behavior does not always mirror improvements in financial knowledge (Dodaro, 2011; Estelami, 2008; Gudmunson & Danes, 2011; Huston, 2010). Regardless of the level of financial knowledge that a consumer possesses, actual consumer financial behavior will be affected by other psychosocial factors including cognitive abilities, socializing influences (e.g., teachers, peers, media, family, and spiritual communities) and psychological aspects (e.g., emotional reactions, moods, attitudes, and aspirations). The consumer culture of the U. S. (Arnould & Thompson, 2005) combined with marketing

efforts to support the 70% of the U. S. economy that is derived from consumer spending on goods and services (Landefeld, Seskin, & Fraumeni, 2008) creates a challenging environment for individuals who must allocate limited resources between wants and needs for both immediate and long-term well-being.

Researchers had suggested that a need existed to better understand consumer financial behavior as it related to financial knowledge (Hilgert, Hogarth, & Beverly, 2003; Kezar & Yang, 2010; Perry & Morris, 2005; Vitt, 2004). The National Research Symposium on Financial Literacy and Education, held in 2008 by the U.S. Department of Treasury and the U.S. Department of Agriculture, considered how academic research could address gaps in financial literacy research (Schuchardt et al., 2009). Twenty-nine academic experts representing behavioral and consumer economics, financial risk assessment, and financial education participated in the symposium. The group concluded that understanding the interrelationships between financial socialization, psychological factors, and financial education was a research priority.

As examined by the literature review in this study, a gap existed in the understanding of interconnections between financial knowledge and consumer financial behavior. Similarly, identification and understanding of psychosocial factors that impact financial knowledge and consumer financial behavior had not been widely addressed. These psychosocial factors are moderating factors that affect consumer financial behavior as well as the acquisition of financial knowledge, preventing or supporting the successful combination of financial knowledge and consumer financial behavior (see Figure 2).



Problem Statement

Financial literacy impacts the lives of individuals, families, and communities. Furthermore, public policy makers have indicated that economic stability in the U. S. is impacted by the financial literacy of citizens (Bernanke, 2012; Dodaro, 2011; Executive Order No. 13,530, 2010). A financially literate individual must have financial knowledge and engage in consumer financial behavior exhibiting that knowledge. Not all individuals appear to possess the basic financial knowledge necessary to plan for a comfortable lifestyle (Mandell, 2008). Some individuals possess financial knowledge

but other psychosocial factors interfere with the ability of that knowledge to influence their actual consumer financial behavior (Dodaro, 2011; Estelami, 2008; Huston, 2010).

A need existed to better understand the phenomenon of financial literacy and the complex interrelationships between financial knowledge, consumer financial behavior and psychosocial factors.

Purpose of the Study

The purpose of this phenomenological qualitative study was to describe the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. In particular, this study sought to describe the meaning, structure, and essence of the lived experience of financial literacy for individuals who had completed a financial literacy program compared to the meaning, structure, and essence of the lived experience of financial literacy for individuals who had not completed a financial literacy program. In this study, financial literacy was generally defined as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8).

Research Questions

Central question.

- How do consumers perceive and describe the experience of financial literacy in their lives?

Subquestions.

- What underlying deep metaphors and thematic categories emerge from the experience?
- What similarities exist in the meaning, structure, and essence of financial literacy for individuals who have completed a financial literacy program compared to individuals who have not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.)
- What differences exist in the meaning, structure, and essence of financial literacy for individuals who have completed a financial literacy program compared to individuals who have not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.)

Significance of the Study

This current study used a phenomenological qualitative approach as the critical lens through which to view the meaning, structure, and essence of the lived experience of financial literacy. Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used the Zaltman Metaphor Elicitation Technique (ZMET) for data collection and analysis.

This research was timely as academics, practitioners, financial literacy advocates, and public policy makers were seeking ways to incorporate financial education in manners that lead to improvements in both financial knowledge and

consumer financial behavior. Understanding the moderating effect of psychosocial factors on financial knowledge and consumer financial behavior can assist in identifying opportunities to further enhance levels of financial literacy. The 2008 financial crisis in the United States suggested that future economic stability required improved financial knowledge for citizens in addition to changes in consumer financial behavior. This phenomenological qualitative study adds to the scholarly research on financial literacy by exploring consumers' thoughts and feelings about financial literacy and how financial literacy affects their lives for two groups of individuals: one group who had completed a financial literacy program and one group who had not completed a financial literacy program.

The expected outcomes of this study were to advance the growing body of financial literacy research related to the intersection of financial knowledge, consumer financial behavior, and psychosocial factors; to provide an additional perspective for the development of financial literacy programs; and to add to the multi-faceted understanding of consumer financial behavior. Educators, financial planners, public policy makers, and advocacy groups such as state CPA societies' financial literacy committees may find this information useful. A better understanding of how completion of a financial literacy program impacted individuals' mental models can assist in designing or marketing financial literacy programs.

Delimitations

This study was limited to men and women participants of adult age (18 years of age or older) residing in the greater Helena, Montana area. Participants in the first

sample in the study were purposively selected graduates of a financial literacy program. Those individuals had completed a Dave Ramsey's *Financial Peace University* course. Participants for both samples were solicited through area churches that had offered a Ramsey course. Snowball sampling was also used for the second sample as participants from the first sample recommended the study to other individuals who had not completed a financial literacy program. Interviews were conducted between June 2013 and August 2013.

Helena, Montana is categorized as a micropolitan statistical area (i.e., urban area between 10,000 and 50,000 people) and was ranked second in the nation for micropolitan economic strength in 2012 (Policom Corporation, 2012). Approximately 30,000 people live in Helena (64,000 in the greater area), 45% of the population has a 4-year college degree (60% have some college experience), the median household income is just over \$50,000, approximately 60% of the workforce is employed in state or federal government jobs, and the average unemployment rate in Helena at the end of 2012 was 4.4% (Helena Area Chamber of Commerce, 2012) and the statewide unemployment rate in Montana in August 2013 was 5.3% (United States Department of Labor, 2013).

Definition of Terms

Affective responses are “psychological responses consisting of four types: emotions, specific feelings, moods, and evaluations” (Peter & Olson, 2010, p. 521). Affective responses are largely reactive, learned responses of varying levels of intensity.

Cognition, a psychological response, is based on logic and reason rather than emotions. Individuals' cognitive systems function to "interpret, make sense of, and understand significant aspects of their personal experiences" (Peter & Olson, 2010, p. 43).

A *consensus map* is the common mental model that a group of individuals share (Zaltman, 2003).

Constructive alternativism suggests that an individual can choose to represent his environment through alternative worldviews that, in turn, influence that individual's anticipation of events and create personal meaning (Kelly, 1955).

Consumer financial behavior is "any human behavior that is relevant to money management" (Xiao, 2008, p. 70).

Consumer socialization is the process by which "people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace" (Ward, 1974, p. 2). Consumer socialization occurs throughout an individual's lifetime (Danes, 1994; John, 1999).

Content and structure in a consensus map refers to ideas or concepts and the linkages between those ideas or concepts (Zaltman, 2003). Meaning is created from the content and structure of a consensus map.

Deep metaphors are defined as "unconscious viewing lenses...that shape what [people] hear, feel, think, say, and do...Deep metaphors are enduring ways of perceiving things, making sense of what we encounter, and guiding our subsequent actions" (Zaltman & Zaltman, 2008, p. xv).

An *essence* (i.e., *essential, invariant structure*) is “the core meaning of an individual’s experience that makes it what it is” (Ehrich, 2005, p. 2). The essence of a phenomenon includes both the product of learning and absolute reality: the real (i.e., facts) and the non-real (i.e., subjective reality). The essence is the essential textural (what) and the structural (how) meanings of experiences (Creswell, 2007; Moustakas, 1994). The essence is invariant as it is experienced by all participants in the study, and it is a brief description typifying the experiences (Creswell, 2007).

Financial education is “the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts” (Dodaro, 2011, p. 2). Financial education can occur in formal settings such as a classroom or through informal means such as communication with and observations of parents and peers.

Financial knowledge involves a variety of skills, abilities, or tools including the ability to manage bank accounts, an understanding of investment basics, knowledge of credit, cash flow management, and budgeting skills (Bowen, 2002; Lyons, 2005).

This research operationalizes *financial literacy* as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8).

Financial education can be delivered through *financial literacy programs* defined as courses “intended to increase a person’s human capital, specifically financial knowledge and/or application (i.e., financial literacy)” (Huston, 2010, p. 308).

Financial socialization is “the process of acquiring and developing values, attitudes, standards, norms, knowledge, and behaviors that contribute to the financial viability and well-being of the individual” (Danes, 1994, p. 128).

Financial well-being consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011).

The Kelly (1955) *repertory grid* is an instrument designed to elicit personal constructs. The test consists of selecting three elements (e.g., three people, three products, or three events) and describing how any two are alike but different from the third (i.e., elicitation of constructs). This triadic sorting aids in the exploration of personal meaning. A grid is completed that connects the elements on one axis with the constructs that the study participant used to describe the elements on the other axis.

Laddering is a technique designed to elicit personal constructs that may be connected in subordinate (lower-level) and superordinate (higher-level) fashion such as in means-end analysis (Kelly, 1955; Reynolds & Gutman, 1988; Walker & Winter, 2007). For example, a product’s attributes (means) may be connected to a personal value (end) in marketing studies.

Meaning units are “words, phrases, non-verbal or para-linguistic communications which express a unique and coherent meaning...clearly differentiated from that which precedes and follows” (Hycner, 1985, p. 282).

Means-end theory attempts to connect means (tangible attributes) to consumer’s desired ends (Olson & Reynolds, 2001; Peter & Olson, 2010; Reynolds & Gutman, 1988). Through laddering, a hierarchical means-end chain is created that typically links

concrete attributes to functional consequences to psychosocial consequences to desired ends.

Mental models are representations of the relationships between discourse, perceptions, memory, and imagination (Johnson-Laird, 1988). Mental models consist of both affect and cognition. “Attitudes, emotions and feelings, symbols, actions, goals, personal values, images, memories, . . . visions of anticipated experiences, and representations of sensory experience” (Christensen & Olson, 2002, p. 478) can all be represented in mental models. “A mental model is like a road map that identifies different communities and their connecting routes” (Zaltman, 2003, p. xx).

Metaphors are “the representations of one thought in terms of another” (Zaltman, 2003, p. xxi). “Metaphors are not only ways of hiding or expressing thoughts, they actively create and shape them” (Zaltman, 1996, p. 14). Metaphors aid in the comprehension of “feelings, aesthetic experiences, moral practices, and spiritual awareness” (Lakoff & Johnson, 1980b, p. 193) that are not easily described by individuals. Both cognitive and affective meanings (thoughts and feelings) can be communicated through the use of metaphors (Peter & Olson, 2010). *Conceptual metaphor theory* espoused the notion that human conceptual knowledge is understood through linkages between concepts expressed as metaphors (Lakoff & Johnson, 1980b).

Personal construct theory “is a theory of man’s personal inquiry – a psychology of human quest” (Kelly, 2003, p. 3). Rather than assuming behavior is caused merely by personal cognitions, personal construct theory assumes meaning is derived from the creation of personal constructs and the use of constructive alternativism. Acting like a

scientist, man creates his personal constructs from personal experiences and the anticipation or construal of new experiences.

Personal constructs are described as individually held theories developed from an individual's experiences of the world or construals (Funder, 1997). Personal constructs are the "configuration of thoughts, feeling and action, intentionally directed through our projects in the world" (Butt, 2004, p. 26).

Phenomenological research is "a strategy of inquiry in which the researcher identifies the essence of human experiences about a phenomenon as described by participants" (Creswell, 2009, p. 13).

A *phenomenon* is a concept experienced by individuals and the central concept of study in phenomenological research (Creswell, 2007).

Psychosocial factors includes cognitive (mental, intellectual, or thinking), emotional (feelings), social (relationships), and spiritual factors (Donatelle, 2009).

Psychological factors are an individual's emotional reactions, moods, attitudes, and aspirations that impact behavior (Peter & Olson, 2010).

Socializing influence is "the impact of peers, family members, educators, or colleagues on a person's thoughts, feelings, and behaviors" ("Social influence," 2009).

Teachable moments occur when people are motivated by a life circumstance ...to educate themselves toward the better management of their personal finances" (Beck & Neiser, 2009, p. 13).

Thinking is the "the use of mental processes; activities of the brain involved in storing, recalling, or using information, or in generating specific feelings and emotions. Also called cognition and mental processes" (Zaltman, 2003, p. xviii).

Thoughts are the “outcome of thinking, conventionally called beliefs, attitudes, and evaluations” (Zaltman, 2003, p. xviii). Thoughts can be conscious whereby full awareness exists and can be articulated or unconscious whereby limited awareness or unawareness exists. Tying shoelaces is an activity that employs unconscious thought.

Thoughts and feelings, as used in ZMET studies, encompass all cognitive and affective responses (Coulter, Zaltman, & Coulter, 2001; Zaltman, 2003).

The *Zaltman Metaphor Elicitation Technique* (ZMET) is a research technique that explores consumers’ thoughts and feelings through the use of participant-selected photographs and interviews (Plummer, Forr, & Bressette, 2012). ZMET is “designed to (1) surface the mental models that drive consumer thinking and behavior, and (2) characterize these models in actionable ways using consumer metaphors” (Zaltman & Coulter, 1995, p. 36).

Organization of Study

Chapter 2 of this study includes a literature review addressing financial literacy (i.e., financial knowledge, consumer financial behavior, and related psychosocial factors). Chapter 3 describes the conceptual framework for the study. This study used a phenomenological qualitative research design viewed through the theoretical lens of personal construct theory and utilizing ZMET as the data collection and data analysis technique. Chapter 4 describes the methodology of the study including the research purpose, research questions, descriptions of participants, role of the researcher, reliability and validity strategies, ethical issues, and limitations. Chapter 5 describes the results of the study. Discussion and implications of the results are included in Chapter 6.

Chapter 2

Literature Review

Chapter 2 is organized by presenting a review of financial literacy as described in the literature. The elements of financial knowledge and consumer financial behavior are presented along with a discussion of psychosocial factors from the financial literacy literature.

Financial Literacy

Financial literacy has been studied for decades but has suffered from fragmented efforts and lack of precise definitions (Dodaro, 2011; Huston, 2010). Financial literacy definitions have typically reflected two broad constructs: financial knowledge and consumer financial behavior. Possessing financial knowledge as a result of financial education does not guarantee that an individual is financially literate. Individuals must plan and make behavioral choices that reflect their financial knowledge in order to evidence financial literacy.

The definition promulgated by the Organisation for Economic Co-operation and Development's International Network on Financial Education (OECD/INFE) included the constructs of financial knowledge and consumer financial behavior. Approximately 30 countries, including the United States, participate in the OECD/INFE. OECD/INFE

research defined financial literacy as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8). *Financial well-being* consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011).

Other definitions linked financial knowledge and consumer financial behavior. “Financial literacy could be conceptualized as having two dimensions – understanding (personal finance knowledge) and use (personal finance application)” (Huston, 2010, p. 306). “Financial literacy encompasses both financial education and consumers’ behavior as it relates to their ability to make informed judgments” (Dodaro, 2011, p. 2). It could be argued that these definitions omitted the critical construct of financial well-being. In addition, the second definition included the construct of financial education rather than financial knowledge. Exposure to financial education does not necessarily equate to acquisition of financial knowledge.

Research from the Government Accountability Office (GAO) defined financial literacy in a manner similar to the OECD/INFE.

Financial literacy encompasses financial education – the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts. However, being financially literate refers to more than simply being knowledgeable about financial matters; it also entails utilizing that knowledge to make informed decisions, avoid pitfalls, and take other actions to improve one’s present and long-term financial well-being. (Cackley, 2012, p. 2)

Viewed through a critical lens, this definition addressed the issue of achieving financial well-being but did not explicitly mention consumer financial behavior.

Hillman (2009) defined financial literacy in a manner that addressed the issue of money management but failed to mention financial well-being.

[Financial literacy is] the ability to make informed judgments and to take effective actions regarding current and future use and management of money. It includes the ability to understand financial choices, plan for the future, spend wisely, and manage the challenges associated with life events such as a job loss, saving for retirement, or paying for a child's education. (Hillman, 2009, p. 2)

Both the above definition and the following definition may simply be too unwieldy for a working definition of financial literacy:

[Financial literacy is] the ability to read, analyze, manage, and communicate about the personal financial conditions that affect material well-being. Financial literacy includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future, and respond competently to life events that affect everyday financial decisions, including events in the general economy. (Vitt et al., 2000, p. xii)

The Vitt et al. (2000) definition above added the perspective that a financially literate individual would be able to communicate regarding financial matters without or despite emotional discomfort.

Two organizations that have been proponents of financial education in school settings, Jump\$tart Coalition and National Financial Educators Council, offered similar definitions of financial literacy. Jump\$tart Coalition – a non-profit partnership of about

150 corporate, non-profit, academic, and governmental entities – described financial literacy as “the ability to use knowledge and skills to manage one's financial resources effectively for lifetime financial security” (2011, para. 4). The National Financial Educators Council – a for-profit organization providing financial education using a social enterprise business model – described financial literacy as “possessing the skills and knowledge on financial matters to confidently take effective action that best fulfills an individual's personal, family and global community goals” (2013, para. 1). It could be argued that, individually, the terms *financial security* in the Jump\$tart Coalition definition and *fulfillment of goals* in the National Financial Education Council definition do not encompass the broad spectrum of financial well-being as presented earlier.

For this research, financial literacy was operationalized as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8). This definition included both the necessary financial knowledge and the reflective consumer financial behavior that financially literate individuals must possess. Financial literacy may be visualized as the intersection of financial knowledge and consumer financial behavior moderated by other factors including psychosocial factors that affect well-being. Financial knowledge can be acquired through both formal and informal education.

Financial Knowledge

Financial literacy, financial knowledge, and financial education have not always been clearly distinguished in the literature (Dodaro, 2011; Huston, 2010). *Financial*

knowledge involves a variety of skills, abilities, or tools including the ability to manage bank accounts, an understanding of investment basics, knowledge of credit, cash flow management, and budgeting skills (Bowen, 2002; Hogarth, 2002; Lyons, 2005). In addition to daily cash management skills, understanding time value of money in investment decisions, pooling of risks in insurance, and tax implications are necessary for applying financial knowledge to consumer financial decisions.

Financial education. Financial knowledge is gained from *financial education* that occurs in formal programs or informal settings such as interactions with family members. “Financial-literacy education is education about financial concepts undertaken with the explicit purpose of increasing knowledge and the skills, confidence, and motivation to use it” (Willis, 2008, p. 202). Financial education includes “the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts” (Dodaro, 2011, p. 2). The potential benefits of financial education have been a unifying factor among public policymakers. “Liberals envision an empowered consumer, confidently navigating the marketplace. Conservatives divine a responsible consumer, who understands her decisions and therefore can be held accountable for them. Free-marketers see flourishing innovation and abundant choices” (Willis, 2008, p. 201).

Studies of financial education have found an array of financial literacy programs with varying degrees of success (Gale & Levine, 2010; Mandell & Klein, 2007, 2009; McCormick, 2009; Sherraden, Johnson, Guo, & Elliott, 2011). A *financial literacy program* is a course “intended to increase a person’s human capital, specifically financial knowledge and/or application (i.e., financial literacy)” (Huston, 2010, p. 308).

Four types of financial literacy programs are commonly found: employer-provided financial education, mandated public high school courses in some states, credit and mortgage counseling, and general financial education sponsored by the private sector including banks, non-profit organizations, or churches (Gale & Levine, 2010).

Dave Ramsey's Financial Peace University. Ramsey's *Financial Peace University* is of particular interest to this study on consumers' thoughts and feelings about financial literacy and how financial literacy affects their lives. Participants in the sample that had completed a financial literacy program were graduates of a Ramsey course. As presented earlier in Figure 2, psychosocial factors are moderating factors that affect consumer financial behavior as well as the acquisition of financial knowledge, preventing or supporting the successful combination of financial knowledge and consumer financial behavior. Ramsey (2009), bestselling author, nationally syndicated radio show host, and writer of a weekly column published nationally, advocates for a psychological approach to financial literacy (Gale & Levine, 2010; see also www.daveramsey.com/fpu/home/). The nine-week program is commonly sponsored by local churches and advocates a "biblical approach" to financial literacy (see Appendix H). Financial education includes lessons on paying off debt, increasing savings, planning for the long-term, and developing sensitivity to marketing efforts while, at the same time, engaging in charitable acts.

Some of Ramsey's recommendations appear to run counter to economic thinking such as the suggestion to pay-off the smallest debts first (the "snowball approach") even if the consumer has other obligations that carry higher interest rates. While minimizing interest charges is a sound economic practice, the inability to see

immediate progress can be a barrier for consumers. From a psychological perspective, the ability to eliminate one debt provides encouragement for participants to continue with their financial plans. Research has found that consumers following the snowball approach were better able to eliminate their debts compared to consumers following traditional approaches that advocated paying balances with higher interest rates first (Gal & McShane, 2012).

Gale and Levine (2010) noted that “one implication of the success of the [Ramsey] approach may be that behavioral and psychological biases in personal finance are strong and consistent predictors of behavior” (pp. 20-21). Behavioral economists acknowledge the impact that psychological variables and social environments have on consumer financial behavior (Altman, 2012). Calculated economic thinking that subscribes to conventional (neoclassical) decision-making is often not represented in observed consumer financial behavior. Prominent behavioral economist Richard Thaler (1980) is among those who criticized the notion that U.S. consumers are rational self-interested people, armed with complete knowledge, striving to maximize personal utility in financial decision-making. Psychologist Daniel Kahneman, recipient of the Nobel Prize in economics, and cognitive psychologist Amos Tversky posited that, rather than exercising rational economic decision-making, consumers apply biases and heuristics or “experience-based decision-making shortcuts” (Altman, 2012, p. 678) in financial decisions, which simplifies decision making but potentially results in less than optimal financial decisions (Tversky & Kahneman, 1974). Examples of biases and heuristics include loss aversion (i.e., preference to avoid losses over opportunity for

gain) and herd behavior whereby decision making is based upon the observed action of others.

Although financial decisions may be satisficing rather than maximizing personal utility, Nobel Prize recipient Herbert Simon (1957) purported that decisions involving psychological aspects do not represent irrational behavior given the consumer's knowledge, capabilities, and environment. Thus, sound financial decision-making need not necessarily result in the highest economic value to an individual. At the same time, decision-making errors could occur as a result of uninformed decisions or personal biases. Ramsey's financial literacy program encourages participants to recognize their personal biases that impact consumer financial behavior. Although criticisms of Ramsey's recommendations exist, the financial literacy program appeared to successfully meet the needs of his audience (Carrns, 2011; Gal & McShane, 2012; Gale & Levine, 2010; White, 2012).

Program assessment. Rapid growth in the number of financial literacy programs and diversity in focus areas has created an environment where assessing the success of programs is challenging (Lyons, 2005; Sherraden, 2010). Assessment challenges include definition of program success, selection of key outcome indicators, and collection of data from participants. It may take a number of years for a program participant to become successful at engaging in financial behaviors that evidence financial knowledge acquired from a financial literacy program. Limited longitudinal assessment data has been collected from the rapidly growing financial education market for adults (Lyons, 2005; Lyons & Neelakantan, 2008; McCormick, 2009). Tracking participants after completion of a financial literacy program can be difficult and cost

prohibitive. As a result, many programs are often evaluated on the number of participants or amount of materials distributed rather than increases in knowledge or changes in behaviors.

Examination of results from financial education has been complicated by the fact that a standardized test of financial knowledge did not exist at the time of this study. Given the diverse nature of financial literacy programs, a standardized test may not accurately assess the success of a specific program (Fox & Bartholomae, 2008; Lusardi, 2013; Lyons, 2005). Jump\$start Coalition, a proponent of financial education and standardized testing requirements for teenagers, noted that test scores on its standardized exam dropped from 57.3% to 48.3% from 1998 to 2008, respectively, suggesting that young adults did not possess the necessary financial knowledge to successfully navigate their world (Mandell, 2008). Unlike Jump\$start testing, the scope of this study on consumers' thoughts and feelings about financial literacy and how financial literacy affects their lives was limited to adult participants over the age of 18. However, the Jump\$start results were relevant to this study as financial literacy has been found to have cumulative effects (Bodnar, 2011; Hilgert et al., 2003; Willis, 2008). In addition, early financial knowledge, consumer financial behavior, and psychosocial factors can have long-term affects: "adult financial habits can be determined as young as age 3" (Bodnar, 2011, p. 4). Thus, the importance of financial education for children should not be understated.

Inadequate teacher training (Finkel, 2010; McCormick, 2009) and lack of student motivation to learn the material (Mandell & Klein, 2007) have been cited as possible reasons for poor examination results. For instance, less than 20% of teachers in

one state reported confidence in their ability to teach financial literacy (Finkel, 2010). School districts in the U.S. have responded by utilizing free resources on the Internet and implementing intensive teacher training sessions. Public-private partnerships have been used to provide training for teachers and students. In 2012, the international accounting firm of PricewaterhouseCoopers committed \$60 million plus \$100 million in man-hours to provide teacher training in addition to developing an 18-module personal finance course for student use (Kadlec, 2012). Although exposure to financial education at younger ages is a primer for adulthood, updates and refreshers courses are necessary throughout one's lifetime (Hilgert et al., 2003; Willis, 2008).

Teachable moments. Unless students are motivated to learn, well-trained teachers can do little to improve the financial knowledge of students (Mandell & Klein, 2007). Individuals are generally more motivated to learn when an immediate need exists for specific knowledge. During these teachable moments, the relevancy of learning a particular task is apparent. According to the National Endowment for Financial Education (NEFE), “*teachable moments* occur when people are motivated by a life circumstance...to educate themselves toward the better management of their personal finances” (Beck & Neiser, 2009, p. 13). Robert Havighurst's (1953) book, *Human Development and Education*, popularized the concept of teachable moments. A *cueing event* to a teachable moment “(1) increases perceptions of personal risk and related expectations of positive or negative outcomes, (2) prompts a strong emotional response, [or]... (3) redefines self-concept or social role” (McBride & Ostroff, 2003, p. 330). Subscribing to the notion of teachable moments, some “contend that programs should be highly targeted toward a specific audience and area of financial activity (e.g. home

ownerships or credit card counseling, etc.) and that this training [should] occur just before the corresponding financial event” (Hathaway & Khatiwada, 2008, p. 20).

Personal motivation to improve financial knowledge, either because of a desire to achieve a personal goal or in response to financial difficulties, generally results in improved consumer financial behavior and better financial literacy program success rates (Bodnar, 2011; Gudmunson & Danes, 2011; Hathaway & Khatiwada, 2008; Hilgert et al., 2003; Lyons, 2005; McCormick, 2009). Evidencing the significance of teachable moments, 26% of respondents in one survey reported adopting a financial plan only after the birth of their children (Hinchcliff, 2012). Individual Development Accounts (IDAs) have successfully encouraged consumers to save while receiving matching funds in exchange for participation in financial education. Individuals desiring home ownership are often highly motivated to participate in financial literacy programs with matched savings components (Gale & Levine, 2010). One study found that self-directed financial education through employer-provided resources resulted in increased financial knowledge and improvements in self-reported consumer financial behavior along with improvements in both financial satisfaction and workplace satisfaction (Loibl & Hira, 2005). Active engagement in the desired behavior, such as participation in savings or investment programs while completing a financial literacy program, appeared to improve consumer financial behavior (Peng, Bartholomae, Fox, & Cravener, 2007; Sherraden et al., 2011).

Encountering a teachable moment encourages consumers to seek financial education. However, teachable moments are often vulnerable moments such as the loss of employment or bankruptcy (Willis, 2008). Some consumers are unable to harness

their emotions in order to benefit from teachable moments. Fear or embarrassment about their situation may prevent some from seeking help. Under the pressure of the moment, consumers may be unable to distinguish between financial literacy programs that could educate them. At the same time, individuals may have the desire to change their consumer financial behavior but other barriers exist that prevent change including lack of access to financial services, absence of financial resources, changes in personal circumstances, or limited cognitive abilities (Lyons, 2005).

Not all individuals possess an awareness of their true financial abilities and, therefore, do not seek financial literacy assistance. In 2005, Consumer Action, a consumer advocacy group, and Capital One Financial Corporation conducted a random telephone survey of 1,002 individuals from all 50 states (Sherry & McEldowney, 2005). Sixty-five percent of respondents declared that they were “very” or “highly” knowledgeable about personal finance in spite of performing poorly on personal finance survey questions. In a 2004 survey, 82% of 1,984 adult respondents could not correctly calculate the amount they would have at the end of two years if \$200 was deposited in a savings account earning 10% interest (Lusardi & Mitchell, 2006). The problem is compounded by complexity in financial products (e.g., adjustable rate mortgages and derivative products) that exists in the current financial markets.

Evolving nature of financial knowledge. Financial literacy programs have grown rapidly but struggle to keep pace with the rapid growth in complex financial products in the 21st century (Hilgert et al., 2003; Howlett, Kees, & Kemp, 2008; Ryan, Trumbull, & Tufano, 2011). The consumer finance landscape has changed through increased choices in providers and a multitude of products or services, “do-it-yourself”

consumer finance and corresponding personal responsibility, and an increase in consumers' risk tolerance. These changes have not been accompanied by unbiased third-party advice. Wide-spread use of credit cards, overdraft checking account protection, subprime mortgages, money market mutual funds, and borrowing against home equity or retirement accounts are among the numerous changes. Automated teller machines, point-of-sale equipment, and the Internet are included among the technological advancements that have changed the manner in which consumers access and use financial products. Long-term financial planning has been significantly impacted by the shift away from defined benefit retirement plans to defined contribution plans, which transferred retirement risk from employers to employees. Many individuals lack the necessary skills to adequately plan and save for retirement (Dodaro, 2011; Ryan et al., 2011).

The changing financial environment and complexity of financial products presents a barrier to financial literacy and challenges financial literacy programs to remain current (Bernanke, 2006; Hogarth, 2002; Sherraden, 2010; Willis, 2008). Financial education may no longer be relevant by the time an individual has a need to use the knowledge. Even the simple act of opening a basic checking or savings account is complicated by diversity in terms of use and the number of service providers that include credit unions, local banks, national banks, or Internet banking options. Complicated terms of use and high service fees have driven consumers, including consumers in the upper income classes, from traditional banks (Fields & Jackson-Randall, 2012). In 2012, over 25% of U.S. households were among the unbanked. According to some, the assumption that individuals can obtain adequate financial

knowledge to navigate the complexity in financial products is unfounded: “The gulf between the literacy levels of most Americans and that required to assess the plethora of credit, insurance, and investment products sold today – and new products as they are invented tomorrow – realistically will not be bridged” (Willis, 2008, p. 201).

The problem of *financial illiteracy* is exacerbated by the mathematical and reading abilities necessary to understand complex financial products. Approximately 20% of the U.S. population has “only rudimentary reading and writing skills” (Wallendorf, 2001, p. 506). Although “almost half of U.S. adults cannot read beyond eight-grade level” (Willis, 2008, p. 221), the readability assessment of credit-card-holder agreements is fifteenth-grade or higher level. Although financial education through financial literacy programs is beneficial, better visual disclosures and illustrations portraying realistic financial projections (e.g., tables depicting the length of time to pay credit card debt when paying minimum payments or tables comparing student loan payments to likely salaries for different majors) are needed for consumers to better understand even minimally complex financial products (Hilgert et al., 2003; Willis, 2008).

In light of the complexity in financial products, financial education may be more useful for arming consumers with the skills necessary to recognize choices and opportunities rather than attempting to prepare consumers to become their own financial advisors (McCormick, 2009; Willis, 2008). Acting as one’s own financial advisor leaves the consumer open to criticism for poor investment decisions or poor outcomes. Instead, choices and opportunities could be further discussed with qualified financial planners. Public policy efforts and resources could be directed toward the creation of

free, qualified financial planning venues (Altman, 2012; Willis, 2008). Others have recommended that public policy should include “nudges” that direct consumers toward financially healthy decisions such as enrollment forms that provide employees the choice to opt-out (i.e., the default option would be to opt-in) of company-sponsored retirement plans (Thaler & Sunstein, 2009). As financial literacy expert Lusardi (2013) noted, a financially literate individual is able to “frame everyday decisions in a more informed way” (para. 1), which is not the same as possessing deep knowledge of complex financial products.

Consumer Financial Behavior

Ideally, consumer financial behavior exhibited in everyday or long-term decision-making reflects financial knowledge. *Consumer financial behavior* is “any human behavior that is relevant to money management” (Xiao, 2008, p. 70). Consumer financial behavior is “the cornerstone of financial well-being” (Gudmunson & Danes, 2011, p. 650). Studies have found that increased financial knowledge from financial education did not always result in corresponding improvements in consumer financial behavior (Estelami, 2008; Huston, 2010). Ramsey (2009) posited that “personal finance is 80 percent behavior and only 20 percent head knowledge” (p. ix). As Hathaway and Khatiwada (2008) remarked, “Although there is clearly a *correlation* between knowledge and behavior in personal finance, it may be that *causality* runs both ways” (p. 3).

Measuring improvements in financial knowledge that result from financial education is relatively straightforward compared to measuring improvements in

consumer financial behavior (Dodaro, 2011; Hathaway & Khatiwada, 2008).

Verification of consumer financial behavior improvements from financial literacy programs often involves the collection of sensitive financial data such as number of payment delinquencies or increases in net worth, which participants may be reluctant to divulge (Lyons, 2005). In addition, perceived social desirability of consumer financial behavior may limit the accuracy of self-reporting if consumers view a particular behavior (e.g., delinquent payments or high credit card usage) as socially undesirable (Norvilitis et al., 2006). Consumer financial behavior indicators of financial literacy include financial planning, spending habits, savings rates, investment strategies, wealth accumulation (including homeownership and retirement savings), and debt management (including delinquency rates, bankruptcy rates, and credit scores). Consumer financial behavior reflects use of resources in ways that support an individual's desired lifestyle both in the short and long-term. As Vitt (2004) noted, "everything in life involves finances" (p. 71).

Changing behavior. Behaviors are often habitual actions rather than the result of careful analysis (Katona, 1968; Peter & Olson, 2010). Katona (1968) found that optimistic expectations about the future, such as anticipated earning potential, was responsible for increased installment borrowing among high-earning young adults. Others have found that high aspiration levels combined with higher income and social comparisons were related to higher consumption especially if households viewed themselves as better off than others (Karlsson, Dellgran, Klingander, & Garling, 2004; Norvilitis et al., 2006). Although installment borrowing can improve standards of living, excessive debt levels can negatively impact physical and psychological health

and well-being of individuals and families (Howlett et al., 2008; Sherraden, 2010; Willis, 2008).

Consumers occasionally need encouragement to change thinking and behaviors that are negatively impacting their lives. Consumer financial behavior change research has drawn upon behavior theories in social psychology. The USDA Cooperative Extension Money 2000 program, credit counseling to eliminate credit card debt, and programs to help women become better investors have all drawn upon Prochaska's (1979) transtheoretical model of behavior change (TTM) which includes six stages of change (1) precontemplation, (2) contemplation, (3) preparation, (4) action, (5) maintenance, and (6) termination (National Endowment for Financial Education, 2006; Rowley, Lown, & Piercy, 2012; Xiao, 2008). Individuals enter the contemplation stage when they plan to act in the next six months. In the precontemplation and contemplation stages, individuals weigh the advantages and disadvantages of change and may need guidance to recognize advantages of change. Individuals, like those who continually make the same New Year's resolution to control finances, can become mired in these stages. In the preparation stage, consumers plan to take action within 30 days but may fear failure. During the six-month action stage, individuals must resist the urge to return to previous behaviors. Finally, the termination stage follows the maintenance stage and is reached when the new behaviors are firmly entrenched.

Personal construct theory. Psychologist George Kelly (1955, 2003) was among the early researchers who purported that human behavior was not based merely upon factual knowledge. Of particular interest to this study on financial literacy, Theodoulou's (1996) analysis of economists' economic and political discourse using personal construct

theory noted that “economic behaviour does not take place in a vacuum or separate from other aspects of human behavior” (p. 499). The manner in which individuals construe financial issues and anticipate economic events influences their decisions, choices, and actions.

Personal construct theory adopts a holistic approach to behavior. Behavior reflects past personal experience along with the anticipation of how those experiences can be replicated in the future. Individuals are more likely to change their behavior when they become dissatisfied with the manner in which they anticipate replication of personal experiences. At the same time, individuals compare themselves to others and observe the behaviors of others which either validate or contradict an individual’s personal construct system. Thus, behavior reflects personal meaning as well as social meaning.

Psychosocial Factors

Psychosocial factors influence behavioral changes. Psychosocial factors reflect the interaction of individuals’ psychological factors with their social environment. For example, in a qualitative study of 17 women, the researchers found that emotion, family influence, social support, and optimism were among the psychosocial factors that helped participants transition through stages of behavioral change (Rowley et al., 2012).

Psychosocial factors include cognitive, emotional, social, and spiritual dimensions (Donatelle, 2009). Acquisition of financial knowledge is related to cognitive psychosocial abilities (e.g., aptitude, intelligence, awareness, and attention). However, “the notion that financial literacy is only about cognitive awareness has become outdated” (Gudmunson & Danes, 2011, p. 645). *Psychological factors* include

emotional reactions, moods, attitudes, and aspirations (Peter & Olson, 2010) and can have positive or negative effects on financial knowledge and consumer financial behavior. *Socializing influences* include teachers, peers, media, family, and community (“Social influence,” 2009). Financial literacy can be better understood by considering how psychological factors informed by one’s social environment (i.e., psychosocial factors) impact financial knowledge and consumer financial behavior.

Psychological factors. Values, attitudes, aspirations, future orientation, self-efficacy, self-image, self-worth, locus of control, confidence, satisfaction, self-regulation, and motivation are among the myriad of psychological factors that influence financial literacy (Gudmunson & Danes, 2011; Harrison & Chudry, 2011; Howlett et al., 2008; Kehiaian, 2012; Lyons, 2005; Murphy, 2013; Schuchardt et al., 2009; Vitt, 2004; Vitt et al., 2000). At the same time, high debt levels and bankruptcy have been linked to stress, anxiety, and depression; which further contributed to physical ailments including migraines, back pain, and heart attacks. In addition, personal relationships can suffer as a result of financial illiteracy. In a 2012 survey of a nationally representative sample of 1005 adults for the American Institute of Certified Public Accountants (AICPA, 2012), financial issues were listed as the most volatile topic for couples with failure to communicate about finances an issue for over 50% of the couples polled. Nearly one-third of the couples admitted deceitful financial behaviors.

Foundational aspects of psychological factors – including financial values, attitudes, aspirations, and motivations – are developed in early childhood (Danes & Haberman, 2007). Psychological factors are deeply intertwined, existing in situational and social contexts. For example, psychological and spiritual factors combined with

social influences affect values in financial decisions (Vitt et al., 2000). Values, described as “the standards or principles we use for evaluating and determining behaviors, characteristics, or goals we regard as desirable” (Vitt, 2004, p. 71), relate to both personal and social identity. Based upon an individual’s personal values, she attempts to keep inner life (e.g., psychological aspects, security, and identity), physical life (e.g., health and material aspects), social life, and financial life in equilibrium. Sufficiency, sustainability, and appropriateness of financial decisions are predominant values in consumer financial behavior. Vitt (2004) concluded that appropriateness for the consumer (i.e., is the decision right for the individual based upon personal values reflected in the social context) was the most important value related to most financial decisions.

Psychological factors impact financial literacy in both positive and negative manners. Consumers with high self-esteem have exhibited a greater willingness to engage in financial planning (Neymotin, 2010). A sense of self-control and self-efficacy appeared to positively influence financial literacy (Vitt et al., 2000). Self-efficacy was, in turn, a significant predictor of financial security. Other psychological factors appeared to negatively impact financial literacy. Belief in an external locus of control in one study (i.e., highly religious individuals believing a higher power would provide for them) contributed to lower levels of financial literacy (Murphy, 2013). In a study of graduate and undergraduate college students, an external locus of control (i.e., powerlessness over debt) was related to compulsive spending and credit card misuse (Watson, 2009). At the same time, highly sociable individuals were prone to credit card misuse through excessive usage necessary to support their lifestyle (Harrison & Chudry,

2011). Other factors negatively correlated with financial literacy included improving self-esteem and belief in the symbolic value of purchases (Hanley & Wilhelm, 1992; Lejoyeux, Richoux-Benhaim, Betizeau, Lequen, & Lohnhardt, 2011). Others have concluded that roles played by self-esteem and locus of control are unclear (Norvilitis et al., 2006).

The importance of blending psychological factors with financial knowledge and consumer financial behavior was illustrated in one study that explored retirement savings (Howlett et al., 2008). Future oriented individuals who possessed financial knowledge were more inclined to save for retirement than those who were future oriented but lacked financial knowledge.

Motivation has been described as the most salient psychosocial factor for predicting positive educational outcomes (American College Testing, 2007) and is a significant factor in becoming financially literate (Kehiaian, 2012). Those who are motivated to learn are more likely to seek educational opportunities and more likely to exert the effort necessary for learning to occur. Motivation to learn, combined with teachable moments, provides an opportunity to improve consumer financial behavior. Other psychosocial factors can overshadow motivation:

For an individual whose self-worth is tied to materially keeping up with his or her social group, but whose spending to reach this goal outstrips financial resources, a lack of financial information, skills, confidence, or motivation is not the problem. (Willis, 2008, pp. 252-253)

Financial socialization. *Consumer socialization* (John, 1999; Schuchardt et al., 2009) is the process by which “people acquire skills, knowledge, and attitudes relevant to

their functioning as consumers in the marketplace” (Ward, 1974, p. 2). Danes (1994) posited that, although some financial literacy research refers to consumer socialization, *financial socialization* is a more inclusive term. Financial socialization is “the process of acquiring and developing values, attitudes, standards, norms, knowledge, and behaviors that contribute to the financial viability and well-being of the individual” (Danes, 1994, p. 128). Financial socialization includes factual knowledge as well as emotional aspects of money management. The process of financial socialization begins in early childhood (John, 1999). Although financial socialization occurs throughout one’s lifetime, the continued socialization process in adulthood has not been well-explored in financial literacy research. At the same time, much has been written in the literature about financial socialization of children and college students, which impacts financial decision-making in adulthood (Danes, 1994; Gudmunson & Danes, 2011; John, 1999; Schuchardt et al., 2009).

Children gain financial knowledge and learn financial behaviors from parents, teachers, peers, and communities. In addition, the media has played an influential role in financial socialization. Marketing efforts encountered on a daily basis tempt consumers to spend. Individuals at all income levels succumb to spending temptations and have difficulty differentiating between wants and needs (Estelami, 2008; Hilgert et al., 2003). Katona (1968) posited that “the American people were found to be thing-minded and security minded at the same time” (p. 24). In spite of a desire for security, consumers were often inclined to increase discretionary spending whenever incomes rose. Retailers and marketers often successfully frame spending as a form of saving (Maynard & Zinsmeyer, 2007). For instance, a half-off sale can suggest that consumers

are saving money by making purchases. In long-term investing, buying exuberance in the financial and housing markets was fueled by media reports, which also contributed to stress during the 2008 financial crisis (Gross, 2009).

Some have recommended using marketing concepts to influence consumers to engage in financially literate behaviors (Vitt et al., 2000). At the same time, programs designed to encourage consumers to save have blurred the line between spending and savings (Sherraden, 2010). The bank program “Keep the Change” transferred the difference between purchase prices and the nearest higher dollar amounts from customers’ checking accounts into their savings accounts. Although consumers were depositing small amounts of their own money into savings accounts, net worth would have been higher if purchases had not been made. Bank programs that offer overdraft protection for inadvertent overspending of checking accounts have, in reality, promoted the use of checking accounts to support spending beyond one’s means (Harrison & Chudry, 2011).

In spite of the ever-present media, parents may be the most influential socializing factor (Beutler & Dickson, 2008; Clarke, Heaton, Israelsen, & Eggett, 2005; Danes, 1994; Danes & Haberman, 2007; Gudmunson & Danes, 2011; Norvilitis & MacLean, 2010; Shim, Barber, Card, Xiao, & Serido, 2010). Parental guidance ranged from intentional instruction such as hands-on mentoring to financial modeling observed by children. In addition, family members affect the financial socialization of each other; older siblings influence younger siblings or children influence parents. Parental influence was found to continue into adulthood (Beutler & Dickson, 2008; Gudmunson & Danes, 2011).

Participant success in Ramsey's *Financial Peace University* has been attributed to social or "tribal" influence (Smark, 2012). Individuals engaged in self-imposed group surveillance during classes and self-discipline was celebrated. The power of social influence is such that "trying to change financial behavior without acknowledging the social aspects of individual decision-making is the road to frustration" (Kiviat & Morduch, 2012, p. 16).

Summary

Financial literacy is the successful combination of financial knowledge with consumer financial behavior reflecting that knowledge. Financial education has reported mixed success in improving financial knowledge. The complexity and evolving nature of financial knowledge can be an impediment to financial literacy. Individuals who encounter a teachable moment are more receptive to financial education. Consumer financial behavior does not always mirror the financial knowledge that an individual possesses. Personal construct theory posits that behavior reflects past experiences and anticipation of the replication of those experiences. Behavior is personally constructed while situated in social contexts. Psychosocial factors can be moderating factors that influence the successful combination of consumer financial behavior and financial knowledge.

Chapter 3

Conceptual Framework

As described in the literature review in chapter 2, financial literacy includes complex interrelationships among the constructs of financial knowledge, consumer financial behavior, and psychosocial factors. In order to develop a deeper understanding of these complex relationships, this study applied a phenomenological qualitative approach framed by personal construct theory and utilizing the Zaltman Metaphor Elicitation Technique (ZMET) for data collection and data analysis. The following section of the paper presents the conceptual framework for the study that includes background and descriptions of phenomenology, personal construct theory, and ZMET.¹

Phenomenology

Background. Phenomenology is both a philosophical perspective and a qualitative research methodology (Balls, 2009; Creswell, 2007; Daymon & Holloway, 2011; Krider & Ross, 1997; Moustakas, 1994). Phenomenological problems and questions may involve important sociological and psychological experiences, life

¹ Per Moustakas' (1994) phenomenological qualitative approach (see also Creswell, 2007), this dissertation highlighted the conceptual framework for the study in a separate chapter inserted between the literature review chapter and the methodology chapter, which resulted in six rather than five chapters in the study. Chapter 3 presented the conceptual framework. Methodology – typically found in chapter 3 – was moved to Chapter 4 followed by results in Chapter 5 and discussion in Chapter 6.

transitions, or everyday experiences that the researcher wishes to understand more deeply from the perspective of the participants. Phenomena are presented in individual's thoughts and feelings (Daymon & Holloway, 2011; Ehrich, 2005). Phenomenological studies have found relevance in the social sciences including marketing and consumer behavior (Fennell, 1985; Thompson, Locander, & Pollio, 1989; Wilson, 2012), management studies (Ehrich, 2005); psychology (Apelgren, 2010; Giorgi, 2006; King et al., 2008; Moustakas, 1994), nursing (Balls, 2009; Pringle, Hendry, & McLafferty, 2011), and education (Apelgren, 2010; Finlay, 2009; Kakkori, 2009). Literacy as a phenomenon has been studied in a number of fields including health (Forster, 2012; Martensson & Hensing, 2011) and education (Bruce, 1998; Norman & Malicky, 1986).

The rich history of phenomenology has roots in the discipline of philosophy and the early 20th century work of Edmund Husserl (Apelgren, 2010; Butt, 2003; Daymon & Holloway, 2011; Groenewald, 2004; King et al., 2008; Moustakas, 1994). Husserl studied under and was influenced by the work of Franz Brentano, who was an influential figure for others including Sigmund Freud in the field of psychology (Moustakas, 1994; Welsh, 2002). Husserl's work was further developed by Heidegger, Satre, and Merleau-Ponty among others (Creswell, 2007; Zahavi, 2012).

Husserl posited that each of us, as individuals, exists in a unique lifeworld...that is made up of objects, people, actions, and institutions. This lifeworld is each person's subjective experience of their everyday life, that is, it is their social reality, and this determines the meanings they attribute to their actions and the actions of others. (Daymon & Holloway, 2011, p. 182)

Husserl's philosophical phenomenology rejected empirical science as the only means for understanding the world, purporting that meaning and essence of phenomena manifest themselves subjectively as contextually experienced by the person (Apelgren, 2010; Creswell, 2007; Moustakas, 1994; Zikmund & Babin, 2010). Reality of a phenomenon results from the manner in which it is perceived in the consciousness of the individual. Understanding the reality of a phenomenon is "not reducible to facts" (Giorgi, 2006, p. 354).

Phenomenology posits that reality is framed by an individual's worldview and life experiences that, in turn, impact behaviors. At the same time, Husserl recognized that individuals exist in a shared social world (Daymon & Holloway, 2011). "We cannot separate out thought, feeling, and behavior any more than we can see a clear boundary between the personal and the social world" (Butt, 2004, p. 27).

Phenomenological studies seek an understanding of the subjective experience from the perspective of the participant in order to understand the essence of a phenomenon. The researcher typically suspends prior knowledge or judgments about a phenomenon so as to view the phenomenon anew through the eyes of participants. The *essence* is "the core meaning of an individual's experience that makes it what it is" (Ehrich, 2005, p. 2). The essence is the essential textural (i.e., what) and the essential structural (i.e., how) meanings of experiences (Creswell, 2007; Moustakas, 1994). In other words, "what" was experienced as an integral component of a phenomenon and "how" was it experienced. The essence of a phenomenon includes both the product of learning and absolute reality: the real (i.e., facts) and the non-real (i.e., absolute reality).

According to Moustakas (1994), an absolute reality exists in consciousness while “what appears in the world is a product of learning” (p. 27). Although phenomenology has emphasized the conscious state, Husserl suggested that degrees of consciousness exist (Welsh, 2002). The unconscious state, containing the past retentions, is capable of investigation when activated to consciousness. Thus, some scholars argue that the conscious, subconscious, and unconscious states are all relevant in phenomenology (Pitt, 2007; Seebohm, 1992; Welsh, 2002; Zahavi, 2012). This notion is of particular interest to this study of financial literacy using ZMET as the research technique. ZMET attempts to elicit thoughts and feelings at various levels of consciousness.

Practice of phenomenology. Although phenomenology is a philosophical perspective, it has evolved as a practice of phenomenology particularly in the field of psychology. Different philosophical worldviews and theoretical perspectives have resulted in the evolution of a number of practical approaches to the study of phenomena in the social sciences (Apelgren, 2010; Creswell, 2007; Ehrich, 2005; Finlay, 2009; Giorgi, 2006; Kakkori, 2009; Moustakas, 1994). While recognizing that critiques of different phenomenological approaches exist, further discussion of these critiques is beyond the scope of this project. Commonalities among the different phenomenological approaches include: (a) the phenomenon as the focus of study, (b) description, reduction, essences and intentionality as foundational concepts, and (c) description of the essence of a phenomenon rather than prescription of how individuals should think and act, or determination of whether those thoughts and actions are correct or incorrect (Ehrich, 2005; King et al., 2008).

This research adopted transcendental phenomenology as advanced by Clark Moustakas (1994) to uncover and describe the meaning, structure, and essence of the lived experience of financial literacy from the perspective of the participants. The study was framed by the worldview of personal construct theory and used ZMET for data gathering and data analysis. Transcendental phenomenology focuses on the synthesis of meanings and essences (Creswell, 2007; Merriam, 2002; Moustakas, 1994). Moustakas (1994) described seven basic steps in phenomenological research: (1) select a topic with individual and societal meanings, values, and significance, (2) conduct a comprehensive literature review, (3) develop participant (i.e., co-researcher) criteria, (4) provide participant instructions prior to the interview, establish appropriate ethical conditions, and obtain participant consent, (5) develop interview questions or protocol, (6) conduct face-to-face interviews including follow-up interviews if necessary, and (7) organize and analyze data to develop (a) individual textural (what) and structural (how) descriptions, (b) a composite textural description, (c) a composite structural description, and (d) a synthesis of textural and structural meanings and essences.

As mentioned earlier, intentionality, reduction, description, and essences are foundational concepts of phenomenology. Consciousness of phenomena is *intentional* (Creswell, 2007; Merriam, 2002; Moustakas, 1994). Moustakas (1994) illustrated intentionality in his perception of a tree: “My intentional experience is a combination of the outward appearance of the tree and the tree as contained in my consciousness based on memory, image, and meaning” (p. 55). Memories, perceptions, thoughts, and feelings are “embedded with meanings that are concealed and hidden from consciousness. The meanings must be recognized and drawn out” (Moustakas, 1994, p. 69). Meanings are

derived from both memory meanings and future meanings. Memory meanings are verifiable as viewed images and future meanings are derived from possibilities based upon experience. Phenomenology assumes that no final reality exists as experience allows for continual re-creation of chains of meanings and essences.

In this phenomenological qualitative study on financial literacy, personal construct theory supports the phenomenological framework in that personal construing reflects experiences as well as future expectations based upon those experiences. ZMET, as a research technique, elicits embedded meanings that are hidden from consciousness, making ZMET an ideal tool to recognize and draw out meaning from experiences.

Phenomenological data analysis generally consists of the epoche or bracketing of researcher experiences and preconceived notions, horizontalization of the data, creation of clusters of meanings using thematic reduction of data, and development of descriptions of the lived meanings of a phenomenon as experienced by the participants (Creswell, 2007; Daymon & Holloway, 2011; Groenewald, 2004; Wolff, 2000a; Worthen, 2002; Zikmund & Babin, 2010). Not all phenomenological approaches recommend bracketing, allowing researcher background and knowledge to influence interpretations (Balls, 2009). Other researchers find objectivity from bracketing useful regardless of the type of phenomenological study (Pringle et al., 2011). During data analysis, the significant meaning units are identified and horizontalized. *Meaning units* are “words, phrases, non-verbal or para-linguistic communications which express a unique and coherent meaning...clearly differentiated from that which precedes and follows” (Hycner, 1985, p. 282). *Horizontalization* refers to listing the significant meaning units identified from the interviews and “treating the data as having equal weight” (Merriam, 2002, p. 94).

Following horizontalization, meaning units are clustered into themes using phenomenological *reduction* of data. During phenomenological reduction, the researcher continually returns to the text passages to synthesize data and remove redundancies. *Imaginative variation* occurs during this process as data is examined “from divergent perspectives and varying frames of reference” (Merriam, 2002, p. 94).

Participant meaning is derived from connections of text passages and identification of themes representing the perspectives of the participants. The resulting description of the lived meanings of a phenomenon as experienced by the participants include textural descriptions (i.e., what was experienced) and structural descriptions (i.e., how the phenomenon was experienced) (Creswell, 2007; Moustakas, 1994). Individual participant descriptions are first created, followed by integration of individual descriptions into composite descriptions that are used to create the *essential, invariant structure* (i.e., essence) of the phenomenon. The essence is invariant as it is experienced by all participants in the study and is a brief description typifying the experiences (Creswell, 2007).

Phenomenology and personal construct theory. As a phenomenological qualitative study, this study on financial literacy explored consumers’ thoughts and feelings about financial literacy and how financial literacy affected their lives. Personal construct theory, as Kelly (1969) noted in his later work, appreciated the phenomenological attitude (Butler, 2009; Butt, 2003, 2004) describing the “way in which the world appears to people” (Butt, 2004, p. 22). In particular, the phenomenological concept of intentionality is reflected when an individual’s consciousness is directed towards personal constructions that represent meaning and understanding of their world

(Apelgren, 2010). Personal “constructs...are not to be thought of as personal cognitions in any way causing behaviour, but are the configuration of thought, feeling and action, intentionally directed through our projects in the world” (Butt, 2004, p. 26). Personal construct theory aims to uncover the personal interpretations of individuals and to see the world from their perspective. Therefore, it was an ideal theoretical lens through which to explore participants’ worldview of financial literacy. ZMET appreciates the phenomenological approach and personal construct theory; eliciting thoughts and feelings embodied in personal experience.

Personal Construct Theory

Psychologist George Kelly’s (1955) personal construct theory has been widely used in clinical psychology in addition to educational and organizational studies (Walker & Winter, 2007). Kelly concluded that events themselves are not the “basic determinants of the course of human action” (2003, p. 8). In other words, behavior is not merely a cause-effect relationship. Instead, the short-run and long-run manner in which an individual anticipates an event determines behavior. *Constructive alternativism* suggests that an individual creates meaning from his dynamic environment through alternative constructions of the future that, in turn, influence the individual’s anticipation of events and create personal meaning (Kelly, 1955). As a result, individuals “contact ‘reality’ not directly, but through our interpretations and assumptions of reality” (Butler, 2009, p. 4).

Kelly assumed a holistic view of man in the process, rejecting distinctions made between cognitive and affective responses:

I have been careful not to use either of the terms, 'emotional' or 'affective'. I have

been equally careful not to invoke the notion of 'cognition'. The classic distinction which separates these two constructs has, in the manner of most classic distinctions that once were useful, become a barrier to sensitive psychological inquiry. (Kelly, 1969, p. 140)

Person as scientist. Personal construct theory is a “theory of man’s personal inquiry – a psychology of human quest” (Kelly, 1966, p. 3). The *person as a scientist* uses self-created meaning that is continually evaluated to organize and control her life (Butt, 2004; Funder, 1997; Kelly, 1955). Kelly (1955) assumed that a person using constructive alternativism, much like a scientist, was capable of examining her personal experience and hypothesizing how that experience could be repeated or altered in a future situation. The similarities or differences in how an individual views objects, people, and ideas disclose an individual’s personal constructs; creating the person’s reality and framing her worldview. Kelly’s theory held that individuals’ meaning and understanding in their lives were developed through their personal interpretations and assumptions about reality that arise from personal experience and anticipation of future events (Butler, 2009; Veludo-de-Oliveira, Ikeda, & Campomar, 2006). This personal construal of the world impacted behavior in future and new experiences.

As a holistic approach, personal construct theory views personal constructs as individually created, yet influenced by society’s complex interrelationships (Butt, 2004; Kelly, 1955, 2003; Walker & Winter, 2007). Functioning in social life involves comparisons with others and observations of others’ behaviors. Behaviors of others can either validate or contradict an individual’s personal construct system. In this process, one’s personal construct system provides social meaning as well as personal meaning.

Basic postulate and corollaries. The basic postulate for personal construct theory states that “*a person’s processes are psychologically channelized by the ways in which he anticipates events* [italics in original]” (Kelly, 1955, p. 46; 2003, p. 7). The theory assumes that an individual’s personal construct system is self-constructed and dynamic through a combination of experience and anticipation of future events. *Personal constructs* are individually held theories developed from a person’s experiences of the world or construals (Funder, 1997). Kelly (1955) further described personal constructs as the:

patterns or templates which [man] creates and then attempts to fit over the realities of which the world is composed....They are what enables a man...to chart a course of behavior, explicitly formulated or implicitly acted out, verbally expressed or utterly inarticulate, consistent with other courses of behavior or inconsistent with them, intellectually reasoned or vegetatively sensed. (p. 9)

The basic postulate of personal construct theory is supported by corollaries that elaborate upon the theory including the corollaries of construction, individuality, organization, dichotomy, choice, range, experience, modulation, fragmentation, commonality, and sociality (Butler, 2009; Kelly, 1955, 1969, 2003). The construction corollary suggests that future events, within a relevant range of convenience, can be anticipated based upon similarities and differences from past events. Although constructions of past and future events are individually created, individuals in a social group may construe common constructions of events (commonality) even if individuals have experienced the same event in a different manner. Hurricane survivors do not experience the event in precisely the same manner but may have common constructs of

the experience. The sociality corollary indicates that individuals do not necessarily need to construe experiences in the same manner to understand each other's behavior. Instead, understanding comes from focusing on the outlook of others rather than their behavior. Social roles with others are developed through "an ongoing pattern of behavior that follows from a person's understanding of how others...think" (Kelly, 1955, pp. 97-98).

The construction system is organized in a manner that creates relationships between constructs in order to derive meaning. Constructs are connected to preceding constructs (i.e., antecedents) and followed by other connecting constructs (i.e., consequents) (Walker & Winter, 2007). Thus, "a person's processes are psychologically channelized by the ways in which he anticipates events" (Kelly, 1955, p. 32). At the same time, the construction system should not be thought of as a linear relationship. Instead, movement occurs among a number of different variables and in a number of different directions.

The fragmentation corollary suggests that the relationships that exist between constructs may be consistent between antecedents and consequents but may also be inconsistent: love might connect to jealousy which might connect to hate in spite of the fact that love would not logically connect to hate (Kelly, 2003). Meaning is further derived from the contrasts (dichotomous constructs) an individual uses to distinguish between groups (e.g., lazy versus hard-working or kind versus mean) (Butler, 2009).

An individual is capable of making choices among alternatives based upon her personal construct system. At the same time, choices reflect personal experience. "The unit of experience...[includes] five phases: anticipation, investment [of self], encounter, confirmation or disconfirmation, and constructive revision" (Kelly, 2003, p. 12).

Constructive revision only occurs when individuals are open to novel events and willing to accept revised constructs (modulation). During elaborative choice, a person broadens or changes her anticipation of possible events (Butler, 2009). Individuals who experience dissatisfaction with their current construction system would be more likely to consider possible alternatives. These elaborations would allow for the creation of a new construction system which would allow for new behaviors.

Kelly (2003) emphasized that constructs are individually created such that two individuals can differ in their construction of the same past events. In a similar manner, constructs of several individuals related to anticipation of a particular circumstance or concept can be vastly different depending upon the individuals' perceptions and experiences. A job interview can be viewed as "an opportunity to show off your talents, a normal conversation, an exhausting ordeal, or a terrifying risk of utter humiliation and career destruction" (Funder, 1997, p. 456). In a pilot study of this research on financial literacy, one participant described financial literacy as "scary like a spider" while another found financial literacy to be "fun like playing the Mario™ game." At the same time, personal constructs are socially influenced so that similar constructions can develop among a social group.

Zaltman Metaphor Elicitation Technique (ZMET)

Background. Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used ZMET as the data collection and data analysis technique to explore the phenomenon of financial literacy. ZMET, a qualitative research technique, provides insight into meanings and lived

experiences through “semi-structured, in-depth, personal interviews centered around visual images” (Coulter et al., 2001, p. 2) that are used to elicit thoughts and feelings about a particular topic. ZMET was developed by Gerald Zaltman in 1991 for use in marketing studies (i.e., product advertising) (Plummer et al., 2012; Zaltman & Coulter, 1995) and was the first patented marketing research technique in U.S. history (US Patent 5,436,830; filed 2-1-93; issued 7-25-95). ZMET is based upon the premise that (a) as much as 95% of thinking occurs at the unconscious level (i.e., below conscious awareness), (b) as much as 80% of communication is nonverbal, (c) thought is shaped by embodied experience, (d) reason, emotion, and experience are intertwined, (e) thoughts occur as images, and (f) thoughts are created and expressed through the use of metaphors (Christensen & Olson, 2002; Zaltman, 1996; Zaltman & Coulter, 1995).

ZMET has been successfully modified and used in studies representing a variety of disciplines in addition to marketing. ZMET can also be modified to suit the nature of a study (Plummer et al., 2012). ZMET studies typically follow these basic steps: (1) a broad, open-ended assignment is developed (i.e., gather five to eight pictures that express your thoughts and feelings about financial literacy and how financial literacy affects your life), (2) participants receive the assignment, (3) interviews are scheduled approximately one week after receipt of the assignment, (4) during the interview each participant image is discussed one-by-one (i.e., storytelling step) and participants are asked to describe how the image relates to their thoughts and feelings about the topic (5) missing images that participants would have included if found are also discussed (6) triadic sorting and laddering are used to elicit constructs and their relationships (i.e., content and structure) during the interview, (7) participants are asked to describe any other relevant senses such

as touch, taste, sound, or smell, (8) participants are asked to further explain images through the creation of stories (9) a summary image (i.e., summary collage) of the key images is created during the interview, (10) interviews are transcribed, (11) mental maps are created for each participant using the transcribed interview and summary image, (12) individual mental maps are used to create a consensus map representing the thoughts and feeling of the entire sample, (13) deep metaphors are identified, and (14) themes that emerged are identified (Coulter et al., 2001; Plummer et al., 2012).

The diverse group of entities that have gained marketing and consumer behavior insights through ZMET interviews include Harley-Davidson, the World Bank, Walt Disney, Cisco, Wells Fargo, Coca-Cola, and Reebok in addition to numerous other entities (Olson Zaltman Associates, 2013; Weiners, 2003; Zaltman, 1996). Other ZMET projects included research into the mountain biking subculture (Christensen & Olson, 2002), a study of the impact of the economic downturn (Olson Zaltman Associates, 2012), and a credit union study to understand how low-income women's cognitive and affective responses related to money, savings, and their children's futures (Maynard & Zinsmeyer, 2007).

Although originally developed as a marketing research tool to study consumer behavior, ZMET has found relevance in other fields including internal management studies (Morse, 2002), architectural design studies (Conley, 2005), and organizational behavior research (Vorell & Shulman, 2004). In addition, ZMET has been applied in academic research topics such as ethical consumer motivations (Freestone & McGoldrick, 2008), ethical positioning and political marketing (Freestone & McGoldrick, 2007), consumers' perceptions and reactions to advertising (Coulter et al.,

2001; Micu & Plummer, 2010), sport fan loyalty (Chen, 2006), consumer home choice (Khoo-Lattimore, Thyne, & Robertson, 2009), fashion and identity (Venkatesh, Joy, Sherry, Deschenes, 2010), experiences of powerlessness for women in substance abuse recovery programs (Matheson, 2005), meanings of the Internet (Joy, Sherry, Venkatesh, & Deschenes, 2009), integration of smartphones into the daily lives of consumers (Wagner, 2011), and insights into adolescents and mp3 players (Ling, Yang, Liu, & Tsai, 2009).

Thoughts and feelings. The phenomenon of financial literacy involves complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. Psychosocial factors include cognitive, emotional, social, and spiritual dimensions (Donatelle, 2009). *Thoughts and feelings* as used in ZMET studies is simplified terminology encompassing all cognitive and emotional responses (Coulter et al., 2001; Plummer et al., 2012; Zaltman, 2003). Alternative terminology, such as *cognition and affect* (Chen, 2006), are occasionally used in ZMET studies and are understood to share the same meaning as thoughts and feelings. For consistency, this study on financial literacy uses the terminology commonly found in ZMET studies (i.e., thoughts and feelings) in ZMET discussions.

Zaltman (2003) described *thoughts* as the “outcome of thinking, conventionally called beliefs, attitudes, and evaluations” (p. xviii). Thinking was further defined as “the use of mental processes; activities of the brain involved in storing, recalling, or using information, or in generating specific feelings and emotions. Also called cognition and mental processes” (Zaltman, 2003, p. xviii). Thus, ZMET attempts to elicit thoughts (i.e., cognitive constructs) of individual’s lived experience. Individuals can be fully aware and

capable of articulating their thoughts (i.e., conscious thoughts) or thoughts may be unconscious whereby limited awareness or unawareness exists. Tying shoelaces is an activity that employs unconscious thought. Conscious actions are often guided by unconscious thoughts.

In personal construct theory, Kelly (1955) rejected “the distinction between thought and feeling, using construing to encompass both” (Walker & Winter, 2007, p. 458). Instead, “personal construct theory views the person holistically, rejecting distinctions between cognition, conation, and affect” (Winter, 1996, p. 599). In a similar manner, elicited constructs from a ZMET interview are not separated into distinct categories of thoughts and feelings.

Images. Images are information-rich presenting multiple thoughts and feelings (Coulter & Zaltman, 1994; Coulter et al., 2001). Photographs and other images have played powerful roles in studies from the disciplines of anthropology, psychology, and sociology. Rather than engaging in a traditional interview that directly questions participants about a particular topic, participants in ZMET studies gather five to eight photographs or pictures that metaphorically represent their thoughts and feelings about a research topic prior to the interview. Images may be personal photographs or pictures from other sources such as the Internet or magazines. In ZMET, the underlying premise suggests that thoughts occur as metaphors and most human thought-processing occurs at the unconscious level (Coulter et al., 2001; Zaltman, 2003). The participant-selected pictures are used by the researcher in a one-on-one interview designed to elicit the deeper meanings that participants associate with a brand, product, or other topic (Coulter et al., 2001; Plummer et al., 2012; Zaltman & Coulter, 1995).

Repertory grid and laddering. ZMET evolved from a number of disciplines including linguistics, verbal and nonverbal communication, neuroscience, visual anthropology, psychology, visual sociology, phototherapy, and semiotics (Coulter et al., 2001; Plummer et al., 2012; Zaltman, 2003). Zaltman expanded, modified, and combined elements from theories and research methods in these disciplines in the development of ZMET. For instance, elements of laddering (Hinkle, 1965; Gutman, 1982; Reynolds & Gutman, 1988), the repertory grid (Kelly, 1955), mental models (Johnson-Laird, 1988), and conceptual metaphor theory (Lakoff & Johnson, 1980) are evidenced in ZMET.

Kelly's (1955) repertory grid and laddering (Gutman, 1982; Hinkle, 2010; Reynolds & Gutman, 1988), derived from personal construct theory, are of particular interest in this study. Modified versions of the repertory grid and laddering from personal construct theory are applied to understand the relationships among elicited constructs (Coulter et al., 2001; Kelly, 1955; Plummer et al., 2012; Reynolds & Gutman, 1988; Zaltman & Coulter, 1995).

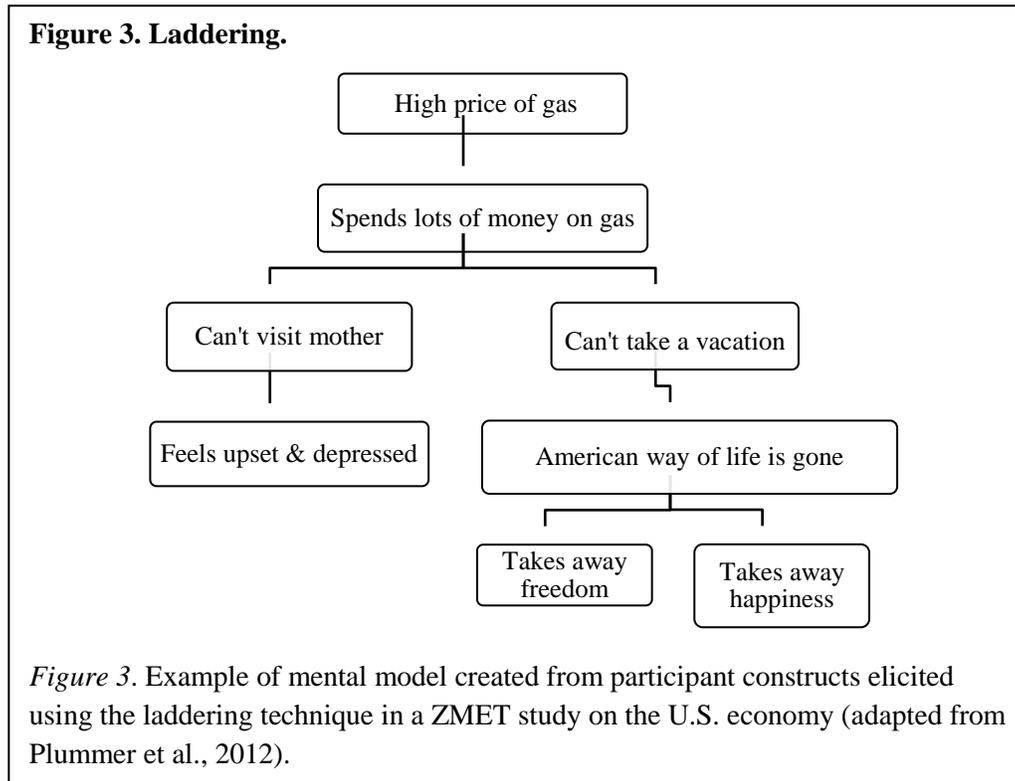
Kelly (1955) described the repertory grid as a grid or table consisting of role titles listed on one axis and personal constructs entered on the other axis. Thus, a repertory grid consists of a set of elements (e.g., me, my mother, my teacher, and my sister) on one axis of a grid and a list of constructs (e.g., kind versus mean or lazy versus hard-working) is elicited from the participant for the other axis of the grid. Symbolism plays a role in forming constructs such as father as a symbol of maturity (Kelly, 1955). The grid is completed by selecting "successive triads of elements [and] the participant is asked in what important way two of the elements are similar and thereby different from the third" (Walker & Winter, 2007, p. 460). For example, a participant may be asked how her

mother and her teacher are similar but different from her sister. “At the intersection of each row and column is a cell in which the [participant] may place a check mark or not” (Kelly, 1955, p. 268), depending upon whether or not the construct applies to the element.

The influence of the researcher may be minimized by eliciting constructs directly from participants rather than asking participants to select constructs from pre-determined lists. Variations of the original method exist such as supplying the participant with both the elements and constructs (Walker & Winter, 2007). In this approach, the participant is asked to use a rating scale indicating whether or not the listed element is related to the construct. For example, the participant may use a rating scale from 1 to 5 in the cell that corresponds with her sister (i.e., an element) and hard-working (i.e., a construct). The repertory grid has been modified and used to describe different types of elements ranging from relationships to life events to products to video clips.

In addition to grid-based techniques, non-grid techniques for eliciting personal constructs have been developed. One non-grid technique, *laddering* was advanced in 1965 through the efforts of Dennis Hinkle, a graduate student working under the direction of Kelly (Butler, 2009; Hinkle, 2010; Veludo-de-Oliveira et al., 2006). Personal constructs may be connected in a subordinate and superordinate fashion (i.e. hierarchical relationships of constructs) within a person’s construction system (Kelly, 1955; Walker & Winter, 2007). *Laddering* is particularly useful for eliciting personal constructs connected in a hierarchical fashion (Reynolds & Gutman, 1988; Walker & Winter, 2007). When a construct is elicited, the participant is asked why that construct is important to him or why the construct is preferred in order to elicit superordinate

constructs (see Figure 3). Probing questions stop when the participant no longer has additional information to add or prefers not to answer.



Laddering is used in studies from a number of disciplines including marketing studies that utilize *means-end theory* to connect means (tangible attributes) to consumer's desired ends (Olson & Reynolds, 2001; Peter & Olson, 2010; Reynolds & Gutman, 1988). Through laddering, a hierarchical chain of means-end is created that typically links concrete attributes (i.e., means) to functional consequences to psychosocial consequences to desired results (i.e., ends). In this study on financial literacy, Zaltman Metaphor Elicitation Technique (ZMET) was the technique used to

identify individuals' personal constructs related to financial literacy. ZMET incorporates modified versions of the repertory grid and laddering.

Laddering in ZMET studies is used during two steps: (1) initial storytelling when participants describe their images and (2) during triadic sorting of pictures. During initial storytelling, laddering questions may be used to encourage participants to further describe their thoughts and feelings. Laddering typically begins with a "what" question followed by additional probing (as opposed to prompting) questions. Prompting questions lead an individual toward a specific response (e.g., "Is 'x' why you think that?"). On the other hand, a probing question generally takes the form of a "why" question in order to elicit more abstract thinking that often represents deeper values (e.g., "Can you tell me more about x?" or "Why is 'x' important to you?"). (See examples of probing questions in Appendix G.) Laddering enables the researcher "to get below the respondent's surface reasons and rationalizations to discover the more fundamental reasons underlying the respondent's perceptions and behavior" (Reynolds & Gutman, 1988, p. 14).

Triadic sorting of pictures borrows elements of the repertory grid technique and includes further laddering questions. During triadic sorting, participants select any three of their images and described how two of them are similar but different from the third picture. This process assists in identifying constructs as well as relationships between constructs. Further probing questions and laddering are used to connect constructs. The process is repeated using different images. Meaning is created from both the content and structure of the constructs.

Interview process. In ZMET studies, interviews are guided by participants' storytelling that describes their images (i.e., photographs or Internet and magazine

pictures) and construct elicitation using modified versions of the Kelly repertory grid and laddering. “Because the data are informant-driven rather than researcher-driven, the ZMET interview affords researchers an opportunity to have consumers more freely express and expand on their thoughts and feelings about the topic under investigation” (Coulter et al., 2001, p. 2). Participants in a ZMET study have invested time and energy gathering images for the interview. Many arrive at their interviews prepared to provide significant detail about their thoughts and feelings associated with the images. Additional probing questions are used to elicit further thoughts and feelings, particularly from participants who have difficulty expressing their thoughts and feelings. Following laddering, participants are asked to describe the overall theme of the image. Zaltman and Coulter (1995) posited that “to understand what something is, it is also necessary to know what it is not” (p. 41). Therefore, participants are occasionally asked to identify opposite thoughts and feelings from those generated from the images.

Participants in ZMET studies may be unable to locate images that depict particular thoughts and feelings that they would like to express (Coulter et. al., 2001; Plummer et al, 2012; Zaltman & Coulter, 1995). Participants are asked if there are any images that they were unable to locate. If there are any missing images, storytelling is used as if the image is present. The storytelling and missing images steps are followed by the triadic sorting step described earlier.

In addition to visual images, other senses play a role in unveiling unconscious thought (Coulter et al., 2001; Plummer et al., 2012; Zaltman, 2003). Other senses (e.g., taste, touch, sound, and smell) often serve as triggering cues for recalling memories. Sensory descriptions may be symbolic or representative of participant experiences.

Participants in ZMET studies are asked to describe any other senses that would represent their thoughts and feelings about the topic. In the pilot study for this research on financial literacy, one participant observed that financial illiteracy smelled like a landfill and was the garbage dump that no one wanted in her own backyard.

Individuals engage different areas of the brain when describing a picture compared to creating a movie, play, or story (Coulter et al., 2001; Plummer et al, 2012; Zaltman & Coulter, 1995). In the vignette step, one of the participant's pictures is selected for broadening of the viewing lens. The participant is asked to pretend the picture could be expanded and either the participant or other actors could enter the picture. Participants are asked to elaborate upon what the participant or other actors would be saying, thinking, or doing. Using a coloring book picture of a family at a bank, one participant in the pilot study for this financial literacy research described the happiness of the family as they went to the bank together and the children's excitement in having their own bank accounts. The interpersonal relationships of the family members that were enhanced by financial literacy were further described.

The summary image (i.e., summary collage) is the final step in the interview process (Coulter et al., 2001; Plummer et al, 2012; Zaltman & Coulter, 1995). The summary image is "a visual representation of all the key ideas discussed during the interview" (Plummer et al., 2012, p. 204). From the participant's images, the participant is asked to select the most representative image or most important image that illustrates her thoughts and feelings about financial literacy and how financial literacy affected her life. The most representative image becomes the background image for the summary image that is created. The remaining pictures are then positioned to illustrate the

relationships among constructs. When the summary image is complete, the participant is asked to describe the overall meaning of the summary image.

Consensus map. As described earlier, laddering is a technique well-suited to arrive at different levels of abstraction. The use of laddering to explore construing is well-established in psychology and marketing (Hinkle, 2010; Reynolds & Gutman, 1988; Veludo-de-Oliveira et al., 2006; Walker & Winter, 2007). For example, in consumer behavior studies, laddering has been “used to develop an understanding of how consumers translate the attributes of products into meaningful associations with respect to self, following Means-End Theory” (Reynolds & Gutman, 1988, p. 12). Means-end theory illustrates thoughts and feelings by connecting tangible means to consequences to ends resulting in a hierarchical value map (Gutman, 1982; Reynolds & Gutman, 1988). In a hierarchical value map, different levels of abstraction might be produced. For example, home ownership (a means) provides basic shelter (physiological consequence) or self-esteem (psychological consequence) or group membership within a neighborhood (sociological consequence) which may be further linked to desired ends such as security or responsible parenting. Similar to creating a hierarchical value map, laddering allows for the creation of mental models and a consensus map during data analysis in ZMET studies.

A *mental model* represents an individual’s knowledge – spoken or tacit and conscious or unconscious – and behavior (Zaltman & Coulter, 1995). Mental models are representations of the relationships between discourse, perceptions, memory, and imagination (Johnson-Laird, 1988). Mental models consist of both affect and cognition. For example, “attitudes, emotions and feelings, symbols, actions, goals, personal values,

images, memories,...visions of anticipated experiences, and representations of sensory experience” (Christensen & Olson, 2002, p. 478) can all be represented in mental models. The manner in which these ideas or concepts (i.e., content) are organized in memory (i.e., structure) are illustrated in mental models. Meaning is created through the structure or linkages between concepts. Thus, it is impossible to disassociate content and structure. Zaltman (2003) likened a mental model to a road map that “identifies different communities and their connecting routes” (p. xx).

A mental model is developed from each interview representing the content, structure, and meaning for each participant. These mental models are then combined and refined until a consensus map is created. A *consensus map* is the common mental model that a group of individuals share (Christensen & Olson, 2002; Zaltman, 2003). A consensus map responds directly to the focus of phenomenological qualitative studies in that understanding of the meaning, structure, and essence of a phenomenon can be visually presented. In particular, for this study, an understanding of the meaning, structure, and essence of the lived experience of financial literacy can be presented in a consensus map.

ZMET assists in better understanding consumers through the creation of a consensus map and in developing actionable plans through the use of participant metaphors. As described by Zaltman and Coulter (1995), the consensus map “contains the dominant constructs (factors, variables) that drive consumer thought and action...[and] metaphors are the key windows/mechanisms for viewing consumer thought and feelings and for understanding behavior” (pp. 37-38).

Metaphors. Semiotics or the study of signs and symbols in communication, including metaphor usage, has been used in phenomenological studies (King et al., 2008) and is foundational to ZMET (Zaltman, 1996). *Metaphor*, “the representation of one thing in terms of another, is fundamental to thinking and knowing...Metaphors are not only ways of hiding or expressing thoughts, they actively create and shape them” (Zaltman, 1996, p. 14). Metaphors occur as often as six times per minute in everyday language. Metaphors assist in comprehending thoughts and feelings that are not easily described, including abstract thinking or moral and spiritual experiences. Metaphors that consumers use to describe experiences or products can provide insight into consumers’ unconscious thoughts (Gibbs, 2011; Lakoff & Johnson, 1980a, 1980b; Zaltman, 2003; Zaltman & Zaltman, 2008). For example, individuals might discuss their journeys to financial freedom or the risk of having all their eggs in one basket.

While recognizing the use of metaphor as a linguistic tool, Lakoff and Johnson’s (1980b) seminal work introduced the theory of *conceptual metaphor*, which posits that the human conceptual system is largely automatic and metaphorical. Conceptual metaphors are not merely idiomatic expressions used in language but, instead, are “metaphors of thought” (Gibbs, 2011, p. 530).

Human conceptual knowledge is understood through the linkage of different concepts to one another. Neuroscientists have supported the idea that understanding is created through linkages of knowledge (Klemm, 2007). Lakoff and Johnson (1980b) referred to the connections between metaphorical concepts as “mapping across conceptual domains” (p. 252) resulting in linkages and understanding. The current neural theory of metaphor suggests that mapping is a function of neural circuitry, “produc[ing] a

stable conventional system of primary metaphors that tend to remain in place indefinitely within the conceptual system and are independent of language” (Lakoff & Johnson, 1980(b), p. 256).

Conceptual metaphor theory posits that (a) metaphors are linked to physical experiences, (b) all experiences have cultural underpinnings, (c) emotions are conceptualized through the use of metaphor, and (d) primary metaphors appear to be universally understood and imprinted soon after birth (Gibbs, 2011; Kovecses, 2008; Lakoff & Johnson, 1980b). For example, AFFECTION AS WARMTH² is a primary metaphor that is universally understood. In other words, primary metaphors are physical phenomena that become intrinsic elements of physical, social, and cultural interactions.

Deep metaphors are the most basic of all metaphors and are universally understood (Plummer et al., 2012; Zaltman, 2003; Zaltman & Zaltman, 2008). *Deep metaphors* are defined as “unconscious viewing lenses...that shape what [people] hear, feel, think, say, and do....Deep metaphors are enduring ways of perceiving things, making sense of what we encounter, and guiding our subsequent actions” (Zaltman & Zaltman, 2008, p. xv). “Deep metaphors come to us through our earliest physical experiences....[and] expressions [of consumers’ deep metaphors] reflect the emotions and meanings attached to a given experience, person, brand, or situation” (Plummer et al., 2012, p. 198). Deep metaphors are shaped by environmental and socializing influences including location, historical events, parents, schools, peers, and religious or other communities. Common deep metaphors that surface in ZMET research include balance,

² The common convention in Conceptual Metaphor Theory is to present primary metaphors using all uppercase letters (see Lakoff & Johnson, 1980(a), 1980(b); Kovecses, 2008).

transformation, container, journey, resource, control, and connection (Plummer et al., 2012; Zaltman, 2003; Zaltman & Zaltman, 2008).

These seven common deep metaphors represent 70% of all metaphors used by individuals (Kotler, Kartajaya, & Setiawan, 2010; Zaltman, 2003; Zaltman & Zaltman, 2008). The balance metaphor includes both biological and social constructs such as physical, emotional, moral, and social balance. Moral balance includes behaviors that are rewarded or punished while social balance involves reciprocity or cooperation.

Individuals often speak of the need to have some type of balance in their lives.

Transformation generally refers to issues related to well-being, escape, or change in identity. Transformation can be either positive or negative. Journeys can also invoke positive or negative images, be known or unknown, and may involve obstacles or facilitators. "People may think of financial planning as 'a rocky road,' 'an uphill battle,' 'like wandering aimlessly,' 'an exciting, challenging adventure,' 'smooth sailing,' and so on" (Zaltman & Zaltman, 2008, p. 32). Containers are not only physical but also psychological or emotional, and often include memories, cultures, places, products, or education. Containers may imply safety or danger such as in the metaphorical expression of "having all your eggs in one basket." Connections include interrelationships between individuals but may also include other connections such as to places. Examples of resources are individuals, knowledge, or money. Control can be another positive or negative construct. In a study on financial investing, one participant compared herself to a squirrel, but noted that her lack of control would allow her to eat all the stored nuts (Zaltman & Zaltman, 2008).

Individuals use these and other deep metaphors as viewing lenses to frame their worldviews and experiences (Plummer et al., 2012; Zaltman & Zaltman, 2008). In turn, these metaphors provide insight into individuals' thoughts and feelings. In this study, metaphors provided insight into individuals' thoughts and feelings about financial literacy that, when combined with the consensus map, described the meaning, structure, and essence of the lived experience.

Summary

Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used ZMET as the data collection and data analysis technique to explore the phenomenon of financial literacy. Phenomenological studies seek to understand the essence of a phenomenon from the subjective experience of a participant. Phenomenology suggests that reality is framed by an individual's worldview and life experiences that influence behavior. Personal construct theory posits that individuals construe meaning and understanding in their lives from experiences and anticipation of future events. In this manner, financial literacy – and more specifically, financial knowledge and consumer financial behavior – would reflect an individual's construed reality.

ZMET, a research technique designed to elicit individuals' deeper thoughts and feelings about a topic, shares tools employed in personal construct theory, specifically modified versions of Kelly's (1955) repertory grid and laddering, to elicit personal constructs. The elicited constructs and the linkages that appear in a consensus map provide insight into personal meaning as experienced by individuals.

Metaphorical expressions used by individuals offer further illumination of the lived experience particularly for those thoughts and feelings that are not easily described. In this phenomenological qualitative study of financial literacy, ZMET provided insight into consumers' thoughts and feelings about financial literacy and how financial literacy affects their lives. In turn, this insight offered a better understanding of the interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors.

Chapter 4

Methodology

This chapter presents restatements of the research problem, purpose of the research, and research questions followed by descriptions of the research design, participants, and role of the researcher. The chapter further describes ZMET which was used for data collection and data analysis. Finally, reliability and validity strategies and ethical issues are presented.

Problem Restatement

Financial literacy impacts the lives of individuals, families, and communities. Furthermore, public policy makers have indicated that economic stability in the U. S. is impacted by the financial literacy of citizens (Bernanke, 2012; Dodaro, 2011; Executive Order No. 13,530, 2010). A financially literate individual must have financial knowledge and engage in consumer financial behavior exhibiting that knowledge. Not all individuals appear to possess the basic financial knowledge necessary to plan for a comfortable lifestyle (Mandell, 2008). Some individuals possess financial knowledge but other psychosocial factors interfere with the ability of that knowledge to influence their actual consumer financial behavior (Estelami, 2008; Dodaro, 2011; Huston, 2010). A need existed to better understand the phenomenon of financial literacy and the

complex interrelationships between financial knowledge, consumer financial behavior and psychosocial factors.

Restatement of Study Purpose

The purpose of this phenomenological qualitative study was to describe the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. In particular, this study sought to describe the meaning, structure, and essence of the lived experience of financial literacy for individuals who had completed a financial literacy program compared to the meaning, structure, and essence of the lived experience of financial literacy for individuals who had not completed a financial literacy program. In this study, financial literacy was generally defined as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8).

Restatement of Research Questions

Central question.

- How do consumers perceive and describe the experience of financial literacy in their lives?

Subquestions.

- What underlying deep metaphors and thematic categories emerge from consumers' experience of financial literacy?

- What similarities exist in the meaning, structure, and essence of financial literacy for individuals who have completed a financial literacy program compared to individuals who have not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.)
- What differences exist in the meaning, structure, and essence of financial literacy for individuals who have completed a financial literacy program compared to individuals who have not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.)

Research Design

This study used a phenomenological qualitative approach to understand and describe the meaning, structure, and essence of the lived experience of financial literacy. Phenomenological qualitative research is “a strategy of inquiry in which the researcher identifies the essence of human experiences about a phenomenon as described by participants” (Creswell, 2009, p. 13). Viewed through the theoretical lens of personal construct theory, the study used ZMET as the data collection and data analysis technique. Phenomenology, personal construct theory, and ZMET were previously described in Chapter 3.

The purpose of qualitative research methodologies is to understand perceptions and experiences of research participants at a deeper level and, in this process, to develop a holistic understanding of a research problem (Creswell, 2007; Denzin & Lincoln, 2005;

Merriam, 2002). All qualitative studies have three characteristics in common: the researcher wishes to understand meaning from the participants, the researcher is the primary instrument, and research results are presented in a richly descriptive form (Creswell, 2007, 2009; Merriam, 2002; Rudestam & Newton, 2007). Qualitative research gathers data from documents, observations, or face-to-face interviews – typically conducted in natural settings – using open-ended questions, offering the flexibility of exploring additional questions that arise during the interviews.

Personal meaning and human experience can be explored using a phenomenological qualitative approach (Creswell, 2007; Daymon & Holloway, 2011; Worthen, 2002) which makes it an ideal approach to study the phenomenon of financial literacy. Personal meaning is created through perceptions developed from experiences and social interactions guided by historical and cultural norms that exist in the individual's world (Creswell, 2009; Merriam, 2002; Rudestam & Newton, 2007). ZMET and personal construct theory, as described in the literature review, consider the influence that the social exchange process has on thoughts, feelings, and personal meaning.

Participants

Participants in phenomenological qualitative studies play a critical role. Some researchers emphasize the importance of the researcher-participant relationship by referring to participants as co-investigators (Worthen, 2002) or co-researchers (Giorgi, 2006; Moustakas, 1994). A trusting relationship in phenomenological qualitative studies is of particular importance. The researcher must exhibit an honest interest in understanding the lived experiences of the participants. The researcher in this study

contributed to the necessary trusting relationship by recognizing the contributions of participants as co-researchers; adopting a friendly, positive attitude; and allowing participants to speak freely without interruption during the interviews.

Participants in phenomenological qualitative studies must have a true desire to share the richness of their experience. For this study, the solicitation of participants who had completed a financial literacy program (i.e., Ramsey's *Financial Peace University*) provided assurance that participants had a sincere interest in the research topic. Voluntary participation in both samples further evidenced a sincere interest in the topic. In addition, as ZMET is a time-consuming research technique both in preparation for and during the interview, participation in the study evidenced a true desire on the part of participants to share their experiences. Participants were offered a \$20 gift card as an incentive to participate and as a token of appreciation for their participation. While financial incentives could have a biasing effect in research studies, the potential for bias in this study was mitigated by the minimal amount of the financial incentive and the involved nature of the research technique itself.

Gathering rich data from participants is paramount in phenomenological qualitative studies. In this process, participant interview questions are often different from the research questions (Groenewald, 2004). In this study using ZMET as the technique to gather and analyze data, participants received a broad assignment prior to the interview: find 5 to 8 pictures that express your thoughts and feelings about financial literacy and how financial literacy affects your life. Additional probing questions (see Appendix G) were used during the interview to elicit further responses. During the interview process, phenomenological researchers assume the attitude of trained

facilitators, recording participant responses without judgment while ensuring that the voice of the participant will be heard (Creswell, 2007; Finlay, 2009; Giorgi, 2006; King et al., 2008).

The nature of phenomenology allows the researcher to select the number of participants deemed appropriate for understanding a particular research problem. A study may explore a phenomenon from the perspective of a single participant or multiple participants. Sample sizes in phenomenological studies commonly include between one and 10 participants (Creswell, 2007; Merriam, 2002). No further solicitation of participants is necessary in phenomenological studies when reduction is apparent (i.e., themes naturally begin to emerge from the interviews rather than new descriptions) (Wolff, 2002b).

In a ZMET study, a consensus model representing an identified segment can be accurately depicted through insight gained from 12 to 15 interviews (Khoo-Lattimore et al., 2009; Plummer et al., 2012). According to Zaltman and Zaltman (2008), “Every validation study determined that fewer than twelve people are needed to identify the relevant constructs and associated deep metaphors” (p. 213). Research has found that all of the constructs on the consensus map can generally be elicited from four or five participants (Coulter et al., 2001; Zaltman & Coulter, 1995). The small number of participants in a ZMET study is consistent with other qualitative methodologies where sample sizes are typically smaller in exchange for in-depth data gathering from participants.

Participants in this phenomenological qualitative study of financial literacy were adult-age individuals – defined in this study as men and women 18 years of age or older –

living in the Helena, Montana area. Approximately 30,000 people lived in the city of Helena (64,000 in the greater Helena area), categorized as a micropolitan statistical area (i.e., urban area between 10,000 and 50,000 people) (Policom Corporation, 2012). In 2012, the city ranked second in the U.S. for micropolitan economic strength.

Employment in the area was stable (local unemployment rate of 4.4% at the end of 2012 and a statewide unemployment rate of 5.3% in August 2013) with approximately 60% of the workforce employed in state or federal government positions (Helena Area Chamber of Commerce, 2012; United States Department of Labor, 2013). The median household income was just over \$50,000, and 45% of the population earned a 4-year college degree (60% have some college experience).

One sample in this study consisted of individuals who had completed a financial literacy program (FPU) and the other sample included individuals who had not completed a financial literacy program (NFP). The study used purposive selection for the first sample. Participants in the first sample were graduates of Dave Ramsey financial literacy programs, *Financial Peace University*, prevalent programs in the community. Participants were solicited who had completed programs sponsored by four different churches. Both church members and non-members enroll in church-sponsored programs. All FPU participants identified a religious affiliation and all but one participant in the NFP sample identified a religious affiliation. Recruitment flyers for both samples (see Appendix B) were included in church bulletins or distributed by church officials to *Financial Peace University* graduates. FPU participants were also asked to identify potential participants who had not completed a financial literacy program for the second sample. Thus, snowball sampling was used for the second sample. Potential participants'

initial contact with the researcher was by phone or e-mail and participants received the Instructions to Participants form (see Appendix C) through e-mail. Participants in the second sample were screened by the researcher to ensure they had not completed any type of formal financial literacy program (e.g., employer-provided financial education, mandated public high school courses, credit and mortgage counseling, or general financial education sponsored by the private sector including banks, non-profit organizations, or churches). Interviews were scheduled by phone and e-mail. A total of 142 e-mails and five phone calls were exchanged.

The FPU sample included 14 participants: 11 women and three men. The NFP sample included 12 participants: nine women and three men. No effort was made to match participants in terms of characteristics between the two samples. However, as shown in Tables 1 and 2 in Chapter 4, the two samples exhibited similar characteristics. More FPU participants were in the 41-50 age group, \$25,000 to \$50,000 household income category, and had fewer years of college education when compared to the second sample. At the same time, 79% of the FPU participants had some college experience, 57% had a college degree, and 29% had more than four years of college education. Half of the participants in that sample had household incomes up to \$50,000 and the remaining half were over \$50,000. All participants in the NFP sample had some college experience, 83% had a college degree, and 50% had more than four years of college. Seventy-five percent of the NFP participants had household incomes over \$50,000. Both the NFP sample and the FPU sample included individuals with household incomes greater than \$100,000. Further demographic details can be found in Tables 1 and 2 in Chapter 4.

Safeguarding of human subjects is critical in research. This study was reviewed and approved by the Human Subjects Research Committee at George Fox University (see Appendix A). All participants signed an informed consent form agreeing to participate in the research (see Appendix D).

Role of the Researcher

In qualitative research, the researcher is the “key instrument” (Creswell, 2007, p. 38) interacting with participants during the interview process. The researcher conducts the interviews, analyzes and interprets the data, and presents the finding. Throughout this process, it is paramount that the voices of the participants be heard. The researcher’s own background and personal biases may influence this process. Therefore, bracketing is typically used in phenomenological studies to set aside researcher beliefs, feelings, and perceptions in order to understand the phenomenon from participant experiences (Creswell, 2007; Giorgi, 2006; Merriam, 2002; Moustakas, 1994; Worthen, 2002).

The researcher in this study had a significant interest in the topic of financial literacy. This interest had been developed through education and work as an accountant and accounting professor along with more than 25 years involvement with the credit union movement. In addition, the researcher had served on the Financial Literacy Committee of the Montana Society of CPAs. Therefore, it was important for the researcher in this study to set aside personal thoughts of financial literacy throughout the process in order to freshly view financial literacy through the eyes of the participants. Throughout data collection and analysis, every attempt was made to set-aside pre-judgments about each participant and “right or wrong” answers.

The researcher in a qualitative study, as the key instrument during the interview process, must be adequately prepared to conduct face-to-face interviews (Balls, 2009). This study on financial literacy utilized ZMET as the data collection and analysis tool. The researcher conducted a pilot study during September and October 2012 to gain experience using the technique.

Data Collection

This study used the Zaltman Metaphor Elicitation Technique (ZMET) for data collection and analysis. ZMET, which utilizes modified versions of the repertory grid and laddering found in personal construct theory, is well-suited to explore personal constructs and supports the phenomenological approach advanced by Moustakas (1994). Through consensus maps and metaphor analysis, ZMET creates textural and structural descriptions reflecting the essence of a phenomenon. ZMET data collection and analysis processes used in the study have been well-established and documented in the literature (Coulter et al., 2001; Plummer et al., 2012).

Prior to the participant interviews, a broad, open-ended assignment was developed (i.e., gather five to eight pictures that express your thoughts and feelings about financial literacy and how financial literacy affects your life). Participants were solicited and received the assignment (see recruitment flyers in Appendix B and instructions to participants in Appendix C). One-on-one interviews were scheduled approximately one week after participants received the assignment. ZMET studies follow a series of interrelated steps to elicit participants' thoughts and feelings about the topic. The steps involved in the ZMET interviews are presented in Figure 4. The research protocol in

Appendix G was used to guide the interview process. Face-to-face interviews were conducted at the convenience of each participant either in the researcher's office, participant's office, or church office. Seventeen interviews were conducted at the researcher's office, two interviews were conducted at the participants' offices, and seven interviews were conducted at a church office.

Figure 4: ZMET Data Collection	
Step 1: Storytelling	<ul style="list-style-type: none"> • The participant described how each image related to thoughts and feelings of financial literacy. • Probing questions (see Appendix G) were used for laddering of elicited constructs. • The participant described the overall theme of each image. • Opposite thoughts and feelings were occasionally described.
Step 2: Missed Images	<ul style="list-style-type: none"> • The participant was asked if any desired images were unable to be located. • If so, storytelling was used as if the image was present.
Step 3: Triadic Sorting	<ul style="list-style-type: none"> • The participant was asked to select a group of three pictures and describe how the pictures were similar or different from each other. • Probing questions (see Appendix G) were used to further identify constructs and relationships between constructs. • The process was repeated with different images.
Step 4: Other Senses	<ul style="list-style-type: none"> • The participant was asked to describe other senses (e.g., taste, touch, sound, and smell) that related to thoughts and feelings of financial literacy.
Step 5: The Vignette (optional step)	<ul style="list-style-type: none"> • The participant created a story elaborating on what individuals were thinking, saying, or doing in an image.
Step 6: Summary Image	<ul style="list-style-type: none"> • The participant was asked to create a collage from the images. • The most representative image was selected as the background picture. • Other images were positioned in a manner that illustrated the relationships among the constructs. • The participant was asked to describe the overall meaning of the image.
<p><i>Figure 4: ZMET interviews followed a structured process designed to elicit thoughts and feelings about financial literacy. (Adapted from: Plummer et al., 2012; Zaltman & Coulter, 1995).</i></p>	

Data Analysis

Data analysis in ZMET studies begins with transcription of interviews that are analyzed for the creation of a consensus map and identification of deep metaphors (Plummer et al., 2012). The consensus map and identified deep metaphors are used to identify themes. Demographic data in this study was used to further support analysis of the viewpoints of each participant. Data analysis in phenomenological studies has been described as the investigation of individual elements of the phenomenon while respecting the phenomenon as a whole (Groenewald, 2004; Hycner, 1985). ZMET analysis mirrors the phenomenological approach that includes bracketing and phenomenological reduction, delineating units of meaning, clustering units of meaning to form themes, summarizing interviews, and extracting overall themes to create a composite summary. Each participant's transcribed interview and summary image (i.e., summary collage) were used simultaneously to identify constructs and key themes (Chen, 2006; Christensen & Olson, 2002; Coulter et al., 2001; Zaltman & Coulter, 1995). Constructs were labeled and categorized into categories. In a ZMET study, data is coded for common themes as well as linkages between themes.

Mental models were created illustrating participants' thoughts and feelings about financial literacy. ZMET studies utilize laddering as described in personal construct theory to develop mental models. Mental models diagram the content and structure (constructs and linkages between constructs) of a phenomenon that create personal meaning. Elicited constructs can include "attitudes, emotions and feelings, symbols, actions, goals, personal values, images, memories, ...visions of anticipated experiences, and representations of sensory experience" (Christensen & Olson, 2002, p. 478).

Repeated comparisons between the collages, transcribed interviews, and resulting consensus map occurred throughout the coding process. At the same time, “a rigorous questioning of each coding interpretation is applied to verify that it is grounded in the actual verbatim statements of the respondents” (Christensen & Olson, 2002, p. 484).

A consensus map was created for each sample representing the combined mental models of the participants in that sample. A rule of thumb suggests that a consensus map should include constructs mentioned by at least one third of participants and linkages mentioned by one fourth of participants (Christensen & Olson, 2002; Zaltman & Coulter, 1995). A consensus map is refined until it contains a manageable number of consensus constructs and linkages. The consensus maps from the two samples were compared for similarities and differences in content and structure that were elicited during the interviews. The differences and similarities in the consensus maps of those who had completed a financial literacy program and those who had not completed a financial literacy program provided insight into the interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors, providing further insight into how financial literacy is experienced by individuals in their daily lives.

Using thematic analysis in a systematic fashion (Coulter et al., 2001; Creswell, 2007, 2009; Plummer et al., 2012), a thorough reading of transcripts was used in conjunction with summary images to identify deep metaphors (e.g., balance, transformation, connection, control, journey, resource, and container). These deep metaphors represented an additional level of abstraction.

Underlying themes emerged from analysis of the consensus maps and identified deep metaphors. Finally, the meaning, structure, and essence of the lived experience of

financial literacy were identified from the consensus maps in conjunction with the elicited deep metaphors. Figure 5 depicts the steps in ZMET data analysis.

Figure 5: ZMET Data Analysis	
Interviews were transcribed	<ul style="list-style-type: none"> • Interviews were transcribed verbatim from the recorded interviews. • Transcribed interviews were compared back to the original recordings and to the field notes.
Consensus map was created	<ul style="list-style-type: none"> • A mental model was created for each participant that diagrams the content and structure (constructs and linkages between constructs) that create personal meaning. • Comparisons between the diagramed mental model, the transcribed interview, and the summary image occurred throughout the process. • A consensus map was created for the sample using the most salient constructs and linkages.
Interviews were analyzed for deep metaphors	<ul style="list-style-type: none"> • Each participant's summary image and transcribed interview were used in this process. • Thematic categories of metaphors were used to identify the deep metaphors present.
<p><i>Figure 5: ZMET data analysis results in a consensus map and identification of deep metaphors. (Adapted from: Plummer et al., 2012; Zaltman & Coulter, 1995).</i></p>	

Reliability and Validity

Reliability in qualitative research presumes that the researcher has used a consistent approach throughout the research allowing the research to be replicated by other researchers or in different projects (Creswell, 2009; Merriam, 2002). A detailed researcher protocol (see Appendix G) was developed to ensure that a consistent approach was used in each interview. An audit trail documented the steps throughout the research process and particularly during data analysis.

Reliability in this research was enhanced through the use of recorded interviews, transcribed interviews, and detailed field notes. Each recorded interview was transcribed. Transcribed interviews were compared back to the recorded interviews by the researcher to ensure accuracy. In addition, codes and themes developed from the transcribed interviews were continually reviewed to ensure that they were used in a consistent manner throughout the research. This process involved repeated comparison of the consensus map with participants' files.

Validity is the relevance of data for a particular purpose (Creswell, 2009, Rudestam & Newton, 2007). Validation in qualitative research is further described as "an attempt to assess the 'accuracy' of the findings, as best described by the researcher and the participants" (Creswell, 2007, p. 207). Therefore, validity in qualitative research relates to the ability of the findings to represent the communications of the participants in an accurate manner. Verbatim transcription of participant interviews contributed to this process. In this study, an audit trail was used to document the steps throughout the research process and notes were made during data analysis.

Researcher reflexivity is particularly important in qualitative research; therefore, researcher thoughts and feelings were also recorded in the audit trail. Although the researcher plays a significant role in qualitative research, undue bias must be avoided. This study bracketed out the researcher's past experiences with financial literacy. Peers were asked to review the reports for potential researcher bias. The researcher also reviewed the reports for researcher bias. Had researcher bias been detected, further analysis of the data would have been performed.

ZMET's multiple steps (i.e., image collection, interviews, collages of images, transcribed interviews, consensus map, and metaphor identification) created one form of triangulation in this study (Chen, 2006; Zaltman & Coulter, 1995). Triangulation further corroborated evidence by comparison of the recorded interviews, transcribed interviews, consensus map, and collages of images. Results were compared to other similar studies.

In general, participant validation is problematic in phenomenological studies (Finlay, 2009; Giorgi, 2006; King et al., 2008; Pringle et al., 2011). As noted in one study, phenomenological studies "do not seek 'truth' which can be validated" (King et al., 2008, p. 84). Giorgi (2006) noted that participant verification or correction is generally not advisable in phenomenological studies as participants may not fully comprehend the meaning of their experiences in spite of living the experience or participants lack competency to analyze the consensus findings. Others contend that participants may speak to the accuracy of their interview transcripts (King et al., 2008; Moustakas, 1994; Worthen, 2002). Rather than reviewing the transcribed interviews, member checking was employed as a validation process during the interviews in this study on financial literacy by asking participants to describe their image collages to ensure that they accurately represented the overall essence of the interviews.

Although reliability and validity are important in qualitative research, qualitative research is not intended to be generalizable to a broader population. That does not imply that qualitative research lacks value beyond a particular study. As others have noted, "commonalities...may well lead to useful insights that have wider implications" (Pringle et al., 2011, p. 15) suggesting that "generalization is the task of the reader rather than the author of qualitative studies" (Rudestam & Newton, 2007, p. 113).

Ethical Issues

The ethical issues of concern in this study were informed consent, respect for the dignity and privacy of participants, safeguarding of data, and maintaining the integrity of the data in order to respect the voices of the participants. Researchers who use human subjects in their studies must be especially sensitive to potential ethical concerns. To protect participants in this study, approval was obtained from the Institutional Review Boards at George Fox University prior to data collection (see Appendix A). In addition, an informed consent form (see Appendix D) was developed and signed by participants before the research was conducted.

While the data collected was not of a particularly sensitive nature, care was taken to ensure that the data collected remained confidential. The collected data was maintained in a locked cabinet and password-protected computer. If any interview had been deemed unusable for the study, notes would have been written explaining the problem and the potential impact on the remainder of the study. Data from the study will be maintained by the researcher for a minimum of five years.

The research methodology involved an interview process of approximately one hour. It was possible that some participants might have experienced fatigue during the interviews. Therefore, participants were informed that breaks could be taken if necessary. All participants had been informed in advance of the research study purpose and procedures.

Chapter 5

Results

As described in Chapter 1, the purpose of this phenomenological qualitative study was to describe the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. In particular, this study sought to describe the meaning, structure, and essence of the lived experience of financial literacy for individuals who had completed a financial literacy program (i.e., Dave Ramsey's *Financial Peace University*) compared to the meaning, structure, and essence of the lived experience of financial literacy for individuals who had not completed a financial literacy program. In this study, financial literacy was generally defined as "a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being" (Hung et al., 2012, p. 8). *Financial well-being* consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011). Viewed through a phenomenological lens and the theoretical framework of personal construct theory, the Zaltman Metaphor Elicitation Technique (ZMET) was used to explore how consumers perceived and described the experience of financial literacy in their lives.

This chapter is organized by first presenting a table of demographic data for participants in the sample that had completed a financial literacy program (FPU) followed by a table of demographic data for participants in the sample that had not completed a financial literacy program (NFP). The lived experience of financial literacy is then described for each sample using the deep metaphor thematic categories and sub-thematic categories that were elicited in the study. Illustrative participant quotes are included. A table is presented for each sample summarizing the deep metaphor thematic categories and sub-thematic categories that were elicited from the ZMET interviews. Conceptual blending of deep metaphors is noted in the tables.

The FPU sample that had completed a Dave Ramsey's *Financial Peace University* program included 14 participants: 11 women and three men. The NFP sample included 12 participants: nine women and three men. Further demographic details can be found in Tables 1 and 2.³

³ The raw data provided by participants for this dissertation included the images (i.e., Internet and magazine pictures and photographs) found in Chapter 4. Copyright information was not available for these images when presented by participants. In the interest of fair use and to limit reproduction of the images for future use, the images appear in thumbnail sizes.

Table 1

Participant Demographics (Financial Literacy Program)

Participant	Sex	Age	Marital Status	Children ^a	Years of College	Employment	Housing	Household Income
FPU1	F	18-30	M	2(2)	4	Homemaker	Own	25-50K
FPU2	F	41-50	M	4(0)	0	Homemaker	Rent	25-50K
FPU3	M	51-60	M	4(0)	0	Government	Rent	50-75K
FPU4	F	61-70	M	2(0)	0	Government	Own	25-50K
FPU5	M	51-60	M	3(3)	6	Government	Own	50-75K
FPU6	F	41-50	S	4(4)	6	Government	Own	25-50K
FPU7	M	41-50	M	1(1)	4	Self-employed	Own	75-100K
FPU8	F	41-50	M	1(1)	7.5	For-profit	Own	75-100K
FPU9	F	41-50	M	3(3)	4	Educator	Own	75-100K
FPU10	F	41-50	S	2(0)	1.5	Government	Rent	25-50K
FPU11	F	61-70	S	1(0)	4	Government	Own	25-50K
FPU12	F	51-60	M	1(1)	6	Educator	Own	Over 100K
FPU13	F	41-50	M	2(0)	2	Self-employed	Own	50-75K
FPU14	F	61-70	S	3(0)	1.5	Retired	Own	25-50K

^a Number of children living at home in parenthesis

Summary

11 Women and 3 Men

18-30(1); 41-50 (7); 51-60 (3); 61-70 (3)

4 Single and 10 Married

7 have children living at home; 4 with 1 or 2 children; 3 with 3 or 4 children

3 with no college; 3 less than 4 years; 4 with more than 4 years

1 Retired; 2 Educator; 6 Government Employees; 1 For-profit; 2 Homemaker; 2 Self-employed

3 Rent; 11 Own

10-25K = 0; 25-50K = 7; 50K-75K = 3; 75K-100K = 3; Over 100K = 1

Table 2

Participant Demographics (No Financial Literacy Program)

Participant	Sex	Age	Marital Status	Children ^a	Years of College	Employment	Housing	Household Income
NFP1	F	70+	S	2(0)	4	Retired	Own	50-75K
NFP2	F	51-60	S	3(0)	6	Educator	Rent	10-25K
NFP3	F	18-30	M	1(1)	1	Government	Rent	25-50K
NFP4	F	41-50	M	4(2)	4	Government	Own	50-75K
NFP5	F	61-70	M	1(0)	8	Retired	Own	75-100K
NFP6	M	70+	M	1(0)	13.5	Retired	Own	50K-75K
NFP7	F	51-60	M	3(3)	6	Not for Profit	Own	>100K
NFP8	M	18-30	M	0	4.5	For Profit	Own	75-100K
NFP9	F	61-70	S	0	8	Not for Profit	Own	50-75K
NFP10	M	51-60	S	0	10	Not for Profit	N/A ^b	10-25K
NFP11	F	41-50	M	1(1)	4	Homemaker	Own	>100K
NFP12	F	18-30	M	0	2	For Profit	Own	>100K

^a Number of children living at home in parenthesis

^b Housing provided by employer

Summary

9 Women and 3 Men

18-30(3); 41-50 (2); 51-60 (3); 61-70 (2); Over 70 (2)

4 Single and 8 Married

4 without children; 4 have children living at home

All have at least one year of college; 7 with more than 4 years of college

3 Retired; 1 Educator; 2 Government Employees; 2 For-profit; 3 NFP; 1 Homemaker

2 Rent; 9 Own; 1 Housing provided by employer

10-25K = 2; 25-50K = 1; 50K-75K = 4; 75K-100K = 2; Over 100K = 3

Deep Metaphors: Financial Literacy Program Participants

The nature of the connections between financial literacy and all aspects of daily living was evidenced by the deep metaphors that emerged as thematic categories and the sub-thematic categories (see Table 3) that surfaced from the participants' transcribed interviews and mental models. The predominant deep metaphors that emerged from the data for participants who had completed a financial literacy program were (a) journey, (b) transformation, (c) balance, (d) connection, and (e) resources. Conceptual blending, whereby two or more metaphors occur simultaneously in consumers' minds (Zaltman & Zaltman, 2008), existed for these deep metaphors. The deep metaphors of control and resources were conceptually blended with journey, the deep metaphor of container was conceptually blended with transformation, and the deep metaphor of systems was conceptually blended with resources. For each deep metaphor, one or more sub-thematic categories emerged. Seventeen sub-thematic categories were identified for the deep metaphors.

Table 3

Deep Metaphor Thematic Categories and Sub-thematic Categories (Financial Literacy Program)

Deep Metaphor Thematic Categories	Deep Metaphors Conceptually Blended	Sub-thematic Categories
Journey	Control Resources	Long-term view Control Legacy for future generations Facilitators
Transformation	Container	Personal transformation Escape and well-being Traps, protection, and memories Transforming lives of others
Balance		Balancing wants and needs Balancing present and future Balancing self-focus and altruism Emotional balance
Connection		Connecting with God and nature Connections with family and the global community
Resources	Systems	Financial literacy as a tool Money management Rituals or procedures

Journey. “Often unconsciously we view our identity and our choices through the deep metaphor of journey” (Zaltman & Zaltman, 2008, p. 84). Journeys can be long or short, fast or slow, and evoke emotional responses to the connections of the past with the future. In this study, the deep metaphor of journey was conceptually blended with two deep metaphors: control and resources. The perception of control, or lack thereof, influences personal choices in financial matters. Facilitators are a resource capable of

providing financial knowledge or guidance. Four sub-thematic categories emerged from the deep metaphor of journey: (a) *long-term view*, (b) *control*, (c) *legacy for future generations*, and (d) *facilitators*.

Journey: Long-term view. Participants in the FPU sample described financial literacy as an unfolding journey that required a firm foundation in the basics. The journey takes personal effort and time and was a “life-long process” (FPU9). Early childhood financial education was the building block for the financial literacy journey. As one participant remarked concerning financial education, “Start with the basics and keep it simple (see Figure 6). Take one part at a time to educate our kids early on and never stop refreshing your mind and learning” (FPU2).



Figure 6: Start with the basics and keep it simple (FPU2)

Here’s a lady sitting at her computer. It looks like she’s concentrating. I actually kept the caption. It says, ‘A whopping time investment.’ It’s not like just throwing out grass seed and watering it occasionally to grow. You really need to think about it and do some research and nobody is responsible but you in the end. So it’s growing your money and having a comfortable future. It really depends upon you doing your homework and staying on top of it and it’s not always easy. It’s not always difficult either but it’s a commitment. It’s certainly something that you’re consciously doing, not just passive about. (FPU9)

Not only must learning be an on-going process whereby individuals accept personal responsibility for their futures, participants shared the perspective that

persistence, patience, and planning were integral components of the financial literacy journey.

This picture is about patience (see Figure 7). This little boy is surrounded by pigeons and put a little piece of food on the ground and is just sitting and patiently waiting for a bird to come and snatch it up. My theory in how I try to save money and plan for retirement is to just be patient because there is no get rich scheme.

(FPU8)



Figure 7: Patience (FPU8)

Another participant presented an image of a watch. “At least in my family’s heritage, wealth or taking care of yourself takes time. You don’t experience wealth at a snap of a finger. It takes time. You have to be persistent and patient” (FPU5).

Journey: Long-term view – Planning. The long-term view of financial literacy included planning. In particular, saving for children’s education and retirement required planning. “Financial literacy would mean being able to send all my kids through college” (FPU10). “Saving for our retirement is my main goal and next important is to help our daughter pay for college” (FPU7). The constructs of education and retirement were linked to psychosocial benefits. “This is our daughter. I needed a picture of her smiling and looking confident. If we’re wise with our money, she’s going to get the education she needs and I think that goes along with her emotional security” (FPU12).

Individuals expressed the need for financial security in retirement while noting that financial security allowed them to be secure both physically and psychologically. “I have to be sure that I won’t be living on the streets if something happened to [my husband]. My mindset is on going into retirement” (FPU4). After years of hard work, careful planning, and perhaps even sacrificing, retirement was described as a time to relax and enjoy personal relationships.

This is a picture of a couple that I thought looked retired and happy (see Figure 8). I guess that’s what I feel about financial literacy. It helps save money. I’m hoping it will help us save money for retirement....Here’s a couple that looks like they’re bicycle touring (see Figure 9). I hope to do that while I’m retired. (FPU7)

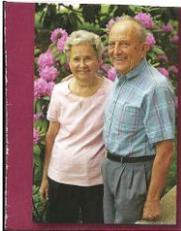


Figure 8: Happy retired couple (FPU7)



Figure 9: Enjoy life in retirement (FPU7)

Other participants also described the desire to fulfill personal dreams in retirement while, at the same time, connect with others. “I’ve always dreamed of riding a motorcycle across the United States and these are a new style of motorcycle. I have a picture of two so that somebody goes with me” (FPU6). For some participants, comfortable retirement planning would allow them to pursue other interests or use personal skills and knowledge to benefit others. “I shouldn’t say retirement because I’m not much for the retirement philosophy. I believe your life changes and you get older” (FPU5). “When I think about retirement – I’m not a “sitter-arounder” – I really do like

work. But the opportunity to do service work that you don't have to ask for money sounds very appealing to me" (FPU8).

Journey: Long-term view – Goals and opportunities. In order to reach their goals, participants noted the importance of maintaining a long-term perspective of financial literacy that included setting goals, having perseverance and optimism, and moving on to the next goal when one was accomplished.

You have this strength to stay on your path because you have a vision. You have the strength to say no to things that are going to take you off your path. It's easy to say no to going to a movie or dinner if you know there's a goal. (FPU13)

An optimistic worldview was important in addition to planning in order to withstand the ups and downs of life and the stock market. A participant's image of a cyclist on a mountain road (see Figure 10) suggested that optimism, careful planning, and a long-term view allow a person to take advantage of future opportunities.



Figure 10: Long-term view (FPU8)

With a long-term view, "these really awesome opportunities will plop themselves in your lap and you will have the finances to take advantage of those opportunities which lead to more opportunities" (FPU13). Participants described the end result of this long-term view as "freedom" (FPU14) and "financial security" (FPU5). "You will be able to live more freely later down the road" (FPU1). As one participant described, financial

freedom can only be achieved if a person adopts a long-term perspective. “So I encourage others, if you get started [in a financial literacy program], stick it out” (FPU3).

Journey: Control. The deep metaphors of journey and control were often connected, particularly with respect to choices and future uncertainties. “It’s like going down a road that you’ve never gone down. There’s some unknown. If you plan for it and, if there’s any kind of financial bump, you’ll hopefully be able to get through” (FPU5). Changing economic circumstances and the impact on the financial markets along with employment and wages were common potential concerns discussed by participants. Uncertainties related to health issues were another common concern. Some participants had personally experienced financial hardships created by health issues and medical bills. Other participants had witnessed these issues for friends and family. In some cases, participants had financially assisted friends and family who were unable to pay for their healthcare costs.

In addition, participants described whether they felt in control of their own journey or whether they felt controlled by their finances.

You work hard to control something you don’t have complete control over and sort of a driver of trying to get it right is trying to eliminate risks and eliminate the worry. There is always the worry that something unforeseen will happen and you will be in that situation that you don’t want to be in. Financial literacy helps you avoid that sense of lack of control. (FPU8)

An emotional burden was associated with not feeling in control of personal finances. As one participant expressed, “It was just overwhelming. We had no control over [our money]. It was controlling us” (FPU3). Others described “being at a loss”

(FPU2) or “being a slave” (FPU13) without financial literacy and described the “sweet taste” (FPU14) of “telling your money where to go” (FPU1) with financial literacy.

Another related, “It’s George Washington blowing bubbles (see Figure 11) and that’s kind of how our money was before we went to Dave Ramsey. It seemed like we’d go through it faster than we received it” (FPU4).



Figure 11: Control (FPU4)

Participants noted fewer impulse purchases and felt confidence, security, and peace when in control of their finances.

Choices get a lot clearer as time goes on and you have a really clear sense of where your money is at and whether retirement is going to happen and can we send the kids to college. Are these going to be a reality? It’s a good feeling to have a sense that they’re possibilities. (FPU9)

Other participants in the FPU sample concurred that the financial literacy program provided them with a sense of self-control over their future. “If you plan and think about finances and you have planned right, then you can depend upon your plan for the most part and you don’t have things that totally disrupt your plan” (FPU 12). Another participant’s comments illustrated empowerment from financial literacy.

You have the chance to impact your future and you can actually change your future if you know how to handle money. You can plan for the future and even if really bad things – hard things – come your way, if you have handled your money

properly and you know how to handle it, you can lessen the impact of things you don't have control over. (FPU13)

Journal: Legacy for future generations. Creating a legacy for future generations was an element of the financial journey for many participants. For some, the legacy was created by passing financial resources to the next generation. “Will I have any money left over to go to my family – to provide to them upon my death?” (FPU11). “I'd like to save money to pass to our daughter after our death and improve the quality of her life” (FPU7).

Another perspective of the legacy for future generations was the passing of financial knowledge to the next generations.

It's security to me to know that my daughter and her husband are paying attention and making informed decisions. They're learning to discipline themselves.

[Financial literacy] is a gift that keeps on giving (see Figure 12). We've given it to them. They've given it back in that it feels good to know that they're standing on their own two feet. (FPU2)



Figure 12: Financial literacy is a gift (FPU2).

Another participant remarked that his wife had been a good teacher of financial literacy for their daughter. “When we would give her money and whenever she made money, we would just teach her to save some, to spend some, and to maybe have a goal

of something to buy” (FPU3). In a similar vein, a participant described his children’s learned consumer financial behavior.

That’s when I hear financial literacy – through our children – which is so encouraging. The fact that you’ve taught them a lesson or explained why and it’s inspired them to say, “You know, I’m going to do this and I have a goal. I have a reason to do it.” (FPU5)

Modeling positive consumer financial behavior helped create the financial literacy legacy. “Our family is pretty careful... but I think about it more – setting a good example for our daughter” (FPU7). An image of a family with three children illustrated the importance of family members sharing financial knowledge.

Here is a family hoisting a sail on a sailboat (see Figure 13). To me, it signifies that we learn a lot about how we handle finances from our parents whether it’s from subtle messages or they’re actually talking to us about how they do it. The whole family is affected and, in my opinion, it’s really important to include the kids to some extent and start teaching them. (FPU9)



Figure 13: Working together for financial literacy (FPU9)

Paying for Dave Ramsey courses for her grandchildren was a way for one participant to create a legacy for future generations. Another participant related her own story of the generational impact of financial literacy that improved the future of succeeding generations. She described the courage of her grandmother who moved with

her young children to a new city and supported her family through hard work, thereby inspiring future generations. For the participant, financial literacy smelled like her grandmother's fresh-brewed percolator coffee that permeated the whole house. Inspired by her grandmother and the financial legacy that her grandmother had created, the participant reported that the percolator coffee tradition was a practice that also saved her money.

Journey: Facilitators. In the above example, the grandmother became a journey facilitator for future generations. Facilitators can provide advice, be a useful tool, or provide a buffer from obstacles (Zaltman & Zaltman, 2008). Facilitators can also be thought of as necessary resources illustrating the overlap between categories of deep metaphors. In this study on consumers' thoughts and feelings about financial literacy and how financial literacy affects their lives, facilitators mentioned included financial planners, other mentors, and family members.

I grew up in the day when money was tight. We would buy our flour in the sacks that were printed. My mother and grandmother would make our clothes from the flour sacks. We never threw things away. We've gotten away from that kind of thing. I have always just been kind of frugal. (FPU4)

Paying cash and saving were practices modeled by facilitators – both family members and other mentors. “I just grew up with [my dad] saying you pay for everything. You don't borrow” (FPU12). “[My dad's] generation was very much about saving. That was really, really important and they were fairly frugal. I know we had a good life but that was a high priority and I think we've lost that” (FPU9). “We lived on a

ranch. The boss' wife was very frugal. She taught me a lot. We came to town once a week for groceries. It was about the basics" (FPU4).

Both men and women identified their spouses as facilitators of financial literacy. "We did a lot of readjusting [as a result of the financial literacy program]. [My wife] was behind a lot of that" (FPU3). "If I hadn't taken the Dave Ramsey course or if I was not married to [my husband], I'd probably want to buy stuff on credit cards and pay it back later" (FPU1).

Rather than acting as facilitators, family members may be obstacles that stand in the way of financial literacy. "How I was raised, if you had checks, you had money. That was the theme for my family" (FPU3). Obstacles – at times, severe financial hardships and failed relationships – were created for couples with dissimilar spending habits.

Poverty can be another obstacle to financial literacy. "My mom was a single mom and she budgeted things and made everything work somehow. We made ends meet but there wasn't much of anything for me to know about finances" (FPU2). In other cases, poverty served as a motivator. "My dad worked for the steel mills and for two years there was a national steel strike. Neighbors would buy cereal and give it to us. I swore that would never happen to me" (FPU14).

In the interviews of some participants in the FPU sample, both day-to-day acquisition of resources and success from the program were attributed to a higher power. For those individuals, God played a role as a facilitator of financial literacy. One participant remarked that "the Lord orchestrated all this" (FPU3) when he described the benefits of completing the financial literacy program.

Journey: Facilitators – Ramsey. Ramsey was a facilitator for FPU participants. Participants viewed him on video in the classes and some also listened to his radio shows. However, participants in all income brackets referred to Ramsey as though a personal connection existed: “as Dave says...” (FPU5) and “he made the classes fun and interesting” (FPU2) were common remarks. Some graduates in the FPU sample felt compelled to become facilitators for the financial literacy journeys of others. One participant described paying for the program for other individuals. “It’s definitely a course we believe in enough that we send our employees through it. It was awesome to see their lives get better and better” (FPU13). Another helped her friends by sharing her knowledge. “People listen to you when you can tell them what you’re doing and why you are doing it. I’ve given suggestions to people” (FPU14). For this participant, the ability to confidently communicate with others about finances was an important outcome of the financial literacy program.

Journey: Facilitators – Financial planners. Financial planners played the role of facilitators for some. “You have to plan and you have to have some knowledge if you’re going to invest and assume you’re going to make some money. A financial planner could help you along with your own knowledge” (FPU5). The relationship between a financial planner and client was likened to rock climbing:

Two guys are rock climbing: one is rappelling and one is belaying the other (see Figure 14). Even if you are single and doing it yourself, you still have to rely upon other people whether it’s a mortgage broker, or a financial planner, or an insurance agent. Whoever helps you out. You have to look to them for some guidance and advice. You need to choose your people carefully. It’s not a life and

death matter, but you have to be in communication with them and really working together and able to trust that they're guiding you in the right direction. (FPU9)



Figure 14: Facilitators (FPU9)

Communications with financial planners caused frustration for some participants. “We employ a financial advisor and I ask him every time, ‘How much do we need when we retire?’ And, nobody will give us a number. I don’t like that” (FPU7). For other participants, the lack of a trusted financial planner left them uncertain about the proper course of action (e.g., buy, sell, or hold) for their investments.

Transformation. According to Zaltman and Zaltman (2008), “transformation may be the most pervasive deep metaphor among consumers” (p. 67). The ability or inability to transform is a powerful viewing lens that shapes thoughts and feelings about self and social relationships and guides personal actions. From FPU participant interviews, the deep metaphor of transformation surfaced as personal transformation from financial literacy, the transformative state (e.g., escape or well-being) that was reached as a result of becoming financially literate, and the ability to transform the lives of others.

The deep metaphor of transformation was conceptually blended with the deep metaphor of container in the minds of participants in this study on financial literacy. Containers can imprison an individual or provide security (Zaltman & Zaltman, 2008). According to Zaltman and Zaltman (2008), memories and self-identity are among the

most powerful containers. In this study on financial literacy, the deep metaphor of container surfaced as traps, protection, or memories for FPU participants.

The four sub-thematic categories that emerged from the deep metaphor of transformation were (a) *personal transformation*, (b) *escape and well-being*, (c) *traps, protection, and memories*, and (d) *transforming lives of others*.

Transformation: Personal transformation. Personal transformation as the direct result of attending Ramsey's *Financial Peace University* was a recurring subtheme regardless of the level of income or knowledge of the participant prior to enrolling in the financial literacy program. For some, the financial literacy program was a "life-saver" (FPU4). In the case of one couple, the study participant mused that the couple had benefitted from the program in spite of initially believing that "we probably won't learn anything but we're going to go" (FPU13). Another participant recalled that "I thought that I was good at handling our money before Dave Ramsey. I found out I wasn't. I wanted [to show] that picture with the dollar bill and the wings on it. Money just used to fly away" (FPU4).

As one participant noted, "[becoming financially literate] is kind of like going on a diet. It's not a diet. It's a lifestyle change. It's got to be that way to work toward being really financially in the know" (FPU9). At the same time, the financial literacy transformation can be bittersweet. "Our family doesn't do things on the spur of the moment as much as in the past before we took this class, which sometimes I regret but I hope it will pay off in the future" (FPU7).

The transformative nature of financial literacy was illustrated in the summary collage of one participant (see Figure 15):

This is where we came from (man tied-up in tape) and a reminder of where we don't want to go again (man behind stack of bills and money in a shredder). Then we came up with a plan. It was really cool to sit down together and come up with different plans and our ideas, investing in a house and in each other too. It was a joy to be part of that – to become a financial free spirit. (FPU3)



Figure 15: Financial Free Spirit (FPU3)

Transformation: Escape and well-being. Zaltman and Zaltman (2008) posited that the deep metaphor of transformation included changing physical, psychological, and social states. FPU3's transformative process to a financial free spirit presented above provides an example of the interconnectedness of knowledge transformation and emotional transformation. As the participant described, "This feeling just washed over me. This relief, this stress-relief. It's a lot bigger than I'm saying it is" (FPU3). Another participant's image of a young girl's transformation further illustrated this concept:

[Without financial literacy] you're always in a kind of cloud or fog or a haze about 'what's my money doing?' and you kind of know in the back of your mind that you're not really comfortable. I don't know if you'll feel quite as happy as that little girl (see Figure 16) but things are so much clearer. (FPU9)



Figure 16: Financial literacy transforms (FPU9)

Another participant's comments depicted a similar joyful state. "It's kicking up your heels or being able to have the time to enjoy your life instead of always worrying about the money, the money, the money" (FPU2).

Participants in this study on financial literacy discussed the transformative process for both themselves and their children with respect to changing levels of financial knowledge in addition to the transformation of emotional states, physical states, and social relationships. "The blessing if you get it right is to not be worried" (FPU8). "It's like sleeping in a comfortable bed because of not waking up at night anymore. I wasn't stressed out worrying about bills" (FPU4). As another participant further described:

The opposite of financial literacy would be your phone ringing all the time because you would be getting collections calling you. I worked with a girl who wasn't paying her student loans and collections was calling her all the time. But sounds of being financially literate are peaceful, quiet. Life is a lot less stressful. (FPU1)

Less stress positively impacted familial relationships. "It's peace because finances can be very stressful on a marriage" (FPU3). Another participant reiterated the notion that financial literacy can affect the emotional well-being of families. "Financial freedom is about being together with family and having fun times together" (FPU6).

For some, the attitude toward financial literacy itself was transformed. As one participant described:

This is how I used to feel about finances (see Figure 17). It seemed nerve-racking and tedious [so I included a chewed pencil]. Like a big can of worms. I didn't really want to get in that because – especially when I saw all these numbers – it seemed kind of boring. And it had all these components [like a watch] to make it work. (FPU2)



Figure 17: Finances are complicated and nerve-racking (FPU2)

Presenting an image of a cactus, the participant reported that she had been pleasantly surprised when the financial literacy program took the “sting” out of financial illiteracy – a “prickly situation” (FPU2).

As described above, psychological and social transformations were listed as a result of financial literacy. Participants reported physical benefits from lack of stress and noted that financial literacy also contributed to the ability to purchase and prepare healthier food options. In addition, participants reported that they were transformed through experiences they were able to engage in when they had control over their financial resources. Common themes were the restorative powers of vacationing, spending time with family, and fun memories that were created.

Transformation: Traps, protection, or memories. The deep metaphor of container was presented as traps in the case of financial illiteracy; protection for self,

family, or broader community; or the creation of positive memories. As mentioned above, financial literacy contributed to the creation of positive memories, which resulted from engagement in a variety of activities that often included family and friends. Participants reportedly experienced greater pleasure when debt was not incurred from vacations and activities. A safe and comfortable home was another venue for creating memories. At the same time, pleasurable activities or the purchase of a home had the potential to trap the unwary with large amounts of debt. One participant suggested that credit card debt “just consumes you” (FPU3) and also mentioned that a large home mortgage had been “choking us” and “putting us in a hole.”

All participants perceived the importance of a college education for their children and reflected upon the impact that education would have on their children’s future well-being. Participants and their children considered saving for college a priority. At the same time, participants observed that all work, regardless of the education required, was of a valuable nature and all humankind must be respected for their contributions to society. Student loan debt was described as a “Catch-22” (FPU10), benefitting students by preparing them for entry into the workforce but potentially saddling them with unrealistic debt repayments when compared to earnings. One participant noted that the ability “to spread your wings and fly” (FPU1) after college (see Figure 18) for some friends had been hampered by large amounts of college debt.



Figure 18: Trapped by College Debt (FPU1)

Financial literacy enabled participants to financially support friends and family when needed, thereby providing protection. At the same time, some viewed the welfare system in the United States as a trap that neither permitted nor encouraged individuals to escape. As one participant described from personal experiences, “Your self-worth as a person really takes a beating when you start having to take these handouts. And they’re not ‘handups’, you know. They just become handouts and they keep you there” (FPU2). Participants posited that negative self-image impacts adults and their children as soon as children begin to develop an awareness of financial circumstances.

Financial illiteracy itself was described as a trap that “smelled like garbage” (FPU14) or like “poor areas without very good hygiene or waste disposal” (FPU10). As one participant concluded, “I don’t ever want to get stuck...Lack of financial literacy would be terribly burdensome and it would feel very heavy. It would be on your mind all the time. There wouldn’t be freedom of escaping that worry” (FPU8).

Transformation: Transforming lives of others. For participants in this research, financial literacy had transformative effects on their own lives while also enabling them to transform the lives of others. Providing financial support of individuals in emerging economies was a common practice among participants as was providing community support through food banks, churches, and other organizations. “You are able to do things for somebody else who maybe didn’t plan as well or has not been as fortunate as you” (FPU5). Referring to the ripple effect of financial literacy (see Figure 19), a participant commented, “If you’re not changing people’s lives, what’s it for? If it’s not affecting at least your children’s lives – if you’re not making at least your children’s lives better – then what’s it even for?” (FPU13).



Figure 19: Ripple effect from financial literacy (FPU13)

While participants expressed strong beliefs about their responsibility to help others have a better life, the importance of accepting personal responsibility to change and improve one's own financial circumstances was a common thread.

You also have to be strong enough to not always help other people. You know that sometimes helping them is hurting them. Unfortunately, sometimes you have to let consequences play themselves out and that can be really hard when it's a family member or someone you really care about and you know you have the means to help them and you also know that they have been helped so many times or so much that, if you don't let them fall, they're just going to keep replaying the same mistake over and over again. (FPU13)

Another participant reflected on the responsibility to help others but noted that "you definitely get an education doling out money to people. You learn good and ugly things" (FPU10).

Balance. The deep metaphor of balance is among the commonly occurring metaphors in all cultures and includes the interrelated constructs of physical balance, emotional balance, social balance, and moral balance (Zaltman & Zaltman, 2008). Stress-related illness is an example of physical imbalance while inner-calmness and feelings of self-esteem are examples of emotional balance. Social balance requires discipline, sacrifice, and obligation to future generations. Moral balance includes the

notion of rewards in afterlife for religious individuals and relates to altruistic behavior in daily living. Individuals, whose lives are in balance, experience a sense of well-being.

The subthemes in the deep metaphor of balance that emerged for individuals who had completed a financial literacy program in this study were (a) balancing wants and needs, (b) balancing present and future, (c) balancing self-focus and altruism, and (d) emotional balance.

Balance: Balancing wants and needs. FPU participants described the importance of balancing wants and needs in order to appropriately allocate limited financial resources.

Buying what you want instead of what you need. You're just flushing good money down the toilet because we don't need all those gadgets and doohickeys that are on the market today. You can still have what you want without going ridiculous. [Ramsey] teaches you to buy what you need and not what you want. (FPU4)

Living within one's means and living simply were participant practices that created balance. "Maybe it's like meat and potatoes. It's your basics. I don't buy asparagus quite as often. If I do buy ice cream, it's vanilla and I don't buy Haagen Dazs" (FPU9). Differing amounts of personal financial resources determined purchasing power and, in some cases, limited purchases. "Everyone has different budgets. If my wash machine broke, I would buy a \$500 to \$600 machine rather than a \$2000 machine just because it takes care of the needs and I don't want to be in debt" (FPU4). Participants in this study reported being at peace rather than experiencing dissatisfaction when living within their means. At the same time, some participants described tension that was

created when a couple did not share the same perspective concerning the balance between wants and needs or spending and saving.

Living within one's means does not mean that a person must live an austere existence. Participants noted that, if individuals were careful with their money, splurges could be made on a few luxury items. "You really need to know what luxuries, what splurges, or even what basics are important to you" (FPU9). Another participant described the importance of balancing wants and needs along with the notion that individuals should be able to purchase or engage in some activities that are enjoyable but not necessary. "These aren't needed in life. They're just additional things that I would enjoy doing" (FPU6).

A common practice was learning to be a discerning shopper, purchasing items on sale or through discount stores. One participant noted that "from the outside it might look like we have a lot of money, but we just choose to spend our money on certain things that are important to us" (FPU1). Another participant proposed that "just because you're saving your money and you're paying attention and you're saving for a better future, it doesn't mean you have to look like you're broke" (FPU13). The participant described shopping at discount stores, garage sales, and eBay.

Credit was depicted as a temptress, encouraging individuals to buy everything they wanted or to buy on credit rather than save for purchases. Credit card programs with cash rewards for usage contributed to the problem:

You could use a credit card and you could get 5% back (see Figure 20) which sounds great but you get in the habit of spending much more than you would or

should have if it was cash. It's not necessarily something you would buy but it's a whole mentality that you would buy so you can get cash back because it's free cash back. (FPU1)

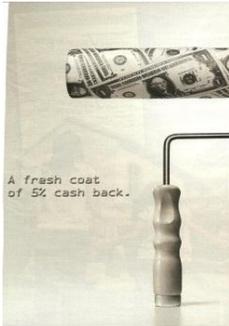


Figure 20: Credit as a temptress (FPU1).

One participant described the experiences of her children. "They were tempted. They're young and there's all these wonderful houses and cars and they're getting stuff in the mail for credit cards – and they were 'nope, nope, nope' (FPU2). Another participant described her freshman year at college. "[The banks] were signing you up for bank accounts and credit cards. You know, we'll give you this free stuff if you sign up for a credit card" (FPU1).

Peer pressure was cited as a factor in balancing wants and needs. As one participant expressed, "We have to live within our means and not try to keep up with the people we see buying all these elaborate toys" (FPU6). Another participant indicated:

There's all this pressure from society to have a nice car and a nice house. I think those things come at the same stage in life where you are out of college or maybe it's younger now. Maybe you have a family and you're starting a career and you kind of know that you need a backup plan for things that go wrong but there is a lot of pressure to take a trip to Europe or wherever. So there's a dichotomy there. We just have to find balance. (FPU9)

At the same time, a particular lifestyle and possessions reflected cultural norms:

What I was trying to capture was a family in front of a house in this kind of all American picture (see Figure 21)...I'm trying to say the importance of family, having a home that's paid for, promoting American values, supporting the government, having the dog, enjoying life as a family unit. (FPU5)



Figure 21: All American lifestyle (FPU5)

Balance: Balancing present and future. As mentioned earlier, FPU participants in this study concurred that financial literacy was a journey – both for acquiring new financial knowledge and for exhibiting sound consumer financial behavior. The importance of balancing current spending or savings and future spending or savings was an element of the journey. “It’s about keeping that balance of your present day lifestyle with the long view of what the hope is down the road” (FPU8). A commonly mentioned dilemma was balancing instant gratification with delayed gratification. As one participant commented, “It’s not about instant gratification and you always feel better when you have saved up for something” (FPU1). “[People need to be] taught to make the sacrifices today that can help them tomorrow” (FPU13). Participants noted that instant gratification often leads to future pressures and questions concerning how to repay borrowed funds.

Life itself presents uncertainties (e.g., healthcare issues or car repairs) so that a balance between daily spending and the future was deemed necessary. “In life, you’re going to have times when you are more stressed for funds and times when you are going

to have more funds that you know what to do with. And then, there's an even flow and you have to learn how to balance them" (FPU11). Another participant's description reflected the reconciliation that must occur between the present and the future.

This picture is about balance (see Figure 22). Putting money aside and saving for retirement and other things on down the line is important but there are also golden opportunities to spend your money on certain things right now. Keeping all those things in balance – you know – continuing your giving, continuing your spending on important experiences for your family and your children and also balancing that with your future optimistic hope that someday you will be retired and just doing something you want to do for fun. (FPU8)



Figure 22: Balancing present and future (FPU8)

Balance: Balancing self-focus and altruism. Altruistic consumer financial behavior was reflected in the journey and transformation deep metaphors described earlier. The deep metaphor of balance further revealed participants' altruistic consumer financial behavior. Participants described a balance between self-focus and altruism. Donating to or taking care of others was seen as a pleasurable responsibility rather than a burden. "I've been raised to help others. Looking out for others and not just yourself" (FPU5). "It's not really just about us but it's also about how we take care of each other. Reaching out all the time and always giving something. That's kind of fun" (FPU12). At the same time, "I think you have to be good with yourself first or you're not very helpful to others" (FPU10). As one participant concluded, "If you're keeping things in balance,

that means you're doing some service work now, spending some money on your great experiences now, and being patient to wait for what your money can do for you in the future" (FPU8).

Balance: Emotional balance. Participant's pictures of a moonlit lake, a sunset, and blue skies were among the images that illustrated the construct of emotional balance. Financial literacy contributed to emotional balance by improving self-esteem, creating confidence, providing inner-peace and relaxation, and instilling a sense of security. As one participant mused, "If you get it right, financial literacy tastes really good. It's relaxing. It's like a good glass of wine" (FPU8). Another participant suggested, "It's interesting because there are nerds and free spirits and everyone approaches money a little differently. We probably all want security" (FPU12). With financial literacy, participants described a sense of freedom which, as mentioned earlier, was connected with the deep metaphor of transformation. "Paying bills is not one of my favorite chores but you feel relaxed and you feel free" (FPU14). As one participant summarized, "You have freedom to affect future generations, freedom to be the protector, freedom to change the future, and freedom to actually have peace" (FPU13). In addition, participants experienced self-satisfaction when they were able to tithe and share with others while providing for themselves and their families.

As mentioned earlier, financial illiteracy was viewed as contributing to personal stress, stressful relationships, and lack of self-esteem. The inability to fulfill an individual's perceived social roles and responsibilities contributed to personal stress and was related to the failure to achieve a balance between wants and needs. As one participant described, "It's a lot more of a responsibility on me than it is on [my wife]

because I want to take care of her and the children” (FPU3). Thus, the desire to provide for loved ones had the potential to create an imbalance. The participant concluded that achieving “financial peace is underrated” (FPU3).

Connections. Human nature includes “the need to relate to others and to oneself...and is a major and pervasive viewing lens for all manner of issues” (Zaltman & Zaltman, 2008, p. 121). For FPU participants, the deep metaphor of connection in this study was reflected in the subthemes of (a) connecting with God and nature, and (b) connections with family and the global community.

Connections: Connecting with God and nature. Ramsey’s *Financial Peace University* included sessions on contributing to churches or others in need. As mentioned earlier, participants in this study perceived an ability to transform the lives of others through their stewardship of financial resources. Good stewardship also resulted in a closer connection to God. One participant noted that “He wants us to have money. That’s what we need to get by in life....I’m the steward of all that He puts into our hands” (FPU2). Voicing a similar viewpoint, a participant commented that “God provides our finances. We choose how we use them. The reason I’d like to be financially free is to give back to other people whether the church or a Christian camp” (FPU6).

Other participants described a commitment to tithing to their churches. “If we came down to the penny every month, I still felt good about tithing.... Generosity is important. I think you’re rewarded for that” (FPU12).

[The financial literacy program] made tithing to the church easier. It’s necessary and it’s a biblical statement that He told us to do. It gives you peace of mind because I feel like I walk closer to the Lord with tithing properly. (FPU4)

The participants' comments presented above illustrated a partnership with God. God facilitated the obtainment of resources and participants were entrusted to use the resources wisely. Participants generally described a degree of personal control. However, one participant noted that "I never planned to be rich because I don't think I'm supposed to be" (FPU11).

Some participants described "closeness to God in the outdoors" (FPU6). Participants reported that financial literacy allowed them to connect with the natural environment through vacations and other outings such as camping, fishing, or hiking. These experiences created memories and contributed to feelings of peace. For some participants, nature was also a provider of financial resources as illustrated by one woman's reflections: "I see wheat fields as money or the bread basket feeding people. There is so much beauty in that....It's always just peaceful and reassuring" (FPU12).

Connections: Connections with family and the global community. Participants described connections with family as one benefit of financial literacy. Connections were created through experiences, as mentioned above, as well as through communications that occurred when couples and families participated together in financial planning. These connections strengthened families and improved their well-being.

Philanthropy was described as a means of strengthening communities. At the same time, participants posited that broader society was strengthened when individuals were financially literate. "If people are paying their bills on time, you have a better society. You have people working. It's moral that you don't lean on everybody else unless you absolutely have to and then people are glad to help you" (FPU2).

As described earlier, FPU participants in this study concluded that financial literacy had transformative effects on the global community through individual generosity and the sharing of resources. In addition, participants concurred that financial literacy made them more deeply connected to the global community through understanding of other cultures gained by traveling. “If I had enough money saved up, I would encourage our whole family to travel to other places. We would learn a lot by visiting other places” (FPU7). Another participant expressed her appreciation of other cultures and described her personal transformation from “an opportunity to go out and see that the world wasn’t just like I had grown up in” (FPU6). Travel was portrayed as “educating people about cultures and about different generations of people and why they think differently. The whole gamut of learning about each other and not being biased towards other people” (FPU10). One participant’s dream was take other less financially-fortunate people on a trip in addition to traveling with his family.

Resources. As mentioned earlier in the transformation deep metaphor, financial literacy contributed to a sense of well-being. A sense of well-being can also be thought of as a “vital resource” (Zaltman & Zaltman, 2008, p. 160) for individuals on their life-long journey. Other common examples of the resource deep metaphor included tools, people, or organizations as well as intangibles such as knowledge. Zaltman and Zaltman (2008) described money as “perhaps the ultimate tangible resource for many people” (p. 144). As stated earlier in this study, people were important resources or facilitators of the financial literacy journey for study participants.

In this study, financial literacy as a tool and money management were elicited as sub-themes from the deep resource metaphor. The deep metaphor of systems was

conceptually blended with the deep metaphor of resources for FPU participants in this study. Systems include rituals or procedures that individuals use to organize and structure their daily living (Zaltman & Zaltman, 2008). Rituals and procedures played a role in money management in this study.

The three sub-thematic categories that emerged from the deep metaphor of resources were (a) *financial literacy as a tool*, (b) *money management*, and (c) *rituals or procedures*.

Resources: Financial literacy as a tool. FPU participants in this study described financial literacy – in particular, the constructs of financial knowledge and consumer financial behavior – as an important resource or tool. As one participant mentioned, “The financial literacy education that we had is helping our family achieve our goals” (FPU7). Providing everyone with financial knowledge and guidance for sound consumer financial behavior was a priority mentioned by one participant.

We, as a society, really don’t do a good job – not just educating – but also supporting kids and young people. I think it’s getting better. There’s the “Feed the Pig” campaign and some things like that. But we Americans have really messed things up. There hasn’t been much encouragement as a society to really take responsibility for your own financial situation. (FPU9)

Other participants’ comments illustrated the necessity of financial knowledge. “You have to have some knowledge if you’re going to invest and assume that you’re going to make money” (FPU5). “I have to become wiser about what I’m going to do with my stock” (FPU11).

It's like having a well-stocked first-aid kit (see Figure 23). You know at some point that it's going to come in useful whether it's Band-Aids or the space blanket.... for me, it's peace of mind. You have to be prepared like a Boy Scout.

(FPU9)



Figure 23: Well-stocked first-aid kit (FPU9)

The advantage of broad financial knowledge is illustrated in the above quote. The participant further described the complexity of financial knowledge and the challenges of applying that knowledge to personal circumstances.

This is a picture of a pirate treasure map. Each of us needs to find our way to a place where we are financially comfortable or at least know how to handle our money. There's a lot of different resources out there. You can listen to Suzie Orman or Dave Ramsey or read books or watch what your parents did, but it's kind of like having this map where you're not quite sure how many steps equal one of your steps. You really have to take all that information and still find your own way. (FPU9)

Resources: Money management. Some participants found managing money to be a pleasurable activity in that payment of bills and accumulation of savings led to self-satisfaction. For other participants, having a plan in place that eliminated the need to think about money was their goal. As one participant stated:

Financial literacy is not thinking about money. My hope is that I don't have to think about money. My lifestyle and choices have been made just sort of naturally

and there is enough money coming in that I don't have to worry about money. I'm not a money person but I just want to make sure that it's coming in and going out in the right places so you don't have to think about it anymore. (FPU8)

The participants in this study noted that financial literacy involved managing money as a limited resource. Some participants described getting the most from every dollar. "My mother-in-law had it when it came to stretching the dollar and getting good deals" (FPU13). "My dad used to say that I would squeeze a dollar bill until George Washington's face turned blue and my husband accused me of squeezing a nickel until the buffalo pooped. I considered both complements" (FPU14). "My children liked to joke that 'Mom knows how to get a hundred bucks out of a nickel'" (FPU2). At the same time, participants observed that money management involved purposeful saving rather than merely accumulating money. As one participant avowed, "I don't believe money makes you any happier. In fact, I know it doesn't" (FPU10). "Time is every bit as important as money" (FPU2).

Investing in their homes along with saving for a rainy day, college education, retirement, and legacy funds were some of the specifics mentioned by participants. Although home ownership was linked to the psychosocial construct of comfort in the transcribed interviews, participants depicted home ownership primarily as a beneficial investment activity. "A house is one of the best investments that you can make because your money is going toward paying off a house rather than paying rent and not getting anything for your money" (FPU1).

In the financial literacy program, the use of credit was discouraged. "Dave Ramsey says that, if you have to go into debt, the only thing you should go into debt for

is your house because it's an investment" (FPU2). Financial literacy program participants were encouraged to "purchase your home and pay it off early if you can" (FPU5) in order to avoid emotional and financial burdens associated with debt and interest charges. One participant noted that "my only debt is my mortgage. I calculated that by paying an extra \$200 a month, it should save six years off my mortgage" (FPU14). In addition, Ramsey advocated for making personal sacrifices so that a home mortgage can be repaid as quickly as possible. "I have to get up every morning at 3:30 or 4 for a newspaper route that I walk. I do it because I want to pay off my house" (FPU6).

Resources: Rituals or procedures. In this study, the deep metaphor of resources was conceptually blended with the deep metaphor of system. The deep metaphor of system includes intricate rituals or procedures that shape daily living. Early repayment of home mortgages and the associated personal sacrifices as described above were examples of rituals or procedures that influenced the daily living of FPU participants. The envelope system and the "debt snowball" are rituals and procedures that were two key components of Ramsey's *Financial Peace University*. In addition, participants described creating a budget as part of the financial literacy program.

I created a budget book in which I listed my income and then I listed all my expenses so I knew where I was spending the bulk of the money every month....The first check that I write out every month is to my credit union for my savings account. (FPU14)

Another participant explained the importance of budgeting: "A lot of people can get into financial problems if they don't think about what they are doing beforehand" (FPU7).

"[Ramsey] stresses that your whole paycheck should go da da da da" (FPU4).

Ramsey's *Financial Peace University* recommends the use of envelopes to allocate money to specific categories of purchases, such as food or gas, based upon an individual's budget. Spending is controlled by the amount of money set aside in the envelopes. One participant presented an envelope along with other images during his interview. "Dave Ramsey stresses having envelopes for each of your spending categories. So I decided to bring an envelope. I think it helps" (FPU7). Another participant reflected, "It's been eight years since we've done the course and I still have my envelopes in my purse" (FPU4). "Compartmentalizing your bills encourages you to think more about what you're doing and how it's going to affect your future or how it affects your wallet" (FPU14).

The debt snowball is another key aspect of Ramsey's *Financial Peace University*. Ramsey suggests that individuals pay the smallest debt first and successively pay the next smallest debt until the individual becomes debt-free. One participant described the process:

Sometimes [Ramsey] recommends taking a second job. You take that money and put it towards a credit card or maybe a car payment and just get rid of it. Just keep working towards that. Then you take that money and put it towards something else and something else. Then, all of a sudden, you have a ton of money going towards something. (FPU3)

As mentioned earlier, Ramsey discouraged the use of credit. Participants agreed that lack of debt was critical for their financial freedom. "I haven't had a credit card in eight years. I think it's important for us in order to be free" (FPU6). "We don't buy anything on payment. Everything is cash. The hardest thing I've ever done was cutting up

my credit card” (FPU4). “We don’t buy anything personally that we can’t pay for....I’ll never forget the day [my husband] went up front in class and cut his credit card. We haven’t done credit cards since” (FPU13).

Some participants indicated that they benefitted from the financial literacy program but had modified some of the rituals or procedures. For example, not all participants used the envelope system. Rather than allocating all of her paycheck to different categories in her envelopes, one participant confided, “I always keep a little extra in my checking account because I just feel a little safer that way” (FPU4). Another participant reported:

I agree with being careful how you use credit cards....But emergencies come up and I think it’s okay then. You just have to be cautious of how often and what you’re using it for....To me, a credit card is an emergency savior. (FPU14)

One participant’s conclusion was to “come up with some kind of hybrid system that works for you” (FPU9).

Deep Metaphors: No Financial Literacy Program

The deep metaphors and sub-thematic categories that emerged from the participants’ transcribed interviews and mental models illustrate the nature of the connections between financial literacy and daily living (see Table 4). The predominant deep metaphors that emerged from the data for NFP participants were (a) journey, (b) balance, (c) connection, and (d) resources. Conceptual blending of deep metaphors, whereby more than one deep metaphor was present in the minds of participants, was evident. The deep metaphor of resource was conceptually blended with the deep

metaphor of journey, the deep metaphor of control was conceptually blended with the deep metaphor of balance and the deep metaphor of systems was conceptually blended with the deep metaphor of resources. In addition, the deep metaphors of journey, balance, and control were closely connected. Ten sub-thematic categories were identified for the deep metaphors.

Table 4

Deep Metaphor Thematic Categories and Sub-thematic Categories (No Financial Literacy Program)

Deep Metaphor Thematic Categories	Deep Metaphors Conceptually Blended	Sub-thematic Categories
Journey	Resource	Long-term view Facilitators
Balance	Control	Balancing present and future Establishing priorities Emotional balance
Connection		Connections with family and the global community
Resources	Systems	Financial literacy as a tool Financial education for children Money management Rituals or procedures

Journey. As mentioned earlier, the deep metaphor of journey is a common viewing lens (Zaltman & Zaltman, 2008). Decision making is influenced by individuals' perceptions of the journey (e.g., fast or slow and long or short) and emotional responses are often evoked when the past, present, or future are connected. For NFP participants,

the deep metaphor of journey influenced financial decision-making. The journey deep metaphor was illustrated in one participant's reflection: "Financial literacy is a doorway which allows you to do lots of things depending upon what is important to you" (NFP5). The deep metaphor of journey was conceptually blended with the deep metaphor of resources for NFP participants in that facilitators (i.e., resources) were instrumental in participants' journeys. The two sub-thematic categories that emerged from the deep metaphor of journey were (a) *long-term view* and (b) *facilitators*.

Journey: Long-term view. NFP participants described financial literacy as a journey that included planning, goal setting, and modifying plans when necessary. Planning and organization were described as essential for a comfortable lifestyle and contributed to personal satisfaction. "We needed to plan in order to provide necessary things for the family" (NFP5). "You need to be organized so you can reach your goals" (NFP12). "Goals are important in life. Otherwise you have nothing to shoot for and you just kind of drift around. You might accomplish things but there's no satisfaction really because there's no target" (NFP8). "Financial literacy is necessary in order to achieve future goals....otherwise, our focus could be off and we may find that are goals are rather elusive" (NFP10). One participant depicted these ideas with an image of a nest egg (see Figure 24).



Figure 24: Nest egg (NFP11)

The long-term view also included the reality that life changes (e.g., divorce, illness, or birth of a child) altered plans. As one participant noted, “It’s hard to start over and change your plans” (NFP4). Financial knowledge and past consumer financial behavior can influence the ability to react to changes. “Putting extra money into savings or a rainy day account means that when something comes up, you will be prepared” (NFP3). Other participants described the necessity of having “enough savings if something happens to you” (NFP11) or savings “to help out if there are any emergencies” (NFP9). One participant acknowledged that “it’s always good to be prepared. We just bought a house and now we’re expecting a baby. We have our savings” (NFP12). As another participant mused, “Getting ready for a baby is another thing that I think you need to be financially prepared for. A baby costs a lot of money and I don’t think people think about that beforehand” (NFP3).

Journey: Long-term view – Education. Education was often viewed as contributing to financial stability, thereby creating a means to achieve other aspirations. Participants valued the ability to pay for their own education as well as contribute towards the education of their children and grandchildren. “Higher education is very important. It’s the foundation for everything we do. A good education will get you so far and help you with other goals in life” (NFP7). “An education could provide you with some kind of financial stability” (NFP5). Another participant noted that “financial security is getting an education. Ninety-five percent of a person’s financial situation depends upon how much education you have” (NFP1).

Journey: Long-term view – Retirement. Personal responsibility for retirement planning was a concern shared by participants, reflecting the fact that many U.S.

employers have abandoned defined benefit retirement plans. “We live in a society – a culture – where we need to plan. We need to manage for future years, for retirement. We need to invest and understand markets and terms” (NFP10). Another participant concurred that a long-term view was necessary to reach retirement goals, stating that “my picture is of a clock because I think time is very important. If you start investing when you’re young, you will end up with more – with a better portfolio” (NFP1).

The inability to appreciate the element of time was described as a barrier to a comfortable retirement. “If I want to retire at 59, that’s only 36 years. That may seem like a long time but that’s not a long time to build up enough money to live for another 30 years” (NFP8). This reality was further described by another participant who noted that “when you get to a certain age, you go ‘whoa, I’d better start saving because I need to be able to take care of myself.’ I don’t want to be dependent upon the kindness of others. I need to be independent” (NFP9).

Journey: Long-term view – Home Ownership. Retirement, education, home ownership, and travel were commonly cited goals for which individuals planned. “The goal was to buy a house, payoff the house, and not owe money to anyone. People would definitely be able to retire sooner if they pay off their house” (NFP8). Savings for these goals provided other social and psychological benefits. For example, not only was home ownership valued as an asset but it also represented personal freedom or success for some participants. “Becoming financially stable enough to purchase a home is a goal that I want to work towards. It’s stability knowing that you have a house. You can do what you want with it. You can get a dog” (NFP3). “To own your own house means that you’ve

succeeded in some way and that you accomplished a lot. It's kind of the American Dream to own your own house" (NFP11).

While many of the participants included home ownership among their goals, home ownership did not have the same significance for all participants.

So often I've heard that the American Dream was home ownership. But the American Dream wasn't home ownership for everyone. I think, in the past, it was whatever you decided it was. The goal should be whatever I want it to be. (NFP2)

Journey: Facilitators. While the importance of planning and goal-setting was described by participants, not all participants enjoyed those activities. One participant avowed that he had no interest in "the whole subject of finances. It's at the bottom of the barrel of interests" (NFP6). As the participant further described, "Basically what happened was that I picked up through life what I had to have to get by. There was always somebody for whom business and finances were their talent" (NFP6). Thus, facilitators can play an important role in the financial journey and in achieving financial success.

Facilitators either provided knowledge to participants or suggested appropriate consumer financial behavior or, in some instances, bridged the gaps in participants' financial knowledge. Facilitators mentioned during the interviews included books and journals such as *The Economist*, family members, teachers or mentors, and financial planners. In one case, the participant described gleaning sound investment advice while perusing books on a bookstore shelf. For some participants, observing others' mistakes kept the participants from engaging in similar consumer financial behavior.

The complexity of the financial markets has created an environment where it has become increasingly difficult for individuals to successfully plan their financial futures without professional assistance. One participant posited that:

It's vitally important to secure a financial planner early in your life. It might take a while to find one you can fit with but I don't think most of us are stock and bond aficionados so we don't know how to do this and what innuendos there are to better yourself so I think a financial planner is very important. (NFP1)

Reliance on the expertise of financial experts allowed participants to feel more confident about their financial decisions. One participant stated, "I marvel at people who have great understandings of how things work in the financial and business world. It's not my main field. I have some fiduciary responsibilities myself, but it's always with the consultation of experts and advisors" (NFP10). Another participant described similar fiduciary responsibilities and had often sought advice that was beneficial both professionally as well as personally. "There were times when I would sit down with my agent, and said, 'What should I do with this \$5000?' or whatever. I've mainly just leaned on those people to know what the heck was going on" (NFP6). Trust was of paramount importance in the process. As one participant described:

I've had to have a huge amount of trust in people that know way more about finances than I do. It does not interest me to know the ins and outs of how the economy works so I've had to trust someone else who had the knowledge. There have been some times when I didn't really feel like I could trust them so I felt like I wasn't very comfortable for a while. (NFP5)

One participant enjoyed numbers and closely monitoring the stock market, but family members, who were accountants and financial planners, provided additional financial advice. Rather than advising about financial markets, family members and teachers were often helpful in providing guidance for day-to-day living. Understanding compound interest and budgeting were commonly cited examples where facilitators played a significant role. One participant remarked that:

I took accounting in high school and had the most wonderful teacher. I learned so much from her about having a good budget and not spending over your budget. It taught me to live within my means. I've had times when I experienced more wealth than others and then times when we've definitely done without and even when we were in America's version of poverty. And, in all situations, I knew how to spend the money that I had. (NFP4)

The participant above described how, in spite of enduring poverty, she was able to maintain a high credit rating using the knowledge provided by her teacher. This facilitated her financial recovery.

Parents were facilitators for their children when displaying savvy consumer financial behavior and financial knowledge in daily living. Participants suggested that "my parents gave me this foundation" (NFP7) and "[although] it was much harder for [my parents] to have financial stability than it has been for us, I credit them with the basis" (NFP5). Others described ignoring the advice of their parents.

At a younger age, I bought whatever I saw that I wanted or did whatever I wanted. My father used to say to me, "Young lady, there's going to be a day when you'll wish..." And I'd think, "Oh, I have all this time." (NFP9)

Balance. The above example illustrated the importance of balancing present desires and future wants and needs. As mentioned earlier, balance is a commonly occurring deep metaphor that often includes physical, social, moral, or emotional balance. Individuals often describe a sense of well-being when their lives are in balance. The deep metaphor of control was conceptually blended with the deep metaphor of balance for participants in this sample. Participants described maintaining control by establishing priorities that impacted present and future well-being. Three subthemes related to the deep metaphor of balance emerged for NFP participants: (a) *balancing present and future*, (b) *establishing priorities*, and (c) *emotional balance*.

Balance: *Balancing present and future.* One participant summarized the notion of balance by suggesting that each individual must remain as independent as possible, living simply while taking care of one's health and personal possessions (NFP1). These measures would maintain value and reduce future costs. The connection between the present and the future was further illustrated by one participant's conclusion that "we have to know our goals whether they are saving or spending wisely. Otherwise, we could fritter away our time or our money or whatever we had... Your commitment to day-in and day-out is important" (NFP2).

Participant comments associated with balancing the present and the future often centered on the use of debt. In general, NFP participants described ambivalence toward debt. Paying high interest rates was regarded as a wasteful use of resources while, at the same time, lack of a credit rating was cited as an impediment for some opportunities. Home purchases were listed as a reason to use credit and high credit scores that resulted from responsible management of prior credit were reported as beneficial for participants.

As one participant described, “Most people should buy a house when they are relatively young and most people do not have cash for a house. If you had to wait until you had cash, you probably wouldn’t get a house” (NFP1). The importance of the credit score was illustrated by other participants’ remarks.

Your credit score does touch on many things that people would call success: getting loans, getting a house, getting a new car....One of the things that we have done to really make our credit score better is paying off our credit card every month. We just put all our bills on one credit card every month and we pay off that statement balance. (NFP12)

Another participant surmised that loans and a credit history are beneficial. “A person has to have a credit history but a person has to be careful too (see Figure 25)...It means building your credit history in a responsible way so that you can do the things you want to do” (NFP4).



Figure 25: Be cautious with credit (NFP4)

Some participants recommended not using credit cards as the use of credit impacted future cash flows and future opportunities. “Pay everything out of your bank account because if you don’t have the money right then, you shouldn’t be buying anything. Don’t get into debt and stay away from credit cards” (NFP3).

Others regarded credit cards as a useful tool as long as individuals were able to balance present spending with future payments. One participant advised:

Don't charge anything that you could not pay for today. You could put it on a credit card just for convenience. But if you can't pay for it today, you can't afford it so you should just stay home or not buy it. (NFP1)

Other participants found zero-interest credit cards to be advantageous but were careful to ensure that they could repay the debt in a timely manner.

As mentioned in the sub-thematic category of long-term view, higher education was a goal valued by participants. In turn, participants noted that achieving the goal of a college or university degree required striking a balance between savings and student loan debt along with considering future employment opportunities. "I don't know if it's possible for most students to go to college without student loans today. You have to [attend college] or you're not going to have opportunities and be able to fulfill your dreams for employment" (NFP4). Another participant posited that he "was one of the last generations who could work his way through school. You now either have to have sufficient scholarships or grants or have some money at home" (NFP6). While some level of college debt was typically perceived as a reality in the 21st century, an alternative viewpoint was presented by one participant. The participant declared that, prior to the decision to bring a child into the world, prospective parents should understand that funding higher education was a fundamental parental responsibility. "Parents should pay for education. I don't think kids coming out of college should be overloaded with debt from education" (NFP1).

Balance: Establishing priorities. For those NFP participants, the deep metaphor of control manifested itself in participant comments related to establishing priorities. As indicated by the participant's comment above, finances are impacted by personal

priorities, such as the decision to have a child and pay for education. The establishment of priorities permits individuals to exercise some degree of control over their financial destiny. As one participant described, “We can’t foresee or expect everything that might happen....You have to be vigilant in your behavior. You have to be very careful” (NFP2). Another participant remarked that “as we hone our decision-making process and as we set up priorities, we face challenges rather than ignore challenges and allow life to just happen to us” (NFP10). Personal control was illustrated in other participant comments such as “you want to save your money and set-up priorities in order to manage your finances” (NFP3). Understanding one’s personal priorities allowed an individual to remain focused on personal goals. “If you know exactly where your money is going and you’re frivolously spending, you say, ‘Well, I don’t need to be spending this. I could be saving for this’” (NFP12).

Other participants suggested that a cautious approach created a venue whereby they could consider personal priorities before making financial decisions. As one participant described, “I saw a scene that was ‘caution.’ A person has to be cautious with their money and balanced to make good decisions” (NFP4). While NFP participants had expressed ambivalence toward the use of credit, easily available credit was cited as a reason that some people ignored financial realities and priorities, leading to undesirable outcomes. “Little by little you could get in a hole. It’s pretty easy – I imagine – to say, ‘Oh, I can afford that’ and put it on a credit card. Soon you’re in over your head” (NFP1). Another participant remarked that “people overspend with their credit cards. Then they make the minimum payment and barely even pay the interest so they get into a hole and it ends up ruining their credit” (NFP3).

Thus, participants noted that establishing priorities often meant sacrificing some things that might be desirable to them. As one participant described:

You have to sacrifice and have a commitment to your goals. It might be not eating out as much. It might be economizing at a thrift shop and then the money that is saved by those little things will add up....It's your responsibility. There are more temptations and distractions. Or it might simply be paying your rent or your child grew out of shoes again. Choices you have to make....Sacrifice means different things to different people. Sacrifice might be going to one movie a weekend but somebody else might only go once or twice a year. One might see it as a need where someone else might see that as a luxury. (NFP2)

Personal sacrifices that an individual or family makes may not be apparent to others.

“Other people must assume that we have tons of money because we've done a lot. The fact is that we don't have tons of money. We just don't spend it the way most people do. We haven't had cable TV in forever. We don't own a smart phone. (NFP5)

The decision to purchase a home in Montana required one family “to find other places to sacrifice. There are a lot of people who drive new vehicles. That mystifies me sometimes knowing how much they cost” (NFP8). Another participant posited that it was possible to balance priorities such as owning a nice vehicle and minimizing monthly payments.

Most people like to drive a nice car. What worked best for me was to buy a used late model car and then keep it for 10 years: wash it and get all the services done. Then save to buy another late model used car. Never make a car payment. Car payments are just money down the hole because a car is losing value. (NFP1)

For participants, resisting the urge to purchase consumer goods whenever something new or more desirable became available was among their personal priorities. “It’s been a matter of saying, ‘This is the level of income and this is what we’ll live within’” (NFP6). Another participant regretted earlier purchases noting that “I wish I would have saved a lot more when I was younger because when we were trying to juggle (paying off credit card debt and saving for a house), it was stressful. We gave up a lot” (NFP12).

Participants believed peer pressure and marketing efforts encouraged individuals to “keep up with the Joneses” and was a contributing factor to spiraling debt in the United States. For one family, living in Montana and commuting to larger cities for work afforded them the opportunity to live in a less expensive community and, at the same time, avoid the pressure to keep up with others, which resulted in a less-stressful life. Thus, establishing priorities and exercising self-control were described as contributing to emotional balance.

Balance: Emotional balance. Emotional balance is a vital aspect of personal well-being and includes a number of factors such as self-esteem, confidence, security, pride, satisfaction, feelings of peace or relaxation, and freedom from anxiety or stress (Zaltman & Zaltman, 2008). In this study, a sense of accomplishment was among the factors of well-being for NFP participants. “When you’re financially stable and prepared, it’s relieving like a weight lifted off your shoulders. You feel a sense of accomplishment” (NFP3). As another participant explained, “I know when my bills are due and I feel accomplished when I’m all done” (NFP12). One participant provided an image of a peacock (see Figure 26) to illustrate the feelings of satisfaction and pride that accompany

financial literacy. As the participant explained, “I wanted to express satisfaction but I also wanted to express pride when you reach a goal....I don’t mean prideful but just to pat yourself on the back” (NFP2).



Satisfaction/Pride — How do you feel not just when you reach your goal but also during the process?

Figure 26: Positive feelings from reaching goals (NFP2)

Participants not only described receiving positive emotional rewards from careful financial planning and money management but also explained that they often rewarded themselves with vacations, dinners out, or other gifts.

In order to go on vacation, you have to have the rest of your finances in order and have some money saved up, and be organized. A vacation shows that you worked hard and earned it. It’s important to take a break so that you can regroup your thoughts and return to work refreshed. (NFP3)

As another participant described, “[eating out and travel are] kind of a reward we have for ourselves” (NFP8). Yet another confided that “I buy a gift for myself....It’s really important that people treat themselves. You are worth it. You know that you’re important. When you save, you’re kind of celebrating” (NFP9).

Lack of financial planning was described as contributing to worry and stress associated with financial concerns.

Having enough money to pay your bills in full and being financially prepared provides the peace of mind that you can take care of things....If you don’t set

money aside [in a savings or rainy day account] and something comes up, you are bound to be more stressed and you have to figure out what to do. (NFP3)

The “dangerous or uncomfortable” (NFP10) feeling associated with financial illiteracy contrasted sharply with financial literacy that “feels comfortable and safe like my shawl that I wrap up in. You wouldn’t be worrying. You would be relaxed and comfortable” (NFP2). Another participant concurred, “You feel more comfortable. You don’t have to worry about how you’re going to pay the rent or feed your kids” (NFP1).

Worry and stress not only contributed to emotional imbalance but were also linked to physical health and relationship problems. One participant noted that, if you’re financially literate, “you don’t fall asleep with all those worries in your head. It’s just silence” (NFP3). Another participant posited that money arguments are “one of the top three arguments among American couples. If both people are financially aware, it relieves one of those arguments pretty quickly” (NFP8).

Participants commonly described the emotional benefits of financial preparedness using the metaphor of a “sweet taste.” “If you’re in a hard place and having a hard time, it’s a sour taste. If you were more prepared, you would have a sweet taste” (NFP3). Another participant’s comment echoed this statement. “Financial illiteracy would have a sour or bitter taste so financial literacy would be sweet and appealing” (NFP10). Another participant’s image of strawberries (see Figure 27) depicted the sweet taste of financial literacy.



Figure 27: Sweet taste of financial literacy (NFP11)

Connections. Connection is a common viewing lens that reflects the social nature of humankind (Zaltman & Zaltman, 2008). Succumbing to the temptation to keep up with the Joneses is often associated with the deep metaphor of connection. The deep metaphor of connection manifested itself in other ways for NFP participants. Financial literacy was depicted as a vital link connecting participants with families and the global community. Connections were created through travel and sharing with others.

Connections: Connections with family and the global community. Three outcomes of travel were gleaned from participant interviews: travel provided emotional balance for participants, travel allowed participants to reconnect with family members, and travel contributed to an understanding of others. Vacations were described earlier in this study as a repayment for hard work and financial planning. For some, travel in retirement represented savvy financial choices that had been made earlier and was a reward that contributed to personal connections and emotional balance. “This is a nice beach picture (see Figure 28). You would be able to retire and be comfortable” (NFP8).



Figure 28: Retirement travel (NFP8)

As another participant described, “These pictures show how all the hard work over the years can pay off in the end. You can really enjoy your time together with your spouse, travel, fulfill a dream” (NFP11).

In modern society, the logistics of connecting with family members are impacted by the expense of travel, particularly when family members move to attend college or

obtain work. One participant described the high travel costs associated with sending a child to school in another state. Other participants had gone away to college in a different state and remained in that state to work. A participant stated that “we have family [living in another state]. We have to go so that’s always a great goal” (NFP12). Another participant voiced personal frustration with siblings who were unable to visit family because their money was spent on new vehicles and other items. As the participant reflected, “You like to see your family. It’s important” (NFP8). The connection to family was further emphasized by a participant who described the most important aspect of financial literacy as connecting with “my family, absolutely....They’re my people. They’re the most precious things in the world” (NFP7).

Developing a connection with others or a deeper understanding of life in other cultures and communities were benefits attributed to travel. One participant asserted that “meeting individuals from diverse backgrounds: different countries, different cultures, and different socio-economic backgrounds....can do a lot by bringing people together” (NFP7). Another participant related a similar message.

We’ve planned ahead a lot. We’ve seen a lot of places. Although it’s been very exciting, the most important part has been the ability to interact with other people....To develop some friendships and some understandings that go way below the surface of the trip itself....The most significant part is what I learned about other people or what I may have learned about myself. (NFP5)

Emotional consequences of connections fostered through travel were further illustrated by one participant’s recollections. “I found it very inspiring to put yourself in the middle

of that kind of need, and even felt a little bit guilty realizing that I could go home to the United States” (NFP6).

The deep metaphor of connection was also apparent in participants’ discussions of philanthropy. Several participants quoted the Bible verse – “To whom much is given, much is expected” (Luke 12:48) – when discussing their commitment to share with others. Participants described opening their homes to others who needed a place to stay, contributing handmade items to those in need, providing other families’ children lodging and transportation to activities, and donating to charitable organizations. As one participant expressed, “Financial literacy is about having the security to take care of my family, to take care of others, and to share. It’s a sense of community” (NFP7). For another participant, financial literacy “simply provided opportunities for us to be part of another person’s life and for that other person to be part of our lives. If we didn’t have any money, we would still probably do that” (NFP5). However, the challenge of contributing to the needs of others when facing personal financial hardships was recognized by one participant who confided that “I figure in what I might give to the church monthly, and I have to say that is the first thing that goes when months are tight” (NFP9).

Resources. A sense of well-being, knowledge, facilitators, and money are all examples of the resource deep metaphor (Zaltman & Zaltman, 2008). The deep metaphor of systems was conceptually blended with the deep metaphor of resources for NFP participants in this study. The deep metaphor of systems “arises when consumers need order or structure” (Zaltman & Zaltman, 2008, p. 25). For NFP participants, rituals and procedures played a role in money management. Four sub-thematic categories elicited

from the resource deep metaphor for NFP participants were (a) *financial literacy as a tool*, (b) *financial education for children*, (c) *money management*, and (d) *rituals or procedures*.

Resources: *Financial literacy as a tool*. NFP participants in this study concluded that financial literacy was an important tool (see Figure 29) that individuals needed to enjoy a fulfilling life. Some degree of financial literacy, whether possessed by the individual or provided by a facilitator such as a financial planner, was regarded as vital in order to plan for a lifetime and achieve personal and social goals.



Figure 29: Have the financial tools to plan (NFP9)

Although participants concurred that financial literacy was vital for both daily living and long-term planning, the complexity of the phenomenon was perplexing. “It can sound like a foreign language. It can look like a puzzle, a maze” (NFP10). Another participant concurred that financial literacy had a lot of pieces “like a jigsaw puzzle and fitting in all the pieces....is kind of a magic show” (NFP9). As described by one participant:

Financial literacy is something that is complex. It may appear to be simple but it has a number of elements that need to work together. In this picture (see Figure 30), a Haagen Dazs ice cream bar looks very simple. Then, above it, you see all the ingredients that are in it: nuts, a vanilla bean, sugar, egg, cocoa, and dairy. So what looks like a very simple ice cream bar is actually a very complex matter.

Like the ice cream bar, financial literacy has a number of elements that need to work together. (NFP10)



Figure 30: Complexity of financial literacy (NFP10).

The complexity of financial literacy was described as potentially discouraging individuals from developing financial tools. In addition, individuals could interpret the financial message as suggesting that one must live a dreary existence. One participant's comments highlighted these perceptions:

I think sometimes [the topic] intimidates people. Also, typical financial pictures [charts, etc.] don't give me the feeling of – you know – go out there and live and do things. They don't give me that feeling, even though a lot of times that's what the information is saying when you take the information and interpret it. (NFP4)

Participants remarked that different amounts of available financial resources and different personal needs meant that financial literacy would not look the same to everyone. "I couldn't find an image that said 'financially responsible people' because I just thought that looks different for everybody" (NFP4). As an example, one participant remarked that "you could have credit cards and still show financial literacy with credit cards. They can benefit you. They're just something I think you should try to avoid" (NFP3). Another participant concluded that "we have to educate ourselves as far as what

is available and what is reasonable in our circumstances. So I think that to study is a real important piece” (NFP2).

Resources: *Financial education for children.* Participants in the sample who had not completed a financial literacy program recommended teaching age-appropriate financial education in school. One participant noted that “I used to watch my parents with their budget” (NFP9), but the participant indicated that additional formal education was also necessary. “It’s important to have mandatory financial education for all incoming freshmen and outgoing seniors both in high school and college so there is at least some awareness” (NFP9). Another illustrative comment suggested that, “We need to start teaching more financial literacy classes in middle school and high school” (NFP8).

One participant reflected that “I get the sense that there’s a movement for everyone to become [their own] financial manager” (NFP6). Further discussion indicated that financial literacy as part of life-skills training was needed to improve the lives of individuals who faced socioeconomic challenges. “If we could somehow bring up at least part of that group, there would be a real ministry there” (NFP6).

Resources: *Money management.* NFP participants concurred that money, as a limited resource, should be managed carefully.

Managing your money [is important]. Knowing what you have and how to manage it. Living within your means and understanding what that really means. There are people who are pretty good with their money who don’t really understand a lot about finances, but it is a big advantage if you do. (NFP8)

Money management included the day-to-day activities as well as planning for the future. One participant commented that “it’s just easier to look ahead and put a little extra

money away every check so you don't have to live paycheck to paycheck" (NFP3).

Another participant's remarks summarized the notion of money management. "This owl picture says a lot (see Figure 31): the owl is wise and the coin represents money in all forms" (NFP11).



Figure 31: Be wise with money (NFP11)

While some participants enjoyed the routines they had developed for managing their money, other participants expressed little interest in actual money management in spite of advocating for the importance of the activities.

As mentioned earlier, positive emotional well-being was attributed to financial literacy. At the same time, participants noted that money itself was not the primary driver of happiness. "Money doesn't make you happy....I know people who live in less than ideal conditions who are perfectly happy. In fact, some are a lot happier than some people who are very well off" (NFP8). One participant stated that "happiness resides not in possessions and not in gold" (NFP5), which was a quote from Democritus in 420BC. Another participant reflected that "[money] needs to be adequate without going into excess. Once it gets to excess, then it becomes a thing in itself" (NFP6).

Resources: Rituals or procedures. NFP participants had developed a number of procedures that helped them manage their financial resources. Their procedures could be categorized as means of organization, budget development, and execution of the budget. One participant reminisced about becoming organized. "When I got my first file cabinet,

I was so excited because I couldn't wait to get myself organized. You can plan better if you're organized" (NFP12).

For most participants, a budget was crucial for their financial planning. "If you're going to be financially responsible, you have to have a budget" (NFP4). While most participants shared this sentiment, one participant disclosed that "the only thing that we've actually budgeted for every year was how much we're going to give to the church and for other big contributions" (NFP5). Other participants had developed procedures to ensure that they adhered to their budgets. One participant had developed an intricate system involving a variety of piggy banks, savings accounts, investment accounts, and checking accounts with each piggy bank or account designated for a specific purpose.

The participant noted that:

Some of my friends went through the Dave Ramsey program. They were excited about it, and it got them out of debt. When they were talking about the envelope system, I kind of chuckled to myself because that's kind of like my piggy banks and the back of my checkbook is kind of like their envelopes. Everything is figured in. (NFP9)

Controlling debt and managing additional income were common discussion points. "When my husband gets a raise it goes directly to his 401K" (NFP12). "I usually plan my time off so that I can get a [time off] buyout and I put half of it into savings" (NFP9). In addition, participants favored early repayment of home mortgages in order to reduce interest costs and provide future flexibility. Participants concluded that significant benefits could be achieved through minimal sacrifices: "make small additional principal

payments every month” (NFP1) or “make one additional payment per year to drop eight years off the loan” (NFP8).

Participants recommended other rituals and procedures including “cutting coupons in order to save money and find deals on things that you need” (NFP3), “balancing our checkbook every time we get paid to keep us in check and we give ourselves a good buffer” (NFP12), and “paying your credit card bill as soon as it comes in the mail” (NFP1). Another participant recommended controlling credit card purchases by keeping a record of all purchases.

We kept a register on our credit card. You know how much you are spending because you know how much you owe at all times. When the bill comes at the end of the billing cycle, you already know what it is. That actually helped a lot. If more people did that, they would spend a lot less. (NFP8)

Results Summary

Participants in both samples described financial literacy as a complex phenomenon situated in social contexts. Discussions highlighted the intersection of financial knowledge, consumer financial behavior, and psychosocial factors. The perception that financial literacy was a means to achieve well-being for participants, their families, and broader society rather than merely a means to accumulate wealth was a common thread woven throughout the interviews.

Participants described the importance of accepting personal responsibility for acquiring financial knowledge and engaging in consumer financial behavior that would result in well-being. At the same time, facilitators including financial planners, mentors,

and educators were crucial in order to navigate the complex and changing consumer finance landscape. Consumer financial behavior reflected the ways that participants anticipated events and construed their replication. Participants reportedly changed consumer financial behavior when they experienced dissatisfaction with the actual or anticipated outcomes of their consumer financial behavior. Thus, participants recognized financial literacy as an on-going journey.

Four deep metaphors were elicited as thematic categories for participants in both samples: journey, balance, connections, and resources. In addition, the deep metaphor of transformation was highlighted as a thematic category for FPU participants. Seventeen sub-thematic categories were elicited from the ZMET interviews of FPU participants and 10 sub-thematic categories were elicited from the ZMET interviews of NFP participants. Similarities and differences existed in the deep metaphors and thematic categories between two samples.

Chapter 6

Discussion

This chapter provides a summary of the study along with conclusions drawn from the research findings presented in Chapter 5. A consensus map and metaphor analysis provided insight into the complex phenomenon of financial literacy. A discussion of the metaphor analysis and presentation of the consensus map representing the essence of financial literacy as perceived by participants in this study are included in this chapter. In addition, a discussion of the findings related to the literature, theoretical significance of the study, practical implications, and recommendations for future research are presented.

Of particular note, results of this study presented financial literacy from a holistic perspective, the end result of financial literacy was described as financial well-being, and transformative effects of financial literacy were presented. Participants' lives, the lives of their families, and, ultimately, broader society were transformed as a result of completion of a financial literacy program. Not only were lives transformed as a result of financial literacy, participants reported transformed attitudes towards financial literacy. For participants in this study, the phenomenon of financial literacy was not understood merely as wealth management but included the construct of financial well-being, which reflected participants' deeper aspirations for themselves, their families, and broader

society. Thus, financial literacy was presented as a holistic phenomenon that integrated financial knowledge, consumer financial behavior, and psychosocial factors.

Summary of the Study

Problem restatement. Financial literacy impacts the lives of individuals, families, and communities. Furthermore, public policy makers have indicated that economic stability in the U. S. is impacted by the financial literacy of citizens (Bernanke, 2012; Dodaro, 2011; Executive Order No. 13,530, 2010). A financially literate individual must have financial knowledge and engage in consumer financial behavior exhibiting that knowledge. Not all individuals appear to possess the basic financial knowledge necessary to plan for a comfortable lifestyle (Mandell, 2008). Some individuals possess financial knowledge but other psychosocial factors interfere with the ability of that knowledge to influence their actual consumer financial behavior (Dodaro, 2011; Estelami, 2008; Huston, 2010). A need existed to better understand the phenomenon of financial literacy and the complex interrelationships between financial knowledge, consumer financial behavior and psychosocial factors.

Purpose restatement. The purpose of this phenomenological qualitative study was to describe the phenomenon of financial literacy given the complex interrelationships between financial knowledge, consumer financial behavior, and psychosocial factors. In particular, this study sought to describe the meaning, structure, and essence of the lived experience of financial literacy for individuals who had completed a financial literacy program compared to the meaning, structure, and essence of the lived experience of financial literacy for individuals who had not completed a

financial literacy program. In this study, financial literacy was generally defined as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8).

Review of methodology. This study used a phenomenological qualitative approach, “a strategy of inquiry in which the researcher identifies the essence of human experiences about a phenomenon as described by participants” (Creswell, 2009, p. 13), as the critical lens through which to view the meaning, structure, and essence of the lived experience of financial literacy. Viewed through a phenomenological lens, personal construct theory served as the theoretical framework for the study which used ZMET for data collection and analysis.

Gathering rich data from participants (i.e., co-researchers) (Moustakas, 1994) is paramount in phenomenological qualitative studies. Two samples of participants were used in this study: one sample of 14 participants (FPU) who had completed a financial literacy program (i.e., Dave Ramsey’s *Financial Peace University*) and another sample of 12 participants (NFP) who had not completed a formal financial literacy program. Purposive selection and snowball sampling were used in this study. Participants were solicited from area churches that had sponsored a Ramsey financial literacy program. In addition, FPU participants were asked to refer NFP participants. NFP participants were screened to ensure that they had not completed a formal financial literacy program (e.g., employer-provided financial education, mandated public high school courses, credit and mortgage counseling, or general financial education sponsored by the private sector including banks, non-profit organizations, or churches).

ZMET was used for data collection and analysis. ZMET studies use one-on-one, “semi-structured, in-depth, personal interviews centered around visual images” (Coulter et al., 2001, p. 2) to elicit thoughts and feelings about a topic. ZMET is based upon the premise that (a) as much as 95% of thinking occurs at the unconscious level (i.e., below conscious awareness), (b) as much as 80% of communication is nonverbal, (c) thought is shaped by embodied experience, (d) reason, emotion, and experience are intertwined, (e) thoughts occur as images, and (f) thoughts are created and expressed through the use of metaphors (Christensen & Olson, 2002; Zaltman, 1996; Zaltman & Coulter, 1995). Approximately one week prior to the interviews, participants received a broad, open-ended assignment (i.e., gather five to eight pictures that express your thoughts and feelings about financial literacy and how financial literacy affects your life). Pictures gathered by participants included personal photographs, magazine pictures, or Internet images. Face-to-face interviews were conducted at the convenience of each participant either in the researcher’s office, participant’s office, or church office.

Data collection followed a ZMET protocol (see Appendix G) and included the following steps: (1) storytelling when the participant described how each image related to thoughts and feelings about financial literacy followed by probing questions from the researcher (see Appendix G) to ladder elicited constructs, (2) discussion of missed images (if any) that the participant had wanted to locate, (3) triadic sorting whereby the participant was asked to select a group of three images and describe how the images were similar or different from each other, (4) participant description of other senses (i.e., taste, touch, sound, and smell) that related to thoughts and feelings about financial literacy, (5) participant stories elaborating on the images in the vignette step, (6) and participant

creation of a summary image (i.e., collage of the images) that illustrated the relationships among constructs and described the overall meaning of financial literacy for the participant.

ZMET data analysis included: (1) transcription of interviews, (2) creation of a mental model for each participant that illustrated constructs and linkages between constructs (3) creation of a consensus map for each sample that combined the mental models for the participants in the sample and illustrated the most salient constructs and linkages between constructs, and (4) thematic analysis in a systematic fashion of transcribed interviews and consensus maps in order to identify deep metaphor thematic categories and sub-thematic categories (Coulter et al., 2001; Creswell, 2007, 2009; Plummer et al., 2012).

As the researcher plays a key role in qualitative research (Creswell, 2007), bracketing was used in an attempt to set aside researcher beliefs, feelings, and perceptions in order to ensure that the voices of the participants were heard. Reliability in this research was addressed through the use of a detailed researcher protocol, recorded interviews, field notes, and transcribed interviews. Transcribed interviews were compared back to recorded interviews to ensure accuracy. Coding of themes from transcribed interviews was continually reviewed to ensure that themes were used in a consistent manner throughout the research. Verbatim transcription and an audit trail documenting the research steps contributed to validity in this study. ZMET's multiple steps (i.e., image collection, interviews, collages of images, transcribed interviews, consensus map, and metaphor identification) created a form of triangulation (Chen, 2006; Zaltman & Coulter, 1995).

Approval to conduct research using human subjects was obtained from the Institutional Review Boards at George Fox University prior to conducting this study. In addition, all participants signed an informed consent form (see Appendix D) prior to participating in interviews.

Research Conclusions

Research question: How do consumers perceive and describe the experience of financial literacy in their lives? Participants from both samples described the experience of financial literacy in their lives from a holistic perspective that illustrated a connection between financial knowledge, consumer financial behavior, and psychosocial factors. The phenomenon of financial literacy was not understood merely as wealth management but included the construct of financial well-being, which reflected participants' deeper aspirations for themselves, their families, and broader society. For FPU participants, transformative effects from the financial literacy program were apparent in the results of the study.

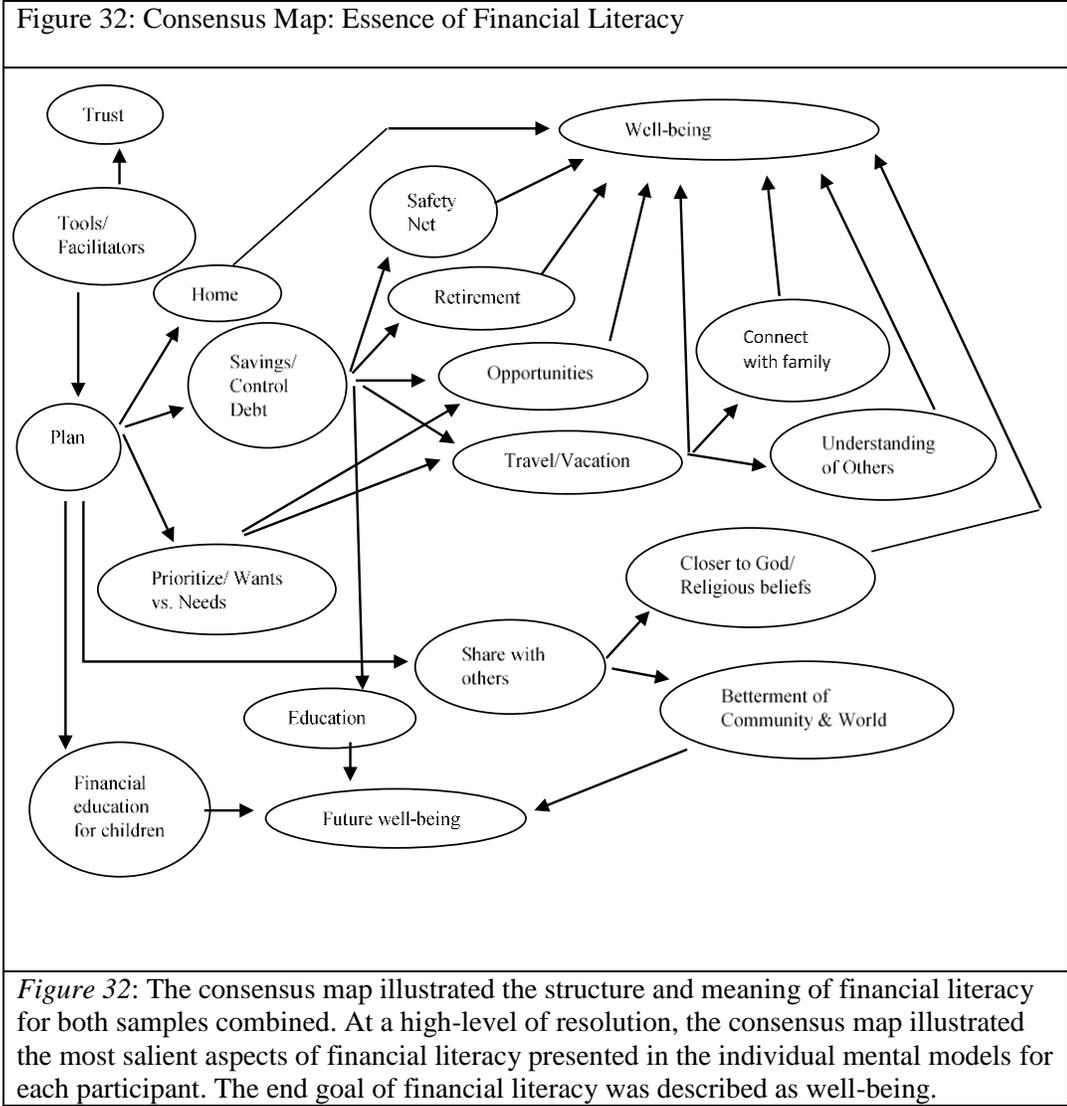
A consensus map representing the experience of financial literacy as perceived and described by participants was developed from participants' transcribed interviews. A consensus map is the common mental model that a group of individuals share (Zaltman, 2003). Mental models represent thoughts and feelings along with the connections between those thoughts and feelings (Johnson-Laird, 1988; Zaltman, 2003). Given the similarities in the mental models of the participants in both samples, a common consensus map was able to be developed (see Figure 32).

Presented at a high-level of resolution (Christensen & Olson, 2002), the consensus map illustrated the structure and meaning of financial literacy as represented by the dominant constructs presented by participants in the study. In addition, the consensus map included linkages between constructs that illustrated how the constructs were connected in the minds of the participants. In order to create a manageable diagram, the rule of thumb used when creating the consensus map was to include constructs mentioned by one third of the participants and linkages mentioned by one fourth of the participants (Zaltman & Coulter, 1995).

As illustrated by the consensus map, financial literacy was described as a journey leading to the overall desired end goal of well-being. Consistent with personal construct theory, personal constructs related to financial literacy were found to be connected in hierarchical relationships within a person's construction system (Kelly, 1955; Walker & Winter, 2007). As described by Butt (2004), these personal constructs do not cause behavior, "but are the configuration of thought, feeling and action, intentionally directed through our projects in the world" (p.26). An individual interprets the world from personal thoughts and feelings and engages in behavior based upon those interpretations. In this process, personal constructs connect past experiences with anticipated future experiences.

Participants in this study emphasized the importance of financial planning which created linkages to concrete constructs in addition to abstract psychosocial constructs. Financial planning was directly linked to investment in a home, savings and lack of debt, tithing or sharing with others, creation of a financial legacy, and education. These constructs were further linked to social and psychological constructs, including peace of

mind and better relationships with others, which resulted in well-being (see Figure 32); thus illustrating that financial literacy is a complex phenomenon situated in social contexts.



Research question: What underlying deep metaphors and thematic categories emerged from consumers' experience of financial literacy? The lived experience of financial literacy for FPU participants was described through the five deep metaphors of (a) journey, (b) transformation, (c) balance, (d) connection, and (e) resources that were elicited from ZMET interviews. For each of these deep metaphor thematic categories, sub-thematic categories emerged. Seventeen sub-thematic categories were identified for the five deep metaphors that emerged as thematic categories.

The deep metaphor of journey was reflected in participants' discussions that included a long-term perspective, feelings of control, creation of a legacy for future generations (i.e., either an actual inheritance or a foundation for future financial literacy), and facilitators who were able to provide guidance. The deep metaphor of transformation was reflected in participants' descriptions of transformation for themselves or others and the well-being that resulted from transformation. The transformative nature of financial literacy was further illustrated in discussions of escaping traps created by financial illiteracy, the ability to protect others, and the potential to create positive memories. The deep metaphor of balance was reflected in participants' discussions of balancing wants and needs, balancing decisions affecting the present and the future, achieving a balance between self-focus and altruism, and emotional balance. Financial literacy provided participants' with the ability to develop a deeper connection with God, nature, family, and the global community, which reflected the deep metaphor of connections. The deep metaphor of resources was reflected in participants' discussions of financial literacy as a

means to plan and achieve goals, importance of money management, and rituals or procedures that assisted in money management.

The lived experience of financial literacy for NFP participants was described through the four deep metaphors of (a) journey, (b) balance, (c) connection, and (d) resources that were elicited from ZMET interviews. For each of these deep metaphor thematic categories, sub-thematic categories emerged. Ten sub-thematic categories were identified for the four deep metaphors that emerged as thematic categories.

The deep metaphor of journey was reflected in participants' discussions of a long-term perspective and the guidance that was provided by facilitators. The deep metaphor of balance was reflected in participants' discussions that illustrated the establishment of personal priorities, the importance of balancing decisions that affected the present and the future, and emotional balance. The deep metaphor of connections was reflected in the impact of financial literacy on relationships with family and the global community. The deep metaphor of resources was reflected in discussions that included the topics of financial literacy as a means to plan and achieve goals, the necessity of financial education for children, the importance of money management, and rituals or procedures that assisted in money management.

Similarities and differences existed in the thematic categories of FPU participants compared to NFP participants. Table 5 presents an overview of the deep metaphor thematic categories and sub-thematic categories that emerged from this study.

Table 5

Review of Themes and Subthemes

FPU Sample		NFP Sample	
Themes	Subthemes	Themes	Subthemes
<u>Journey</u>	(1) Long-term view (2) Control (3) Legacy for future generations (4) Facilitators	<u>Journey</u>	(1) Long-term view (2) Facilitators
<u>Transformation</u>	(1) Personal transformation (2) Escape and well-being (3) Traps, protection, and memories (4) Transforming lives of others		
<u>Balance</u>	(1) Balancing wants and needs ^a (2) Balancing present and future (3) Balancing self-focus and altruism (4) Emotional balance	<u>Balance</u>	(1) Establishing priorities ^a (2) Balancing present and future (3) Emotional balance
<u>Connection</u>	(1) Connecting with God and nature (2) Connections with family and the global community	<u>Connection</u>	(1) Connections with family and the global community
<u>Resources</u>	(1) Financial literacy as a tool (2) Money management ^b (3) Rituals or procedures ^c	<u>Resources</u>	(1) Financial literacy as a tool (2) Financial education for children (3) Money management ^b (4) Rituals or procedures ^c

^a Similar but not identical subthemes.

^b Similar subthemes with different manifestations.

^c Similar subtheme but different procedures.

Deep metaphors and thematic categories: Financial Literacy Program.

According to FPU participants, financial literacy (or financial illiteracy) permeated every aspect of life. Five deep metaphors were elicited from participants' thoughts and feelings about financial literacy and how financial literacy affects their lives: journey, transformation, balance, connection, and resources. In addition, the deep metaphors of resources and control were conceptually blended with journey, the deep metaphor of container was conceptually blended with transformation, and the deep metaphor of systems was conceptually blended with resources.

Journey. The financial literacy journey required participants to adopt a long-term view. Acquisition of financial knowledge occurred throughout the journey. Patience, persistence, and planning were reflected in the long-term view. Planning for retirement and children's college education were primary concerns for participants. Planning created opportunities for individuals to engage in a number of pursuits that benefited society and future generations or provided personal enjoyment and employment options. Creating a legacy for future generations, such as an inheritance or by providing financial knowledge and demonstrating prudent consumer financial behavior to children, was another outcome from financial planning. Participants emphasized the importance of providing children with age-appropriate financial education both in the home and in school settings.

A significant result of the financial literacy program was the ability to exercise control over resources rather than "being a slave" (FPU13) to money which participants had described as overwhelming. Empowered with personal control, participants were able to plan for the future as well as manage day-to-day activities. At various stages of participants' journeys, their financial literacy was impacted by trusted facilitators

including family members, mentors, educators, and financial planners. Providing resources and presenting an opportunity to enroll in a financial literacy program were ways that God had been a facilitator for some participants.

Transformation. Participants' lives, the lives of their families, and, ultimately, broader society were transformed as a result of completion of a financial literacy program. Not only were lives transformed as a result of financial literacy, participants reported transformed attitudes towards financial literacy. Participants reported that they experienced financial peace and financial freedom. The transformative nature of financial literacy impacted financial resources in addition to creating a sense of well-being, which was described by participants as a primary benefit from completing the financial literacy program. Stress reduction contributed to improved physical, psychological, and social states for the participants as well as improved relationships with family members. Participants felt empowered by the ability to nurture their families and transform the lives of others through philanthropy, by providing financial knowledge, or by exhibiting positive consumer financial behavior. A significant aspect of the financial transformation included the adoption of a lifestyle that did not include the use of debt, per the Ramsey doctrine.

Balance. Lack of debt reflected the emphasis on balancing wants and needs and balancing the present and the future. Living within one's means, avoiding peer pressure, and delayed gratification were among the principles that participants adhered to. At the same time, participants noted that enjoyment of some luxury items added to personal well-being provided that debt was not incurred or future financial security sacrificed.

“Rainy day” savings prepared participants for future uncertainties and contributed to emotional balance and well-being.

Participants concurred that balancing self-focus and altruism was vital for personal and societal well-being. Social benefits included providing for and protecting others in times of need. At the same time, participants noted that another benefit of financial literacy was a reduced burden on society when individuals became self-supporting, responsible bill-payers.

Connections. Positive connections with others were described as a significant outcome from the financial literacy program. Not only were improved familial relationships created as a result of less stress, but careful financial planning also allowed participants to enjoy family vacations and activities that created long-lasting memories which improved well-being. Experiences gained through travel contributed to a better understanding of others and a deeper sense of connection to the global community.

Resources. As indicated by the above discussions, financial literacy was viewed as a necessary tool to achieve personal and societal goals that contributed to well-being. Although participants emphasized the value of saving, investing for the future, purchasing a home as an investment, and managing money on a daily basis, they also concurred that money itself was not a source of happiness. At the same time, debt was widely regarded as a contributor to unhappiness and stress, which had the potential to negatively impact relationships.

Specific procedures used to assist in the management of money included the debt snowball to eliminate debt, elimination of credit cards, creation of a budget, and designation of monies for specific purposes using the envelope system. These procedures

resulted in financial peace for study participants who had completed a financial literacy program.

Deep metaphors and thematic categories: No Financial Literacy Program. For NFP participants in this study, financial literacy (or financial illiteracy) was embodied in all aspects of an individual's life. At the same time, the complexity of financial literacy can be daunting and participants reflected upon the "number of elements that need to work together" (NFP10). Four deep metaphors were elicited from participants' thoughts and feelings about financial literacy and how financial literacy affects their lives: journey, balance, connection, and resources. In addition, the deep metaphor of resources was conceptually blended with journey, the deep metaphor of control was blended with balance, and the deep metaphor of systems was blended with resources.

Journey. Participants had adopted a long-term view of their financial literacy journey. Acceptance of personal responsibility for the journey was paramount, which required establishing goals followed by planning to meet those goals. Planning for retirement and children's college education were primary concerns for participants. Careful planning resulted in well-being for individuals and their families. Due to the complex nature of financial literacy, reliance upon facilitators was often necessary. Facilitators included family members who provided financial knowledge and demonstrated prudent consumer financial behavior, other mentors and educators, financial planners, along with books and journals.

Balance. The long-term view of financial literacy necessitated a conscious balance between choices that impacted the present and/or the future. Understanding and establishing one's own priorities contributed to a sense of balance and allowed

individuals to exercise personal control. At times, achieving balance required making sacrifices or avoiding peer pressure in daily living. In particular, instant gratification versus delayed gratification affected individuals' personal control, future independence, and the ability to respond to uncertainties. A balanced approach to daily living and planning for the future contributed to emotional balance including self-satisfaction, a sense of accomplishment, peace, and security. Less stress from financial worries had the ability to improve familial relationships.

Connections. Connections with family and the global community were positive results from financial literacy. Vacations and experiences with family improved relationships and created enjoyment in life. In addition, vacations were regarded as creating global connections, which improved one's self-awareness along with increased understanding of others. For some participants, contributing to others was another aspect of community connections.

Resources. Participants regarded financial literacy as a necessary resource for achieving personal and social goals. Accordingly, they suggested that the complex nature of the phenomenon of financial literacy could be mitigated by mandating that schools and colleges teach age-appropriate financial literacy for children and college students. Financial education should consist of both financial knowledge and an awareness of issues related to consumer financial behavior.

Participants emphasized the need to monitor daily spending, establish savings accounts, invest for the future, and purchase a home. A cautious use of debt was deemed appropriate. Avoidance of overspending as a result of access to credit was paramount, but taking advantage of zero-interest programs or paying credit card balances in full each

month in order to establish one's credit rating were regarded as acceptable practices. Organization, budgeting, and procedures that encouraged adherence to budgets were recommended by participants.

Well-being, including security and satisfaction, was the ultimate outcome of financial literacy for NFP participants. Although well-being was a positive outcome of financial literacy, participants concurred that happiness was not related to wealth or the accumulation of possessions.

Research question: What similarities existed in the meaning, structure, and essence of financial literacy for individuals who had completed a financial literacy program compared to individuals who had not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.) As illustrated in Table 5, the deep metaphors of journey, balance, connection, and resources were identified as thematic categories by participants in both samples. The meaning, structure, and essence of financial literacy derived from these deep metaphors were manifested in similar subthemes for both samples.

Journey. Adopting a long-term view and engaging with facilitators were common sub-themes of the journey deep metaphor. Lifetime acquisition of financial knowledge prepared individuals for their journeys. Planning, patience, and persistence were necessary in order to achieve goals. Both samples described similar financial goals which contributed to well-being including peace of mind, personal freedom, and security – both physical and psychological. Noting that uncertainties will always exist, participants described the peace of mind that resulted when they had savings.

Although participants described personal responsibility for their financial journeys, participants recognized that they often lacked the financial knowledge necessary to navigate the complex nature of the financial markets. Thus, they were assisted by trusted financial planners in addition to receiving assistance from family members, mentors, and educators. Engaging a financial planner whom they could trust and the ability to calculate the required amount of future financial resources necessary for their anticipated lifestyles were common concerns. Some participants described the challenges of living with limited financial resources. At the same time, facilitators had played important roles as providers of basic money management skills that helped participants during financial difficulties.

Balance. For both samples, the deep metaphor of balance was manifested in the subthemes of balancing the present and the future, establishing priorities or balancing wants and needs, and emotional balance. The subtheme of balancing the present with the future was closely aligned with the deep metaphor of journey and reflected planning for the future in addition to lifetime acquisition of financial knowledge. In the subtheme of balancing the present with the future, both samples described the importance of delayed gratification and the emotional rewards that were tied to planning and saving for purchases or other goals. In addition, both samples indicated that readily available credit along with marketing campaigns for credit cards encouraged individuals to overspend and purchase impulsively rather than plan for purchases and save. Participants reflected upon the impact of peer pressure and described the self-control necessary to avoid “keeping up with the Joneses” and to fend off the constant onslaught of marketing messages.

Emotional balance resulting from financial literacy was a sub-thematic category common to both samples. Self-esteem, confidence, inner-peace, relaxation, sense of security, sense of freedom, and self-satisfaction were examples of well-being that resulted from financial literacy. On the other hand, financial illiteracy contributed to personal stress, stressful relationships, and loss of self-esteem. The inability to fulfill perceived social roles and responsibilities – particularly for parents attempting to provide for their families – was a factor that caused personal stress. Worry and stress impacted physical health in addition to emotional health.

Connections. The deep metaphor of connections that included the subtheme of connections with family and the global community were common to both samples. Participants noted that financially literate individuals were better able to save for opportunities including vacations which were restorative and created memories that improved well-being. In addition, vacations generated a deeper understanding of other cultures; often compelling individuals to donate to non-profit organizations committed to alleviating global poverty. This practice was especially common among FPU participants.

Resources. Financial literacy – specifically the constructs of financial knowledge and consumer financial behavior – was regarded as a tool to achieve personal and societal goals. Both samples indicated that budgets were essential for money management; described similar long-term goals that generally included a comfortable retirement, home ownership, and education for children; and concluded that managing daily spending and long-term planning were critical for financial success and well-being.

Research Question: What differences existed in the meaning, structure, and essence of financial literacy for individuals who had completed a financial literacy program compared to individuals who had not completed a financial literacy program? (Examples might include financial knowledge, consumer financial behavior, and psychosocial factors.) As illustrated in Table 5, the deep metaphors of journey, balance, connection, and resources were identified as thematic categories by participants in both samples. In some instances, differences existed in the subthemes that emerged from the deep metaphors for the two samples. In addition, the deep metaphor of transformation emerged as a theme only for the FPU participants.

The most salient difference between the two samples was not found in the themes and subthemes presented by participants. Instead, the most striking difference was the passion of FPU participants as they discussed the impact of the financial literacy program on their lives. Those emotions cannot always be captured in the words that were expressed during the interviews. As one participant concluded, “It’s a lot bigger than I’m saying it is” (FPU3). As evidenced by the consistent messages presented during the FPU interviews, the methodology of the financial literacy program served as a roadmap for the journey – create an emergency fund, pay off debt, invest for retirement, create a college fund for children, pay off home mortgages early, create an inheritance, and engage in philanthropy (Ramsey, 2009). The consistency of FPU participants’ remarks suggested that FPU participants had embraced the template for both financial knowledge and consumer financial behavior as presented in the financial literacy program.

Transformation. The lifestyle changes for participants who had completed a financial literacy course were transformative; impacting physical, psychological, and social states. In particular, familial relationships improved when stress-levels were reduced and family members were focused on common financial goals. It should be noted that the financial literacy program was not intended only for individuals experiencing financial difficulties. In addition, all FPU participants described some degree of transformation or improvement in their lives, regardless of their level of household income.

As communicated by participants, the financial transformation allowed them to protect themselves, their families, and broader society from financial hardships. While philanthropy transformed the lives of others, sharing financial knowledge garnered from the financial literacy program was another means of transforming the lives of others. The conviction that the financial literacy program could transform lives was so powerful that one participant paid for employees to attend programs and another paid for grandchildren to attend.

Not only had lives been transformed by financial literacy, a striking transformation had occurred in participants' attitudes towards the phenomenon of financial literacy for FPU participants. As participants described, financial literacy no longer seemed like a boring topic that was impossible to comprehend. In addition, participants learned to recognize their own consumer financial behavior as the embodiment of deeper psychosocial motivations. Although NFP participants also described the importance of financial literacy with respect to both financial knowledge

and consumer financial behavior, the deep metaphor of transformation did not manifest itself in the same manner for those participants.

Journey. FPU participants conceptually blended the deep metaphor of control with the deep metaphor of journey. Participants described either being controlled by money or feeling uneasy about their financial future prior to enrolling in a financial literacy program. Financial plans provided focus which created a sense of control over finances and life in general. Participants indicated they made fewer impulse purchases and felt confidence, security, and peace when in control of their finances. The deep metaphor of control was not manifested in the same manner by NFP participants.

At the same time, the desire to care for families and improve lifestyles can contribute to living beyond one's means especially in a consumer driven society where use of credit has become the norm. Ramsey's *Financial Peace University*, as described by participants, has responded to this challenge, in part, by emphasizing the creation of a financial legacy (i.e., inheritance) for children, thereby suggesting that providing for the future is as emotionally rewarding as providing for daily wants and needs. FPU participants embraced the notion of a financial legacy for their heirs.

FPU participants observed that parents were responsible for providing basic financial literacy for their children that included demonstration of appropriate consumer financial behavior along with financial knowledge. While this study does not intend to suggest that this was not a similar conclusion for NFP participants, those participants did not clearly communicate the role of parents as facilitators of financial literacy with the same conviction as FPU participants. In addition, FPU participants described the importance of family members working together to achieve financial goals.

FPU participants listed Ramsey among the facilitators of financial literacy. Reflecting the biblical emphasis of *Financial Peace University*, God was included as a facilitator who not only provided financial resources but also guided participants to a financial literacy program. This comment was significant as participants lacked awareness of accessible, affordable financial literacy programs prior to enrollment in a Ramsey program. For NFP participants, books and journals contributed to personal financial knowledge illustrating the impact that well-written, reliable resources could have on individuals' lives.

Balance. For FPU participants, the deep metaphor of balance was reflected in the subtheme of balancing wants and needs. Participant comments mirrored the concepts presented in Ramsey's *Financial Peace University* which described how perceptions of wants and needs impacted spending. NFP participants did not refer to balancing wants and needs. However, in a similar manner, they posited that individuals must establish priorities in their lives and make personal sacrifices in order to enjoy the things they found most important. Priorities would not be identical for everyone.

Resources. The deep metaphor of resources that was elicited in this study included financial literacy as a tool to achieve well-being. Participants recommended that age-appropriate financial education be required for all students beginning in grade school through college. This recommendation was especially prevalent among NFP participants. In contrast, FPU participants emphasized the importance of informal financial education in the home-setting. At the same time, FPU participants had noted that society had not done a sufficient job of supporting individuals in their quest or need to become financially literate.

Two money management procedures – the debt snowball and the envelope system – created control for FPU participants. These procedures addressed both consumer financial behavior and financial knowledge. The debt snowball (i.e., paying the smallest debt first and successively paying the next smallest debt) was used to become debt free and FPU participants concluded that home mortgages were the only acceptable debts. In contrast, NFP participants determined that, although debt should be avoided, it could be used in an advantageous manner. At the same time, NFP participants concurred that individuals should avoid purchases if they did not have cash available for the purchase. The envelope system (i.e., placing cash in envelopes) was used as a budgeting technique to help FPU participants allocate resources for categories of expenditures and to ensure that overspending did not occur. NFP participants adopted their own procedures to adhere to budgets. In some cases, the methods were strikingly similar to the envelope system in that money was divided into discrete categories.

Connections. FPU participants described how communities were improved when individuals become self-supporting and capable of paying their bills. Although this topic did not emerge as a discussion topic for NFP participants, a participant in that sample described the “real ministry” (NFP6) that could exist for those who faced socioeconomic challenges if financial literacy was included among other life-skills training.

For FPU participants, connection with God and nature was a subtheme of the deep metaphor of connections. In particular, reflecting the biblical approach of the financial literacy program, church donations were presented by participants as a responsibility that deepened one’s connection to God. FPU participants suggested that striving to achieve a balance between self-care and altruistic behavior improved societal well-being and

increased self-satisfaction. This belief was reflective of the philanthropic message presented in Ramsey's *Financial Peace University* materials.

Summary of similarities and differences in the meaning, structure, and essence of financial literacy for individuals who had completed a financial literacy program compared to individuals who had not completed a financial literacy program. For participants in this study, the phenomenon of financial literacy was not understood merely as wealth management but included the construct of financial well-being, which reflected participants' deeper aspirations for themselves, their families, and broader society. As described by participants, the complex phenomenon of financial literacy was situated in social contexts. Participants adopted a holistic view of financial literacy that integrated financial knowledge, consumer financial behavior, and psychosocial factors. Financial literacy, as reflected in the deep metaphors that emerged in the study, was not substantively different in most aspects between the two samples. This may be reflective of the fact that participants were from the same social groups and shared similar worldviews. The deep metaphors of journey, balance, connections, and resources emerged as primary themes for both samples. In order to improve well-being, the financial literacy journey included planning for the future, balancing present desires with future goals, establishing priorities that balanced wants and needs, contributing to others, and utilizing the knowledge of facilitators. Improving financial literacy was a responsibility shared by individuals and broader society. Financial well-being was a personally constructed concept that reflected individuals' aspirations for themselves, their families, and society. The most striking difference between the two samples was the transformative power of financial literacy described by FPU participants.

Findings Related to the Literature

The preceding summary of the study described the major findings from the ZMET data collection and data analysis. The phenomenon of financial literacy was described by participants using the deep metaphors of journey, balance, connections, resources, and transformation. Participants in this study presented a holistic perspective of financial literacy that included the desired end-goal of well-being. As described in the literature, financial literacy included the constructs of financial knowledge and consumer financial behavior, which were influenced by psychosocial factors. Although participants in this study presented a holistic perspective of financial literacy that integrated these constructs, the deep metaphors of journey and resources were closely related to financial knowledge; the deep metaphors of balance, connections, and resources were closely related to consumer financial behavior; and the deep metaphors of journey, balance, connections, and transformation were closely related to psychosocial factors. This section of the paper relates major findings of this current study to the literature and prior research.

Financial knowledge. The journey metaphor in this study reflected participants' perspective that financial knowledge should be acquired throughout one's lifetime. Although acquisition of financial knowledge was a personal responsibility, financial planners or other facilitators were necessary resources who provided financial education or assistance. Financial knowledge was regarded as a critical resource for daily and long-term well-being. The resource metaphor also reflected participants' viewpoint that broad financial knowledge contributed towards their financial well-being.

Evolving nature of financial knowledge. The complexity of financial products and evolving nature of the consumer finance landscape was presented in the literature review (Hilgert et al., 2003; Howlett et al., 2008; Ryan et al., 2011). Participants in this current study described a “maze” (NFP10) or “jigsaw puzzle” (NFP9) when referring to the complexity of financial products, services, and concepts. Participants described the “financial toolbox” (NFP9) or “first aid kit” (FPU9) necessary to navigate the challenging environment.

The literature review offered two viewpoints concerning the complexity of the consumer finance landscape: complexity was a barrier to financial literacy (Bernanke, 2006; Hogarth, 2002; Sherraden, 2010; Willis, 2008) and a financially literate individual has the ability to “frame everyday decisions in a more informed way” (Lusardi, 2013, para. 1) which is not the same as possessing a deep knowledge of complex financial products. In this current study, participants supported the viewpoint of Lusardi (2013). Participants in both samples did not intend to become financial experts. Instead, they described the importance of engaging trusted financial planners who could assist them with retirement planning and accessing complex financial products. Thus, participants generally concurred with the notion that individuals lacked necessary skills to plan and save for retirement (Dodaro, 2011; Ryan et al., 2011) unless they had professional assistance.

The need for free, qualified financial planning venues (Altman, 2012; Willis, 2008) and lack of unbiased third party advice was identified in the literature review. Participants in this study concluded that the current financial environment was a “do-it-yourself” consumer finance environment that required them to assume greater personal

responsibility for their long-term financial goals while also trusting the advice of financial planners or other facilitators. Thaler and Sunstein (2009) had suggested that “nudges” might be necessary to help individuals make decisions that had the highest economic values. For example, their suggestions included requiring employees to opt-out of company-sponsored retirement programs rather than opt-in. Adding validity to this suggestion, participants in this study described investing in their company sponsored 401(k) plans while indicating that not all of their colleagues elected to participate.

Teachable moments. As described in the literature review, individuals are often motivated to engage in specific financial education or change their behaviors when they encounter teachable moments (Beck & Neiser, 2009; Mandell & Klein, 2007; McBride & Ostroff, 2003). Participants’ comments supported this viewpoint. In particular, birth of a child, home purchase, marriage or divorce, illness, and impending retirement were teachable moments that motivated NFP participants to make changes in their consumer financial behavior.

Personal motivation to improve financial knowledge, either because of a desire to achieve a personal goal or in response to financial difficulties, generally results in improved consumer financial behavior and better financial literacy program success rates (Bodnar, 2011; Gudmunson & Danes, 2011; Hathaway & Khatiwada, 2008; Hilgert et al., 2003; Lyons, 2005; McCormick, 2009). For FPU participants, personal desire to improve both financial knowledge and consumer financial behavior along with the coincidental availability of a financial literacy program created a teachable moment. Some described the availability of the financial literacy program as a godsend.

Financial education. As described in the literature review, four types of financial literacy programs existed at the time of this study: employer-provided financial education, mandated public high school courses in some states, credit and mortgage counseling, and general financial education sponsored by the private sector including banks, non-profit organizations, or churches (Gale & Levine, 2010). In this current study, the financial literacy program (i.e., Ramey's *Financial Peace University*) that participants had completed was general financial education offered in church settings. Enrollment in the financial literacy programs was not limited to church members. All FPU participants in this study did identify a church affiliation. The financial literacy program advocated a biblical approach to financial literacy that included lessons on paying off debt, increasing savings, planning for the long-term, developing sensitivity to marketing efforts (i.e., wants versus needs), and engaging in charitable acts (Gale & Levine, 2010; Ramsey, 2009).

As Gal and McShane (2012) had noted, Ramsey's psychological approach had been criticized for its failure to emphasize economic utility particularly with respect to the debt snowball technique whereby smallest debts were paid first rather than debts with highest interest rates. FPU participants in this current study determined that the approach was beneficial as it allowed them to see progress which provided further incentive to continue with the process. The systematic approach was described by participants as contributing to the transformative effect that the financial literacy program had on their lives.

Participants in this study concurred that financial education should begin at an early age. Participants expressed the viewpoint that financial education for children

should occur in both home and school settings. As noted earlier in this study, the Council for Economic Education (2011) has tracked state financial education requirements since 1998. The 2011 survey, which was the most recent survey at the time of this study, found that only 13 states had personal finance requirements for high school students. (Montana did not require a personal finance course in order to graduate from high school at the time of this study.) Participants in this study noted that age-appropriate financial education should be required beginning in grade school and continuing through college.

Consumer financial behavior. The balance metaphor in this study expressed participants' viewpoint that a financially-literate person would engage in consumer financial behavior that included establishing personal spending priorities and balancing present desires with long-term aspirations. The resource metaphor reflected money management skills and procedures critical to sound consumer financial behavior. As evidenced in the connections metaphor, consumer financial behavior was impacted by participants' desire to engage in philanthropy and activities with family members in ways that created lasting memories. According to participants in this study, consumer financial behavior that reflected their financial knowledge contributed to well-being for themselves, their families, and society.

Gudmunson and Danes (2011) indicated that consumer financial behavior was the "cornerstone of financial well-being" (p. 650). In particular, installment borrowing can improve standards of living but excessive debt can negatively impact physical and psychological health and well-being (Howlett et al., 2008; Sherraden, 2010). NFP participants concurred with this perspective in that they generally discouraged the use of credit cards while noting that credit could be advantageous at times if used cautiously.

FPU participants concluded that debt should be avoided and described publicly destroying their credit cards during financial literacy classes.

As described in the literature review, consumer financial behavior indicators of financial literacy included spending habits. According to an AICPA (2012) survey, spending habits can be damaging to personal relationships. Participants in both samples described a positive impact on personal relationships from improvements in or awareness of spending and saving habits. FPU participants noted that they benefitted from the use of envelopes to segregate cash into categories to avoid overspending. NFP participants had created their own means of adhering to budgets in order to prevent overspending.

Changing behavior. As described in the literature review, financial literacy programs often introduce consumer financial behavior changes in stages (Xiao, 2008). This was particularly true of financial literacy programs that had adopted a TTM approach. In *Financial Peace University*, Ramsey (2009) described seven baby steps to financial literacy.

Participants in this current study concurred that becoming financially literate involved significant behavioral changes. As described by one participant, “It’s kind of like going on a diet.... It’s a lifestyle change” (FPU9). Thus, consistent with Keniaian’s (2012) study, participants in this current study concurred that successful changes in consumer financial behavior required personal motivation to change.

Personal construct theory. According to personal construct theory, behavioral changes could occur if an individual was dissatisfied with his current construction system. Personal construct theory presented a holistic perspective whereby thoughts, feelings, and behavior were combined to create an individual’s construction system (Butt,

2004). The construction system was organized such that “a person’s processes are psychologically channelized by the ways in which he anticipates events” (Kelly, 1955, p. 32). Behavior was based upon personal experiences and how an individual anticipated the replication of those experiences. In this manner, decisions and behavior reflected personal meaning and understanding of the world from the integration of personal thoughts and feelings.

The results of this study were consistent with the holistic view of personal construct theory in that, as illustrated in Figure 32, thoughts, feelings, and actions combined to create individuals’ construction system. Individuals used their construction system to anticipate replication of events in the future and engage in consumer financial behavior that supported their construction system. Anticipated outcomes were either positive or negative and included immediate or long-term implications for participants, their children, and society. For example, participants in this study described budgets that included donating to others in anticipation of improving the lives of others and experiencing self-satisfaction. For FPU participants, closeness to God was an anticipated outcome from philanthropy. In another example, participants described sacrificing spontaneous activities that they enjoyed so they could provide greater long-term well-being for their families.

Personal construct theory, as a holistic approach, viewed personal constructs as individually created but also influenced by society’s complex interrelationships (Butt, 2004; Kelly, 1955, 2003; Walker & Winter, 2007). Behaviors of others can either validate or contradict an individual’s personal construction system. Consistent with Smark’s (2012) study, FPU participants in this study mentioned self-imposed group

surveillance that validated behavior. For example, watching participants cut-up their credit cards during financial literacy classes validated the behavior for others. Thus, social influences were such that similar constructions developed within the social group.

As described in personal construct theory (Kelly, 1955, 2003), participants in this current study reported changing behavior when they were no longer satisfied with anticipated outcomes of their previous construction systems. The experience cycle allowed an individual to anticipate future events which were then confirmed or disconfirmed through experience, creating an opportunity for further revision if dissatisfaction occurred. For example, participants in this study described changing behaviors when they believed they would not be able to purchase a home or retire comfortably.

Psychosocial factors. As described in the literature review, psychosocial factors include cognitive, emotional, social, and spiritual dimensions (Donatelle, 2009). In this current study, psychosocial factors were prominent in the journey, balance, connections, and transformation deep metaphors. Teachers, peers, media, family, and other mentors were regarded as socializing influences in the journey metaphor, which included the psychological factors of future-orientation and self-control. The balance deep metaphor included the sub-theme of emotional balance: self-esteem, confidence, inner-peace, relaxation, sense of security, less stress, pride, satisfaction, and a sense of accomplishment. In addition, the balance deep metaphor of FPU participants reflected both social influences and psychological factors (e.g., self-focus and satisfaction) in the sub-themes of balancing wants and needs and balancing self-focus and altruism. The connection deep metaphor illustrated social influences and the resulting emotional and

spiritual dimensions associated with connecting with families, communities, and God. Changing social and psychological states was mentioned in the transformation deep metaphor, which included transformed attitudes toward financial literacy.

Financial socialization is “the process of acquiring and developing values, attitudes, standards, norms, knowledge, and behaviors that contribute to the financial viability and well-being of the individual” (Danes, 1994, p. 128). As described in the literature review, financial socialization included the acquisition of financial knowledge in social settings as well as emotional aspects of money management. Financial socialization was an aspect of the financial literacy program for FPU participants. Consistent with the literature review, participants in this current study described socializing influences of teachers, peers, the media, family, and communities. FPU participants described the influence of parents over the values, attitudes, financial knowledge, and consumer financial behavior of their children. For some participants in this study, family members had hampered their ability to be financially literate. As described by one participant, “How I was raised, if you had checks, you had money. That was the theme for my family” (FPU3).

Financial knowledge provided by mentors, pressure to achieve the American lifestyle, and influence of the media were noteworthy social influences in this current study. Similar to Maynard and Zinsmeyer’s (2007) study, social influence of the media was illustrated by participants who presented images of advertisements that described cash back from credit card use, which participants concluded framed spending as savings.

As noted in the literature review, individuals at all income levels have difficulty differentiating between wants and needs (Estelami, 2008; Hilgert et al., 2003). Subthemes

that emerged in this study for FPU participants reinforced the idea that balancing wants and needs was integral to financial literacy. A similar theme (i.e., establishing priorities) was elicited for NFP participants.

Consistent with Vitt et al.'s (2000) research, psychological factors and spiritual factors combined with social influences affected financial decisions in this study. Participants in both samples considered philanthropy important and FPU participant comments reflected the biblical approach of the financial literacy program. Values, attitudes, aspirations, future orientation, self-worth, confidence, satisfaction, and self-control as described in the literature review (Harrison & Chudry, 2011; Howlett et al., 2008; Kehiaian, 2012; Lyons, 2005; Vitt, 2004), were among the psychological factors that influenced the financial literacy of participants in this current study. In this current study, future orientation (i.e., the deep metaphor of journey) emerged as a key psychosocial factor for participants in both samples.

Well-being was presented as the goal of financial literacy for participants in this study. Much as Katona (1968) had posited that "American people were found to be thing-minded and security minded at the same time," a participant in this study had mused that "everyone approaches money a little differently. We probably all want security" (FPU12).

Conclusions

The findings of this study complemented previous research presented in the literature review and provided an added dimension to the understanding of the complex phenomenon of financial literacy. As a holistic approach to understanding behavior,

personal construct theory was particularly useful in understanding consumer financial behavior as individually constructed from past experiences, influenced by anticipation of future events, and situated in complex social contexts. Financial knowledge was not the sole determinant of consumer financial behavior. As described by participants in this study, deeper psychosocial factors impacted consumer financial behavior. The financially literate individual has the ability to harness these psychosocial factors in a manner that integrates financial knowledge and consumer financial behavior in order to achieve well-being.

As described in the literature, the complex and evolving nature of financial knowledge had created a challenging environment for personal financial decision-making. Participants in this study expounded on the topic noting the need for financial planners and unbiased financial advice. While participants acknowledged that significant life events draw attention to an immediate need to improve financial knowledge or change consumer financial behavior, results of this study indicated that a general desire to improve one's situation combined with ready access to a financial literacy program created a teachable moment. Participants concluded that the lack of age-appropriate financial education throughout the educational system should be addressed.

Cognitive psychosocial abilities – aptitude, intelligence, awareness, and attention (Donatelle, 2009) – influence whether or not individuals acquire financial knowledge from financial education. At the same time, participants in this study reflected Gudmunson and Danes (2011) statement that “the notion that financial literacy is only about cognitive awareness has become outdated” (p. 645). Emotional, social, and

spiritual dimensions were psychosocial factors that influenced financial literacy for participants in this current study which was consistent with Vitt et al.'s (2000) research.

For both samples, participants' descriptions of the lived experience of financial literacy reflected the deep metaphors of journey, balance, connections, and resources. Similarities and differences existed in the thoughts and feelings about financial literacy and how financial literacy affects participants' lives in the sub-thematic categories that were elicited from the deep metaphors of FPU participants and NFP participants. Financial literacy, as reflected in the deep metaphors of journey, balance, connections, and resources that were elicited in this study, was not substantively different in most aspects between the two samples. This may be reflective of the fact that participants were from the same social groups and shared similar worldviews. The most striking difference between the two samples was the transformation deep metaphor elicited from the interviews of FPU participants. Financial literacy was described by FPU participants as having transformative effects on individuals' lives. For participants in this study, the phenomenon of financial literacy was not understood merely as wealth management but included the construct of financial well-being, which reflected participants' deeper aspirations for themselves, their families, and broader society.

Significance of the Study

Theoretical significance. The phenomenon of financial literacy had been studied for decades but continued to suffer from fragmented efforts and imprecise definitions (Dodaro, 2011; Huston, 2010). This study contributed to an improved understanding of the phenomenon of financial literacy by first defining and clarifying terminology found in

the literature for financial literacy and related constructs. For this research, financial literacy was operationalized using the OECD/INFE definition that defined financial literacy as “a combination of awareness, knowledge, skill, attitude, and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung et al., 2012, p. 8). This definition of financial literacy incorporated the primary constructs of consumer financial behavior and financial knowledge and reflected psychosocial aspects in the construct of financial well-being. As described earlier, the GAO had defined financial literacy in a manner similar to the OECD/INFE.

Financial literacy encompasses financial education – the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts. However, being financially literate refers to more than simply being knowledgeable about financial matters; it also entails utilizing that knowledge to make informed decisions, avoid pitfalls, and take other actions to improve one’s present and long-term financial well-being. (Cackley, 2012, p. 2)

This current study suggests that the GAO and OECD/INFE definitions could be modified to better describe the complex phenomenon of financial literacy. For example, as mentioned by study participants, financial education may serve to maintain rather than improve financial knowledge. The construct of consumer financial behavior included in the OECD/INFE definition, but not in the GAO definition, was found in this current study to be an integral aspect of financial literacy. The term *sound decisions* found in the OECD/INFE definition may not capture the essence of financial literacy as the terminology may imply that certain consumer financial behavior is most appropriate for everyone. As participants in this current study noted, financially literate behavior reflects

an awareness of one's actions. However, not all individuals hold the same aspirations in life – such as home ownership – which would be reflected in their consumer financial behavior. Finally, the GAO definition suggested that improvements must be made in present and long-term financial well-being. While the ultimate goal of financial literacy is financial well-being, the implication that an individual's financial well-being must be improved from its current state may not be accurate.

This current study suggests that the following definition embodies the essence of the complex phenomenon of financial literacy:

Financial literacy is the combination of financial knowledge and consumer financial behavior in a manner that allows an individual to make enlightened financial decisions and ultimately achieve financial well-being. Financial literacy is informed by formal and informal financial education and influenced by psychosocial factors (i.e., cognitive, emotional, social, and spiritual factors).

Table 6 combines the modified definition for financial literacy with definitions for related financial literacy constructs as presented in this study.

Table 6

Definitions

Term	Definition
Financial literacy	The combination of financial knowledge and consumer financial behavior in a manner that allows an individual to make enlightened financial decisions and ultimately achieve financial well-being. Financial literacy is informed by formal and informal financial education and influenced by psychosocial factors (i.e., cognitive, emotional, social, and spiritual factors).
Financial well-being	Consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011).
Financial knowledge	A variety of skills, abilities, or tools including the ability to manage bank accounts, an understanding of investment basics, knowledge of credit, cash flow management, and budgeting skills (Bowen, 2002; Hogarth, 2002; Lyons, 2005).
Consumer financial behavior	“Any human behavior that is relevant to money management” (Xiao, 2008, p. 70).
Psychosocial factors	Cognitive (mental, intellectual, or thinking), emotional (feelings), social (relationships), and spiritual factors (Donatelle, 2009).
Financial education	“The processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts” (Dodaro, 2011, p. 2)
Financial literacy program	A program “intended to increase a person’s human capital, specifically financial knowledge and/or application (i.e., financial literacy)” (Huston, 2010, p. 308).

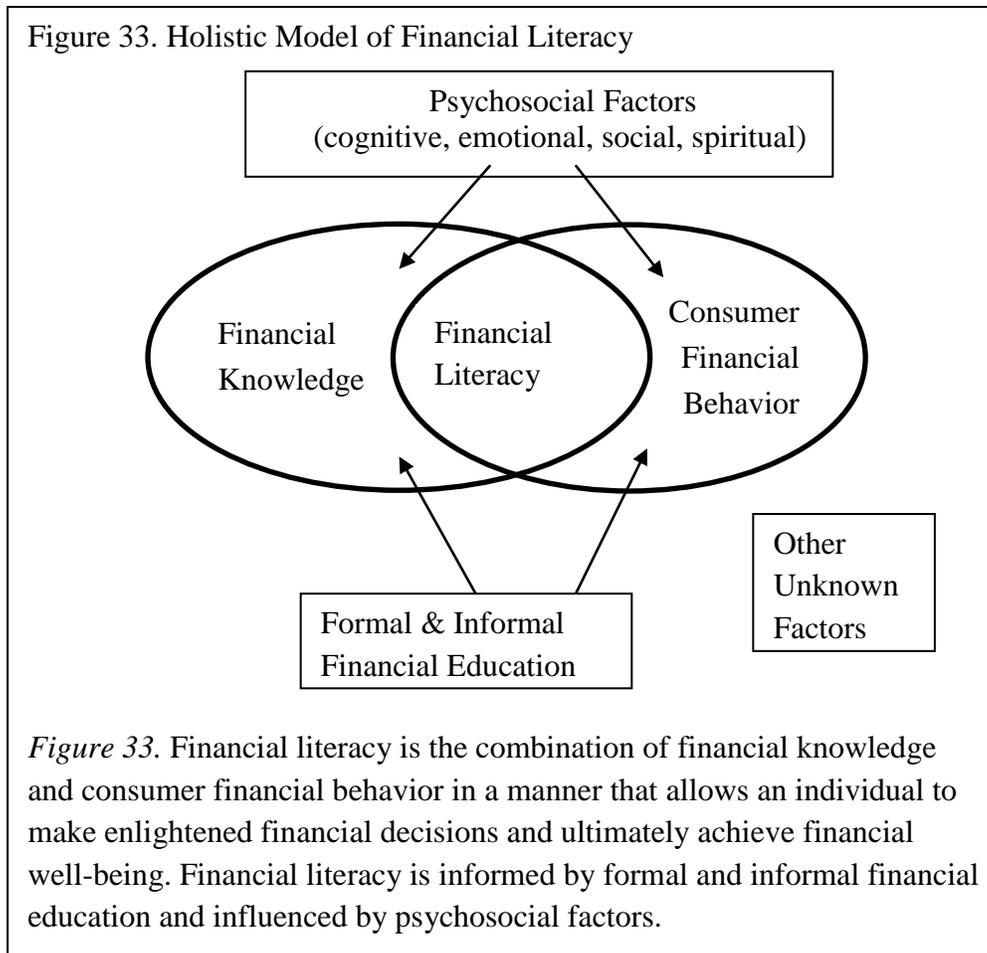
Financial literacy results in financial well-being for individuals, families, and society. *Financial well-being* consists of objective measures (e.g., income, debt level, savings, and retirement plans) and subjective measures (e.g., financial satisfaction and stress levels) (Gudmunson & Danes, 2011). Financial well-being is a personally constructed concept that reflects individuals' aspirations for themselves, their families, and society.

Financial knowledge was defined as a variety of skills, abilities, or tools including the ability to manage bank accounts, an understanding of investment basics, knowledge of credit, cash flow management, and budgeting skills (Bowen, 2002; Hogarth, 2002; Lyons, 2005). Financial knowledge gained from financial education can occur in either formal programs or informal settings. Financial education was described as "the processes whereby individuals improve their knowledge and understanding of financial products, services, and concepts" (Dodaro, 2011, p. 2). Financial literacy programs address either financial knowledge or consumer financial behavior, or both constructs simultaneously. A financial literacy program was operationalized in this study as a program "intended to increase a person's human capital, specifically financial knowledge and/or application (i.e., financial literacy)" (Huston, 2010, p. 308).

Application of financial knowledge can be further described as consumer financial behavior which was operationalized as "any human behavior that is relevant to money management" (Xiao, 2008, p. 70). Consumer financial behavior may demonstrate one's financial knowledge, illustrate misunderstandings or gaps in financial knowledge, or evidence disregard of one's financial knowledge. Consumer financial behavior reflects financial knowledge as influenced by psychosocial factors. Psychosocial factors were

described as cognitive (mental, intellectual, or thinking), emotional (feelings), social (relationships), and spiritual factors (Donatelle, 2009).

Combining the above constructs, this study on understanding consumers' thoughts and feelings about financial literacy and how financial literacy affected their lives posited that financial literacy was the intersection of financial knowledge and consumer financial behavior influenced by financial education and moderated by psychosocial factors. The holistic model of financial literacy in Figure 33 was supported by the lived experience of the phenomenon as described by participants in this study.



Practical implications. Based upon the results of this study, practical applications should adopt a holistic approach to financial literacy that integrates financial knowledge, consumer financial knowledge, and psychosocial factors; emphasize the transformative nature of financial literacy; and reflect financial well-being as the desired outcome from financial literacy. Five areas that have practical implications were identified from this study: (a) financial education for children, (b) access to financial literacy programs, (c) topics in a financial literacy program, (d) marketing financial literacy programs, and (e) professional financial planning assistance.

Financial education for children. Approximately 75% of states did not require a course in personal finance at the time of this study (Council for Economic Education, 2011). Both FPU and NFP participants in this current study recommended that financial education be taught beginning in grade school and continuing through college. Although public policy that requires financial education for children would be beneficial, financial constraints can be a limiting factor for many school districts particularly for providing teacher training and acquiring educational materials. In the literature review for this current study, inadequate teacher training was cited as an obstacle for financial education (Finkel, 2010; McCormick, 2009). At the same time, free resources and public-private partnerships have emerged (Kadlec, 2012). An opportunity exists to develop a means to better leverage sharing of these resources.

FPU participants in this study embraced the notion that financial education for children must also occur in the home setting through modeling of positive consumer financial behavior, sharing of age-appropriate family financial goals, and teaching basic budgeting. One participant described creating a system of separate jars in which each

child in the family could accumulate savings, spending money, and money for planned purchases. While that participant had devised a workable solution to address basic budgeting, for all parents to be successful in teaching and modeling financial literacy, better access to financial education teaching materials is needed. Web-based databases through the banking community, CPA societies, public libraries, or colleges and universities are possible venues that can assist parents in identifying and accessing available materials.

Access to financial literacy programs. Not only does a need exist for parents to access teaching materials for their children, participants in this current study identified a need for lifetime updates and refresher courses for adults, which was also mentioned in the literature review for this study (Hilgert et al., 2003; Willis, 2008). Teachable moments such as marriage, birth of a child, enrollment in college, or purchase of a home provide an opportunity to coordinate financial literacy materials or programs. Additional venues for financial literacy programs and refresher courses need to be developed.

Topics in a financial literacy program. It is important that the topics included in a financial literacy program meet the needs of the audience. For some financial literacy programs, technical financial knowledge may be most appropriate. For other financial literacy programs, a focus on consumer financial behavior may be more appropriate. Participants in this current study had embraced consumer financial behavior topics such as establishing priorities or balancing wants and needs. Financial literacy programs that adopt a holistic approach to financial literacy would include not only topics related to financial knowledge and consumer financial behavior, but would also consider the

influence of psychosocial factors (i.e., cognitive, emotional, social, and spiritual factors) and how these constructs can be effectively combined to achieve financial well-being.

Although some participants in this study enjoyed financial planning, other participants in both samples indicated that they were not overly interested in thinking about money. In fact, one highly-educated individual in the study mentioned that studying finance was at the “bottom of the barrel” (NFP6) of his interests. Thus, including a personalizable financial template in a financial literacy program can allow participants to follow a plan without continually thinking about money.

Marketing financial literacy programs. Based upon results from this study, financial literacy programs that emphasize financial knowledge in marketing communications may not always attract interest from individuals. Rather than focusing on financial knowledge, which participants in this study indicated could appear boring, marketing of financial literacy programs could present well-being as the ultimate goal of financial literacy. Marketing materials for financial literacy programs could include financial knowledge, consumer financial behavior, and psychosocial factors. Themes and sub-themes that emerged in this study would be useful. For example, themes including journey, balancing wants and needs, connections with others, self-control, creation of a legacy for future generations, or transformative effects of financial literacy may resonate more deeply with consumers than marketing campaigns that emphasize acquisition of financial knowledge. In particular, marketing campaigns for financial literacy programs could emphasize transformation of individuals’ lives, the lives of their families, and, ultimately, broader society as the end result of financial literacy.

Professional financial planning assistance. Both samples in this study concluded that trusted financial planners were integral to their financial literacy journeys. Altman (2012) and Willis (2008) had advocated for public policy efforts and resources directed toward the creation of free, qualified financial planning venues. This current study on financial literacy supports the recommendation for free, qualified financial planning. Free, qualified financial planning venues could adopt a model similar to the Volunteer Income Tax Assistance (VITA) program (see <http://www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-You-by-Volunteers>) which utilizes trained volunteers supervised by qualified professionals to assist individuals.

Employers could offer free financial literacy programs and access to financial planners. Results of this current study support “nudges” as recommended by Thaler and Sunstein (2009). For example, employees could be required to opt-out of company-sponsored retirement plans rather than opt-in. In addition, participants in this study struggled to calculate the amounts necessary for their retirement portfolios. Better access to technology or other planning resources are needed to help individuals achieve future well-being.

Limitations

All research, including this study, has limitations. Results from qualitative research may not be generalizable to a broader population. For this study in particular, participants were residents of one Montana community which may not reflect the thoughts and feelings of individuals living in areas with different socioeconomic conditions; participants were solicited from area churches where Ramsey’s *Financial*

Peace University was offered which may not reflect the thoughts and feelings of individuals who do not affiliate with the Christian faith; and the study utilized small sample sizes. Nevertheless, the sample sizes in this study were consistent with other qualitative studies and ZMET research in particular. In addition, the fact that participants chose to participate in the study may indicate that they possessed a higher level of interest in financial literacy than the general population.

Recommendations for further research

Further research could address some of the limitations listed above. A study of individuals who did not enroll in an available financial literacy program could prove enlightening. Research could identify what financial education and financial planners or advisors are readily available or if there are better means of assisting some socioeconomic groups.

As some participants in this study mentioned, financial literacy topics can appear complicated and uninteresting while also implying that individuals should live an austere existence. The combination of financial knowledge with topics that addressed consumer financial behavior appeared to have contributed to the success of the financial literacy program in this study. Additional research is needed to better understand how financial literacy programs can be packaged, presented, and marketed so as to encourage individuals to engage with the material.

Finally, the impact of psychosocial factors on the intersection of financial knowledge and consumer financial behavior deserves further exploration. Related to this current study, the self-imposed group surveillance in Ramsey's *Financial Peace*

University encouraged some individuals to engage in specific consumer financial behavior but may discourage other individuals from enrolling in the program. Examples of other possible studies include exploration of the relationship between peer pressure and financial literacy for adult populations or examination of the impact of marketing efforts on consumer financial behavior. Collaborative efforts between financial planners, marketers, sociologists, and psychologists could prove promising for future research efforts.

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Appendix A

IRB Approval

**GEORGE FOX UNIVERSITY
HSRC INITIAL REVIEW QUESTIONNAIRE
Page 6**

Title:

Understanding the Deeper Meanings of Financial Literacy

Principal

Researcher(s): Belle Marie (Dr. Alan Kluge, Dissertation Committee Chair)

Date application completed: Apr 12, 2013

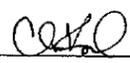
COMMITTEE FINDING:

1) The proposed research makes adequate provision for safeguarding the health and dignity of the subjects and is therefore approved.

2) Due to the assessment of risk being questionable or being subject to change, the research must be periodically reviewed by the HRSC on a _____ basis throughout the course of the research or until otherwise notified. This requires resubmission of this form, with updated information, for each periodic review.

3) The proposed research evidences some unnecessary risk to participants and therefore must be revised to remedy the following specific area(s) of non-compliance:

4) The proposed research contains serious and potentially damaging risks to subjects and is therefore not approved.

Chair or designated member  Date May 3, 2013

Appendix B**Recruitment Flyers****HAVE YOU PARTICIPATED IN A DAVE
RAMSEY'S FINANCIAL EDUCATION COURSE?
(*FINANCIAL PEACE UNIVERSITY*)****DOCTORAL STUDENT REQUESTS YOUR HELP WITH
DISSERTATION RESEARCH****RESEARCH PARTICIPANTS WILL RECEIVE A \$20 GIFT CARD
IN APPRECIATION**

This dissertation research will be exploring individuals' thoughts and feelings about financial literacy and how financial literacy affects their lives. Unlike traditional interviews, this research will use a *fun* approach.

If you would be able to help with this research study, please provide your name and contact information.

Name _____

Phone _____

E-mail address _____

If you would like further information, please contact me:

Belle Marie Phone: [REDACTED] E-mail: [REDACTED]

Thank you!

**DOCTORAL STUDENT REQUESTS YOUR HELP WITH
DISSERTATION RESEARCH**

**RESEARCH PARTICIPANTS WILL RECEIVE A \$20 GIFT CARD
IN APPRECIATION**

This dissertation research will be exploring individuals' thoughts and feelings about financial literacy and how financial literacy affects their lives. Participants in this sample should NOT have participated in any formal financial literacy program. Unlike traditional interviews, this research will use a *fun* approach.

If you would be able to help with this research study, please provide your name and contact information.

Name _____

Phone _____

E-mail address _____

If you would like further information, please contact me:

Belle Marie Phone: XXXXXXXXXX E-mail: XXXXXXXXXX

Thank you!

Appendix C

Instructions to Participants

Thank you for agreeing to participate in the study “Understanding Consumers’ Thoughts and Feelings about Financial Literacy and How Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation Technique (ZMET)”

Your interview will be scheduled in approximately one week. Please bring your pictures described below to the interview:

Please find 5 to 8 pictures that express your thoughts and feelings about financial literacy and how financial literacy affects your life.

Pictures may be from any source (e.g., photographs, magazine pictures, or computer pictures).

For purposes of this study, *financial literacy* is defined as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being” (Hung, Yoong, & Brown, 2012, p. 8). Financial literacy encompasses both *financial knowledge and consumer financial behavior* as it relates to the ability to make informed judgments. Consumer financial behavior is defined as any behavior that relates to money management.

All collected information will be confidential and only used for purposes of this study. Quotes from your interview and pictures that are not personally identifiable may be presented in the dissertation. Your identification will not be disclosed in any manner.

Please contact me if you have any questions or concerns prior to the interview. Thank you for your assistance with this research study!

Researcher: Belle Marie

Contact phone: [REDACTED]

E-mail: [REDACTED]

Appendix D

Informed Consent Form

Information about the Study

Study title: Understanding Consumers' Thoughts and Feelings about Financial Literacy and How Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation Technique (ZMET).

Definition of financial literacy: "Combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being" (Hung, Yoong, & Brown, 2012, p. 8).

Study purpose: The purpose of this study is to develop a deeper understanding of individuals' thoughts and feelings about financial literacy and how financial literacy affects their lives.

Study benefits & risks: This study will give voice to participants in an effort to improve understanding of financial literacy as experienced by the participants. There are no known risks associated with participating in this study.

Study participants: Participants must be 18 years of age or older. All participation is voluntary.

Study researcher: Belle Marie, doctoral student. The study will be submitted as part of the requirements for the Doctor of Business Administration Program at George Fox University, Newberg, Oregon. Researcher's Contact: phone [REDACTED]. E-mail: [REDACTED]

Study procedures used to meet the study's purpose include:

1. This qualitative study uses the Zaltman Metaphor Elicitation Technique (ZMET). ZMET presumes that thoughts occur as images, and metaphors are central to human thoughts and feelings. You have been asked to gather five to eight photographs or pictures that represent your thoughts and feelings about financial literacy and how financial literacy affects your life. Throughout the interview, probing questions (laddering technique) are used to discover meanings and connections among meanings. Interviews are recorded and later transcribed. The interview process typically lasts approximately 60 minutes. Representative mental models and themes are developed during data analysis.
2. Your name and identifying information will not be revealed in the written research report. All personal information, interview data, and any other data received through any means of communication to the researcher in relation to this study will be kept confidential.
3. All data will be the property of the researcher. Quotes from interviews and pictures that are not personally identifiable may be presented in the dissertation.
4. You are encouraged to ask questions or inform the researcher of concerns at any time during the interview process. Please contact the researcher by using the e-mail address or the telephone number indicated above.
5. You have the right to withdraw from the study at any time. If you choose to withdraw, please inform the researcher in writing. Should you withdraw from the study, all information that you have provided for the study will be destroyed by the researcher.

Participant's Agreement to Participate in Study

I have read and understand this Informed Consent Form. I agree to be a participant in the study.

Signature: _____ Date: _____

Appendix E

Demographic Information

Thank you for agreeing to participate in the study entitled “Understanding Consumers’ Thoughts and Feelings about Financial Literacy and How Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation Technique (ZMET).”

Please complete the following demographic information as part of the study. This information is confidential and will only be used in context with other data provided by you in this study.

Researcher contact: Belle Marie. Phone: [REDACTED] E-mail: [REDACTED]

Date: _____

Participant’s Name: _____

Address: _____

Phone or e-mail address: _____

Gender: Male Female

Age: 18-30 31-40 41-50 51-60 61-70 Over 70

Race: African American Native American Asian White
 Other (Please describe) _____

Domestic Status: Married/Partner Single

Number of Children: _____ (Number living at home with you: _____)

Religious/spiritual affiliation (Please describe) _____

Education: Years of High School Completed _____ Years of College Completed _____

Employment Status: Educator For-profit employee Government Employee
 Homemaker Non-profit employee Retired Self-employed
 Student Unemployed Other (Please describe) _____

Housing: Own Rent Live with family/friends Other _____

Annual Household Income: Under \$10,000 Over \$10,000 to 25,000

Over \$25,000 to 50,000 Over \$50,000 to \$75,000

Over \$75,000 to \$100,000 Over \$100,000

Appendix F

Recommendation Form for Second Sample

Individuals who have not completed a Dave Ramsey or other formal financial education course

Thank you for your participation in the study “Understanding Consumers’ Thoughts and Feelings about Financial Literacy and How Financial Literacy Affects Their Lives Using the Zaltman Metaphor Elicitation Technique (ZMET).”

The second group of participants in this study will be individuals who have not completed a Dave Ramsey or other formal financial education course. I would appreciate your recommendation of individuals who might be willing to assist in the study. Individuals who are selected for the second group in the study will also receive a \$20 gift card in appreciation of their participation in the study.

Please provide the names and contact information of one or two people that you would recommend as study participants. All participants must be 18 years of age or older.

Name _____

Address _____

Phone _____

E-Mail _____

Name _____

Address _____

Phone _____

E-Mail _____

Thank you for your assistance with this research study!

Researcher: Belle Marie

Contact phone: [REDACTED]

E-mail: [REDACTED]

Appendix G

Researcher Protocol for ZMET Interviews

1. Purpose of study:
 - a. The purpose of this phenomenological qualitative study is to develop a deeper understanding of individuals' thoughts and feelings about financial literacy and how financial literacy affects their lives. The research will explore the meanings, structure, and essence of financial literacy for individuals who have completed a course in financial education compared to the meanings, structure, and essence of financial literacy for individuals who have not completed a course in financial education.
 - b. Demographic data that will be collected includes: age, gender, income, employment status, marital and family status, education, home ownership, and religious/spiritual affiliation.
2. One week before interview:

Participants will be given the following assignment:

 - i. Please gather five to eight pictures or photographs that express your thoughts and feelings about financial literacy and how financial literacy affects your life (see Appendix C).
 - ii. Definition: Financial literacy is the "combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being" (Hung, Yoong, & Brown, 2012, p. 8). Financial literacy can be thought of as the intersection of financial knowledge and consumer financial behavior. Consumer financial behavior includes "any human behavior that is relevant to money management" (Xiao, 2008, p. 70).
3. Interviews will be scheduled in the researcher's office or church office at the participant's convenience.
4. Interviews will be electronically recorded. (Prior to each interview, ensure that recorder is functioning properly and that spare batteries are available.) In addition, hand-written notes will be made as a back-up. These notes will include both descriptions and reflective thoughts.
5. Thank participant upon arrival and ask participant to complete the Informed Consent Form in Appendix D. Confirm that participant is willing to have interview recorded.
6. Ask participant to complete the Demographic Information Form in Appendix E.
7. Ask participant to recommend one or two people who have not completed a Dave Ramsey or other formal financial literacy program for the second sample using the Recommendation Form for Second Sample in Appendix F.
8. Casual conversation or "ice-breaker" questions may be used prior to beginning the interviews to put participants at ease.
9. Remember to advise participants that a break can be taken during the interview if necessary.

10. At the beginning of each interview, the researcher will clarify the process using a statement such as:

I am interested in your thoughts and feelings about financial literacy and how financial literacy affects your life. There are no right or wrong ideas or answers to any of my questions. My role is to understand your thoughts and feelings. I will limit my talking to questions that will help me to understand your thoughts and feelings. At times, it may seem that I ask odd or repetitive questions, but please bear with me as that is just part of the ZMET research process.

Step 1: Storytelling.

Participants have invested time and energy into gathering the images. Some participants will be prepared to provide significant detail about why a particular image was selected. Additional probing questions may be necessary for surfacing thoughts and feelings from other participants. As each picture is discussed, written notes should describe the picture and each picture should be labeled for later use.

1. Participant will be asked to discuss each of the pictures separately:
 - a. This is an interesting picture. Can you tell me more about why this picture was selected? (An alternative form of this question might be: How does this image relate to your thoughts and feelings about financial literacy?)
 - b. Laddering questions will be used. Laddering typically begins with descriptive questioning followed by probing (not prompting) questions. The following questions are typical probing questions (Reynolds & Gutman, 1988):
 - What do you mean by X?
 - Can you tell me more about X?
 - What does X give you?
 - What causes X?
 - How does X feel?
 - What happens after X?
 - What other things are Y the way X is?
 - Why is X important to you?
 - c. Ask participant to describe the overall theme of each picture.
 - d. Participants may at times be asked to identify opposite thoughts and feelings from those generated from the images.

Step 2: Missed images.

Ask participant if there were any relevant images that could not be located when preparing for the interview. If there were missed images, they should be discussed in the same manner as in Step 1.

Step 3: Triadic sorting and laddering.

This step uses modified versions of Kelly's (1955) Repertory Grid and laddering (Reynolds & Gutman, 1988) to understand the relationships among elicited constructs. Meaning is created from both the content of the elicited constructs and the structure or relationships between constructs.

- a. After discussing all of the pictures, the participant will be asked to select any three images and describe how any two are similar but different from the third.
- b. The constructs that develop from the triadic sorting will be used for laddering probes to determine relationships between constructs.
- c. This process will be repeated using different images.

Step 4: Other senses (optional step).

Senses other than visual (e.g., touch, taste, smell, sound) can be useful for discovering deeper thoughts (Coulter et al., 2001). Ask participants if there are any other sensory aspects that might be associated with financial literacy. In other words, what sensory images might be symbolic or representative of their experience? (If participants have trouble with this step, the following examples might be helpful: (a) in a motorcycle study, a participant described the sense of power associated with riding a motorcycle as the sound of a lion roaring (Xing, 2008) or (b) a participant in the pilot study for this research on financial literacy stated that financial illiteracy smelled like a landfill.) This step may be eliminated if necessary when time is short.

Step 5: The vignette (optional step).

The vignette step is based upon the theory that individuals engage different areas of the brain when describing a picture compared to creating a movie, play, or story (Coulter et al., 2001). For this study, one of the participant's pictures will be selected to broaden the viewing lens. The participant will be asked to pretend the frame could be extended beyond the borders and either the participant or other actors could enter the picture. Participants may then elaborate upon what the participant or other actors would be saying, thinking, or doing. This step may be eliminated if necessary when time is short.

Step 6: Summary image.

The participant is asked to select the most representative picture to create a summary image or collage. The most representative picture or broadest concept serves as the background for the summary collage. Pictures are then positioned to illustrate the relationships among constructs. When the summary image is complete, the participant is asked to describe the overall meaning of the image.

11. Express gratitude for participant's time and information.
12. Send follow-up thank-you note to participant.
13. Transcribe interview.
14. Analyze transcribed interviews for metaphors and themes.
15. Develop data maps of mental models illustrating linkages between the constructs.

Appendix H

Ramsey's Financial Peace University

Financial Peace University is a nine-week financial literacy program established by Dave Ramsey in 1992 (Ramsey, 2009; see also <http://www.dave Ramsey.com/fpu>). The financial literacy program is generally offered in church settings and uses a biblical approach as its foundation. (The program does have online and home study options. Participants in this current study had completed the program in a group setting.) Classes feature Ramsey on video and are led by a coordinator. Classes include small group discussions of weekly topics and homework assignments. Participants receive a graduation certificate if they complete eight of the nine classes. Classes offer lessons on savings, insurance, family communication and relationships with money, cash flow planning, elimination of debt, the influence of marketing, insurance needs, retirement and college planning, real estate and mortgages, and philanthropy. The lessons present seven baby steps to financial freedom: establish an emergency fund, pay off the smallest debts first (i.e., the debt snowball approach), create a savings plan, establish a retirement fund, create college funds, payoff mortgages, and build wealth and engage in philanthropy. The program discourages the use of credit and encourages the use of cash through the envelope system whereby budgeted amounts for expenditures are segregated into envelopes for specific purposes.