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Money and Happiness for College Students

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The University of Southern Mississippi

Money and Happiness for College Students

by

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A Thesis
Submitted to the Honors College of
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Abstract

This study was designed to expand the field of positive psychology and to investigate the relationship between money and happiness in college students. “Money” was further defined as financial satisfaction, and “happiness” was further defined as overall satisfaction with life for the purposes of the study. Existing psychological research demonstrates that many factors influence overall satisfaction with life, including face consciousness, perceived material wealth, goal setting, motivation orientation, cultural value, and the wealth of one’s home nation. However, less research has been conducted on the effects of finances on happiness. The research that does exist focuses on a specific range of people: fully grown adults. No significant psychological research has been done specifically investigating the effects of money on the happiness of college students. This study was designed with that research gap in mind, and measured positive emotions, negative emotions, and life satisfaction in a sample of college students, along with questions regarding their financial satisfaction. Analyses focused on correlations between the three indicators of happiness and different aspects of financial satisfaction. Strong correlations were found for several aspects of financial satisfaction and overall life satisfaction, demonstrating that money is indeed an influence on the happiness of college students.

Keywords: psychology, money, happiness, satisfaction, finances, college students

Dedication

Scott, Susanne, Gaynell, Sidney, Christopher, and the Eta Zeta Chapter of Alpha Delta Pi

Sorority:

Thank you for all of your support, encouragement, and patience during this process.

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List of Abbreviations

GDP	Gross Domestic Product
IRB	Institutional Review Board
NA	Negative Affect
PA	Positive Affect
PANAS	Positive and Negative Affect Schedule
SD	Standard Deviation
SONA	Psychology Research Participation Portal Site
SWLS	Satisfaction with Life Scale
USM	The University of Southern Mississippi

Chapter 1: Introduction

Personality psychology has been studied for many decades and includes the study of the consistent patterns of behavior and emotions referred to as individual traits, such as extraversion, emotional stability, and agreeableness, as well as emotions, such as happiness, anger, anxiety, and excitement. Happiness is one particular facet of the personality that has been researched in depth by psychologists world-wide as they seek to define happiness, discover what influences it, and determine how best to predict it. A large body of research exists which suggests that happiness can be more narrowly defined as one's satisfaction with one's own life, and that many factors can influence one's happiness, like social status, financial situation, and the culture in which one lives (Keyes, 2007). The purpose of this study is to explore a possible relationship between one factor of happiness, financial satisfaction, and one particular population that is underrepresented in existing related research: college students. The study was designed as a survey and will be distributed to college students. The research question is as follows: can money buy happiness for college students? The hypothesis is that the level of financial satisfaction will be positively correlated with level of overall life satisfaction, demonstrating a relationship between money and happiness in this population.

Chapter 2: Review of Literature

What is Happiness

The generally accepted psychological definition of happiness is satisfactory mental health, which can be further defined through three different schools of thought on the subject (Keyes, 2007). As described by Keyes (2007), the Pathogenic school of thought approaches satisfactory mental health as the absence of negative health qualities that would hinder an individual's daily function; examples of these negative qualities could be disease or disability. The Salutogenic viewpoint states that satisfactory mental health is defined by the active presence of positive health qualities that would improve one's daily function; examples of these positive qualities are high emotional intelligence or a capacity to process many thoughts at once. The final school of thought, the Complete State Model, defines satisfactory mental health as "wholeness," meaning that both negative health aspects must be absent and positive health aspects must be present in order for a person to reach satisfactory mental health. Happiness, also called subjective wellbeing in the psychology field, could then be defined as the presence of positive emotions and attributes combined with the absence of hindering emotions and attributes (Keyes, 2007).

According to Diener (1994), "subjective wellbeing ... comprises people's longer-term levels of pleasant affect, lack of unpleasant affect, and life satisfaction" (236). Several studies comparing different ways of measuring happiness have demonstrated that subjective wellbeing or happiness can only be accurately portrayed if both the absence of negative affect and the presence of positive affect are taken into account, since measurement of the full spectrum of happiness depends on both negative and positive

emotions. There are many different ways to measure the positive and negative emotions associated with happiness; some of these measures include the Subjective Happiness Scale (Lyubomirsky & Lepper, 1999), the Positive Affect Negative Affect Schedule (Watson, Clark, & Tellegen, 1988) and the Satisfaction with Life Scale (Kobau, Snizek, Zack, Lucas, & Burns, 2010). The Positive Affect Negative Affect Schedule measures a range of both positive and negative emotions. The Satisfaction with Life Scale focuses on a more subjective perspective of the degree to which one feels positively about one's current life. The Subjective Happiness Scale combines the two approaches, and has been validated in at least 14 studies involving over 2,000 participants, many of which were college students (Lyubomirsky & Lepper, 1999). These scales have one characteristic in common: they all are designed to measure positive and negative emotions comprising subjective wellbeing.

Psychological studies related to personality, subjective wellbeing, and life satisfaction have shown that over 100 traits are connected to overall happiness (DeNeve & Cooper, 1998). In one prominent study, the main traits that were identified as being strongly correlated to happiness were personality, repressive defensiveness, trust, emotional stability, locus of control, and neuroticism (DeNeve & Cooper, 1998). Notably, financial status was found to not be a significant predictor of happiness. However, this question has yet to be studied specifically with a college student sample. Therefore, a primary purpose of the current study was to determine if financial status is a significant predictor of happiness for college students.

Predictors of Happiness

Face Consciousness

Several specific factors have been shown to have an impact on an individual's subjective wellbeing or overall happiness, such as face, the concept of how the world perceives an individual. The idea of face being connected to happiness has been explored through several experiments. One study in particular identified face consciousness, the desire to be perceived in a positive way by society, as related to increased happiness. That study also demonstrated that a healthy financial situation led to people being perceived more positively by society, fulfilling their desire to gain face and influencing their overall happiness (Zhang, Tian, & Grigoriou, 2010). As explained by Ho (1976), face is further defined specifically as a combination of many factors of oneself that are presented to the world including personality, status, honor, prestige, dignity, standards of behavior, and authority. The process of gaining face and the process of losing face are each very different and have very different consequences. You do not necessarily need to rise in status to gain face, but if you lose face you will probably lower in status. Losing face happens when an individual fails to uphold social norms and his own role expectations. Gaining face is the reverse effect, when an individual makes strides to uphold social norms and his own role expectations (Ho, 1976). Much research exists that continues this idea that having/saving face is a key influence on individual overall happiness. One study in particular included participants of college age and tested how they felt in situations where they saved face and in situations where they lost face. The situations in which they saved face were correlated with positive emotions, while the

situations in which they lost face were correlated with more negative emotions (Hwang, 2006).

Perceived Material Wealth

Other factors that influence happiness are perceived wealth and materialism. Some studies have demonstrated a connection between perceived material wealth and happiness. One study in particular presented fictional blurbs to participants, in which some blurbs described a materially wealthy individual and some blurbs described a materially poor individual. Consistently, participants reported having a more positive opinion of the materially wealthy individuals after reading their blurbs. When asked to give adjectives that they thought might describe each individual, materially wealthy descriptions received more positive attributes in response to this question, while materially lacking descriptions received more negative attributes from participants (Christopher & Jones, 2004). Another study very similar to this one presented the same kind of blurbs but asked college aged participants to assign a range of 20 personality traits to each fictional individual, and to rate how desirable the individual's life was to them. The results clearly showed that more affluent individuals received higher ratings of desirability, and that the degree of perceived wealth in the blurb was positively correlated with the positive attributes the college students assigned to them. These participants also reported that they would feel happier if assigned a life similar to the richer individuals (Christopher & Schlenker, 2000). Psychologists in Britain carried out a similar experiment, seeking to determine if there would be a difference in the way upper socioeconomic status participants and lower socioeconomic status participants perceived the individuals based on the fictional blurbs. Their results were, to their surprise,

consistent with existing research on the topic; the participants' own socioeconomic status did not influence the way they viewed individuals. Wealthy people were perceived much more positively than poor people (Dittmar & Pepper, 1998).

When psychologists have studied why exactly financial standing and material wealth have such a seemingly large impact on happiness, they have found that financial status and material wealth have a rather complex relationship to each other. A recent study tested the theory that people use financial gain to alleviate issues that are associated with decreased happiness, like societal rejection and even physical pain. They interviewed participants and asked them to talk about how they spend their money, how much they would spend money, and if anything in particular triggered them to make purchases. This study yielded some important conclusions. First, it showed that people had an increased desire to spend money when they encountered social and physical troubles. Second, having and spending money reduced stress caused by social and physical troubles. Finally, if reminded that they spent/lost their money, people's stress levels increased. Essentially, participants reported that they were happier when they had money and got to spend money to acquire new purchases, but were also uncomfortable when they realized that meant losing money overall (Zhou, Vohs, & Baumeister, 2009). Further testifying to the fact that materialism and happiness have a complicated relationship is a multitude of existing studies which demonstrate that material wealth is often actually correlated to a decrease in overall life satisfaction (Christopher & Schleckner, 2004). One study in particular analyzed the dreams of participants from varying socioeconomic backgrounds and discovered that the dreams of wealthier people included themes of insecurity, low self-esteem, and relationship conflict, which are all

correlated to unhappiness, while the dreams of less wealthy people included themes of confidence, loving relationships, and relaxation, all correlated to happiness. This study sought to discover more about why materialism may have a negative effect on overall life satisfaction (Kasser & Kasser, 2001). The current study is unique in that it separates financial security from materialistic wealth and investigates the relationship between the former and college students' overall happiness.

Goal Setting and Motivation Orientation

Another factor that influences happiness is goal setting. Many studies have been conducted which seek to investigate if having different life goals can alter one's overall happiness and if so, which type of goals are better in relation to level of happiness. One study in particular showed a correlation between materialistic goals, such as career ambition and financial gain, and unhappiness. The same study found a correlation between more emotional goals, such as commitment to family and establishing intimate relationships, and greater happiness (Headey, 2008). Another study (Plagnol & Easterlin, 2008) investigated differences in goals and happiness between men and women. It was found that women's happiness was more strongly influenced by emotional goals, such as getting married and having children. Men's happiness was more strongly influenced by material goals, such as buying a house and earning a large salary. Women also reported reaching a satisfactory happiness level earlier in life, which then tapered off as they got older, since their own children would grow up and be less attached to their mothers. Men reported having a delay in reaching their satisfactory happiness level, as their goals were more reliant on working for many years, but they reported staying happier longer, as their goals were not as susceptible to change (Plagnol & Easterlin, 2008). Related to goal

setting is motivation orientation, referring particularly to extrinsic motivation rather than intrinsic motivation. Extrinsic motivation is defined as being encouraged to accomplish something based on outside factors that exist in your world, such as financial gain, social status, and popularity. Intrinsic motivation is defined as being encouraged to accomplish something based on internal factors, such as generosity, compassion, and determination (Sheldon, Ryan, Deci, & Kasser, 2004). One major study tested the hypothesis that extrinsic motivation would be related to unhappiness while intrinsic motivation would be related to happiness. Conclusions from this survey-based study on young adults (Sheldon et al., 2004) showed that intrinsic motivations are more strongly linked to positive subjective wellbeing, while extrinsic motivations are more strongly linked to lower levels of subjective wellbeing. This finding is thought to be because inner motivations that rely only on oneself are less vulnerable to encountering peer pressure, strained relationships, and criticism (Sheldon et al., 2004). Another study that specifically focused on middle-aged adults yielded similar results; intrinsic motivation was more highly correlated to high subjective wellbeing and happiness, while extrinsic motivation was more highly correlated to low subjective wellbeing and unhappiness (Kasser & Ryan, 1996). More research has been carried out on this relationship, and some studies have focused on college students in particular. One survey study showed that while earning money is a priority for college students, the motivation behind making money was actually the determining factor influencing if the student would be happy or not. When motivated to make money in order to help others and support underprivileged populations, students focused on money reported greater happiness than those students motivated to make money to help themselves climb the social ladder and to be perceived as more successful

than others (Robak, Chiffrieller, & Zappone, 2007). Some studies have evaluated whether the effect of motivation orientation on happiness could be different across different nationalities. One study examined students in Germany and the United States to determine if the results would differ due to the geographical and cultural difference. German and American students' goals and benchmarks for success were structured similarly, and it was found in both countries that intrinsic motivations were more strongly linked to happiness than extrinsic motivations (Schmuck, Kasser, & Ryan, 2000).

Cultural Values

Existing psychological research has established that cultural values of an individual's home environment are tied to what factors influence their overall happiness and subjective wellbeing. For example, when comparing South Korea and the United States, South Korean participants reported that collectivist values, such as equality and belonging, were large influences on their happiness, while American participants reported that individualist values, such as uniqueness and personal growth, were large influences on their happiness (Kim, Kasser, & Lee, 2003). The influences on subjective wellbeing can vary widely across individuals, but those influences are indeed typically tied to what their own culture values (Oishi, Diener, Suh, & Lucas, 1999). As research continues on the topic of individualism and collectivism in relation to happiness, the general consensus is that individualism is more strongly correlated to overall happiness due to the fact that it is a strong influence on the individual's desire to gain and maintain face, but psychologists acknowledge that this can completely change from country to country (Hwang, Francesco, & Kessler, 2003). One study included college students from four countries around the world and evaluated relationships between internal and interpersonal

values and their susceptibility to change in response to interpersonal interactions. The major conclusion was that interpersonal values (those having to do with outwardness and society) were more easily affected by interaction. Internal values were not easily affected by social interaction. Furthermore, consumers were more likely to spend/save money when sale items were targeted to appeal to their interpersonal values rather than their inner values (Kroop, Lavack, & Silvera, 2005). There is a tool of measurement for subjective wellbeing called the World Values Survey. It has been used in research to assist in comparing the subjective wellbeing of different societies across the globe. Research using this tool has shown that values across cultures vary widely, and that a value that is a large influence on happiness in one country may have little to no influence on happiness in a different country (Inglehart, 2004). Therefore, it is important that researchers not assume that any one value or facet of the personality is a definite universal predictor of happiness for everyone, no matter their nationality (Inglehart, 2004).

Gross Domestic Product (GDP)

Research has established that a person's geographical location influences their happiness due to varying values around the world, but another way one's location may influence one's happiness is due to the wealth of the country in which one resides, which can be assessed by the Gross Domestic Product (GDP) of the country. One large study that evaluated subjective wellbeing scores across countries all over the world showed that money and a country's overall economic state were correlated with average levels of happiness within that country. Richer countries tend to be happier than poorer countries, but after a richer country has hit a certain level of wealth, the influence of increasing

wealth on happiness is diminished (Diener & Oishi, 2000). One study highlighted in *Ecological Economics* is a research study that directly evaluated the idea that GDP is correlated with happiness. The results of this study support the theory that GDP positively influences subjective wellbeing of citizens only until a certain point - "in the short term"- while "in the medium term" the influence tapers off (Bartolini & Sarracino, 2014). Transition countries, those which are in the process of developing and majorly improving their economies, show a stronger correlation between GDP and subjective wellbeing (happiness) than fully developed country. This research suggests that a country's overall wealth has a large influence on its citizens' happiness up to a certain point, at which the influence of the nation's wealth on its citizens' happiness plateaus and, as national wealth continues to increase, it makes less of an impact on increasing happiness (Bartolini, Mikucka, & Sarracino, 2015). A study featured in the *Annual Review of Psychology* also evaluated overall influences of subjective wellbeing and demonstrated that wealth can be a predictor of high scores on the Satisfaction with Life Scale if the country in question highly values wealth (Diener, Oishi, & Lucas, 2003).

Chapter 3: Methodology

Participants

Approval for the current study was obtained from the Institutional Review Board (IRB) of The University of Southern Mississippi (See Appendix A for IRB approval letter). Data were collected from 116 college students, who were recruited from The University of Southern Mississippi. Students were offered 0.5 Psychology Research Participation Portal Site (SONA) credits for their participation in the study. Out of the 116 participants, 110 were female (94.8%) and 6 were male (5.2%). Participant ethnicity varied in the sample: 82 participants were Caucasian (70.7%), 28 were African-American (24.1%), while 2 participants identified as multi-racial (1.7%), and the remaining 3.6% of participants were composed of 1 Hispanic participant, 1 Latino (Non-Hispanic) participant, 1 Asian-American participant, and 1 Native American participant. The average age of participants was 20.65 ($SD = 4.05$), with participants ranging in age from 18 to 48. Participants varied in academic classification: 32 participants were Seniors (27.6%), 33 participants were Juniors (28.4%), 11 participants were Sophomores (9.5%), and 40 participants were Freshmen (34.5%). Twenty-three participants were majoring in Psychology (19.8%), and the remaining 93 participants were majoring in different fields of study (80.2%). Prior to beginning the survey, participants were presented with a long form consent (Appendix D), through which they could consent to participation and complete the survey, or they could choose to not consent and end participation immediately. Participants were free to exit the survey at any time, without penalty.

Measures

Satisfaction with Life Scale (SWLS; Kobau et al., 2010). The SWLS is a brief, 5-item survey that measures the subjective wellbeing of individuals through questions relating to their current overall life satisfaction. Participants rate their agreement with the statements, using a scale ranging from 1-Strongly Disagree to 7-Strongly Agree. Participants' scores can range from 5-35, and the following breakdowns detail the possible results. A score of 5-9 indicates that the participant is "Extremely Dissatisfied" with life, a score of 10-14 indicates that the participant is "Dissatisfied" with life, a score of 15-19 indicates that the participant is "Slightly Below Average in Life Satisfaction," a score of 20-24 indicates "Average" life satisfaction, a score of 25-29 indicates "High" life satisfaction, and a score of 30-35 indicates that the participant has "Very High" life satisfaction (Kobau et al., 2010).

The Positive and Negative Affect Schedule (PANAS; Watson et al., 1988). The PANAS is a 20-item measure of the frequency with which one experiences a range of positive and negative emotions. The measure contains a list of specific emotions (e.g., "happy," "nervous"), and respondents are instructed to use the provided scale to indicate the degree to which they have felt each emotion in the past week. The options range from 1 (very slightly or not at all), to 5 (extremely). Ten of the items relate to positive affect and ten of the items relate to negative affect. Once the subject completes the survey, the two types of questions are split up into their respective affect, and the sum within each category is used to compute separate scores for positive affect and negative affect. Scores can range from 10-50 for positive affect score and 10-50 for negative affect score. Higher

scores on the positive affect score indicate higher levels of positive emotions, while lower scores on the negative affect score indicate lower levels of negative emotions.

Financial satisfaction was measured using an original questionnaire composed of ten questions, with some questions relating to satisfaction with the amount of money the respondent has for various purposes, and other questions relating to satisfaction with the amount of debt the respondent has. These questions were generated by the author for the purposes of the current study and can be found in Appendix B.

A demographics survey was included at the end of the survey, and included questions relating to the age, classification, ethnicity, gender, and field of study of the participant (Appendix C).

Procedures

The survey was administered online through Qualtrics, which is an online survey creation and administration system. Students who chose to participate via the SONA research management system were provided a website link to the Qualtrics survey. After providing informed consent, participants completed the SWLS, PANAS, the financial satisfaction questions, and the demographics questions in that order, and the participants' involvement in the study ended as soon as they exited the survey. Once they completed the survey, the research credit was automatically credited to their SONA account to be applied to required or extra credit to the qualifying psychology course of their choosing.

Chapter 4: Results

Descriptive statistics for the financial satisfaction responses are presented in Table 1. As seen in Table 1, the general pattern of scores for financial satisfaction fell in the lower range, shown by the very low means and standard deviations of the response values from this section of the survey.

Table 1: Financial Satisfaction Responses

Question	Mean	Median	SD
Q1 (Bank Account)	1.70	2.00	1.27
Q2 (Pay Bills)	2.05	2.00	1.56
Q3 (Spend on Non-Essentials)	1.53	1.00	1.28
Q4 (School Expenses)	1.90	1.00	1.62
Q5 (Left After Bills)	1.54	1.00	1.40
Q6 (Spend on Fun Things)	1.68	1.50	1.43
Q7 (Savings)	1.63	1.00	1.59
Q8 (Debt Accrued)	2.06	1.00	2.02
Q9 (Money for Emergency)	2.03	2.00	1.72
Q10 (Owed to Others)	2.73	3.00	2.18

The correlations between responses to the financial satisfaction questions and the three indicators of happiness (positive affect, negative affect, and life satisfaction) are presented in Table 2. Statistically significant correlations were found for multiple aspects of financial satisfaction and overall happiness.

Table 2: Financial Questions Correlations

Question	PA	NA	SWLS
Q1 (Bank Account)	0.157	-0.219*	0.485**
Q2 (Pay Bills)	0.010	-0.150	0.269**
Q3 (Spend on Non-Essentials)	0.230*	-0.154	0.394**
Q4 (School Expenses)	-0.031	0.045	0.174
Q5 (Left After Bills)	0.108	-0.098	0.299**
Q6 (Spend on Fun Things)	0.246**	-0.141	0.353**
Q7 (Savings)	0.061	-0.136	0.219*
Q8 (Debt Accrued)	-0.023	0.139	0.111
Q9 (Money for Emergency)	0.062	-0.242**	0.357**
Q10 (Owed to Others)	-0.120	-0.060	0.135

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

As seen in Table 2, the level of satisfaction a person feels with the amount of money in their bank account and with the amount of money they have available in an emergency is negatively correlated with negative affect and positively correlated with life satisfaction. The level of satisfaction a person feels with the amount of money they have available to spend on non-essentials and to spend on activities they consider fun is positively correlated with positive affect and positively correlated with overall life

satisfaction. Though they did not demonstrate a strong correlation to increased positive affect or decreased negative affect, the levels of satisfaction a person feels with the amount of money they have available to pay bills, with the amount of money they have left over after paying bills, and with the amount of money they have set aside in savings all strongly correlate to high overall satisfaction with life.

As seen in Table 3, when split into the two categories of “Money Available” questions and “Debt” questions, the total satisfaction with money available is significantly negatively correlated with negative affect and positively correlated with overall satisfaction with life, whereas there were no statistically significant correlations of satisfaction with debt and any of three happiness indicators.

Table 3: Correlations for Categories of Financial Questions

Question Type	PA	NA	SWLS
Money Available	0.155	-0.188*	0.430**
Debt Accrued	-0.129	0.047	0.131

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Chapter 5: Discussion

Research Questions and Hypothesis

The original research question was: Does money influence the happiness of college students? The hypothesis was that college students' level of financial satisfaction would have a strong positive correlation to overall satisfaction with life. The results of the study showed noteworthy and statistically significant correlations between many aspects of financial satisfaction and multiple indicators of happiness (positive affect, negative affect, and life satisfaction) in college students, particularly aspects of financial satisfaction related to the amount of money college students had available. For the financial questions relating to the level of satisfaction college students have with the amount of money they owe in debt, no strong correlations were found relating to increased positive affect, decreased negative affect, or high overall satisfaction with life. Overall, financial satisfaction levels did positively correlate to overall satisfaction with life scores. These results support the original research hypothesis that money does influence the happiness of college students. However, it does show that only certain aspects of financial satisfaction influence this happiness. Specifically, satisfaction with the amount of money in their bank account and the amount of money available for an emergency relates to lessened negative affect and higher satisfaction with life for college students, and satisfaction with the amount of money available to spend on non-essentials and to spend on fun things relates to increased positive affect and higher satisfaction with life for college students. Different aspects of financial satisfaction, therefore, influence overall life satisfaction differently: the amount of money in their bank account and the amount of money available for an emergency are related to less negative emotions for

college students, and the amount of money available to spend on non-essentials and to spend on fun things are related to more positive emotions. No significant correlations were found for the financial questions relating to level of satisfaction with debt accrued.

It is important to note that the students in this sample were consistently reporting low satisfaction levels for financial satisfaction. This statistic connects this study to existing research relating to GDP, and how the wealth of a nation is more strongly correlated with happiness when the country is less wealthy, while the effect of money weakens as the wealth of the country increases (Diener & Oishi, 2000). As these students are on the lower end of financial satisfaction, the findings that money does greatly influence their happiness is supported by this existing research, which also suggests that, if these students generally reported higher financial satisfaction, weaker correlations might be found between money and happiness. However, this is an empirical question that needs to be evaluated in a sample of higher-income college students.

Limitations and Future Research

A limitation of this study was that the vast majority of participants were female; only 6 of the 116 participants were male. For future studies, it would be beneficial to expand the participant pool to include more men and a more even ratio of men to women. The participant pool for this study represented a population that overall scored low on overall financial satisfaction. This aspect of the participant pool mirrors findings in various psychological studies focusing on GDP and happiness, by following the pattern of money influencing happiness more when one has less of it. This study was limited to a population of participants who had a low general score for financial satisfaction. For future studies, it would be interesting to pursue populations in different regions, who

attend more expensive universities than The University of Southern Mississippi, and who have a richer socioeconomic background than the subjects included in this study, to determine if financial satisfaction would have less of an influence on the happiness of those college students. It may also be beneficial to vary the ethnicities of the participants, and to include additional questions in the demographics portion of the survey. The additional demographics questions could give more information regarding if the participant has dependents, owns a home, has a scholarship, etc. This additional information could reveal even more correlations between money and happiness for college students.

Chapter 6: Conclusion

Based upon the results of the current research study, there is support for the hypothesis that money does influence the happiness of college students. This is a significant finding for the field of psychology as it provides information on the relationship between financial satisfaction and life satisfaction for an understudied population: college students. It is important to note, however, that this finding holds for students on the low end of financial satisfaction, and it may or may not be the case for students in the higher range of financial satisfaction. Happiness and life satisfaction are important predictors of success in goal pursuits; thus this study highlights that financial satisfaction may be an important factor for college success. Including questions about student academic achievements or awards earned may be beneficial to add to additional studies to explore a possible relationship between financial satisfaction and success for college students.

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Appendix A-IRB Approval Letter



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INSTITUTIONAL REVIEW BOARD

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Phone: 601.266.5997 | Fax: 601.266.4377

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NOTICE OF COMMITTEE ACTION

The project below has been reviewed by The University of Southern Mississippi Institutional Review Board in accordance with Federal Drug Administration regulations (21 CFR 26, 111), Department of Health and Human Services regulations (45 CFR Part 46), and University Policy to ensure:

- The risks to subjects are minimized and reasonable in relation to the anticipated benefits.
- The selection of subjects is equitable.
- Informed consent is adequate and appropriately documented.
- Where appropriate, the research plan makes adequate provisions for monitoring the data collected to ensure the safety of the subjects.
- Where appropriate, there are adequate provisions to protect the privacy of subjects and to maintain the confidentiality of all data.
- Appropriate additional safeguards have been included to protect vulnerable subjects.
- Any unanticipated, serious, or continuing problems encountered involving risks to subjects must be reported immediately, but not later than 10 days following the event. Problems should be reported to ORI via the Incident template on Cayuse IRB.
- The period of approval is twelve months. An application for renewal must be submitted for projects exceeding twelve months.

PROTOCOL NUMBER: IRB-18-147

PROJECT TITLE: Money and Happiness for College Students

SCHOOL/PROGRAM: Psychology

RESEARCHER(S): Robin Leonard, Randolph Arnau

IRB COMMITTEE ACTION: Approved

CATEGORY: Exempt

PERIOD OF APPROVAL: November 13, 2018 - November 13, 2019

Edward L. Goshorn, Ph.D.
Institutional Review Board Chairperson

Appendix B-Financial Satisfaction Questions

Directions : Please indicate your satisfaction regarding the following statements, on a scale of 0-Completey Dissatisfied to 5-Completely Satisfied.

1. The amount of money in your bank account.
2. The amount of money you have to pay bills.
3. The amount of money you have to spend on non-essential items.
4. The amount of money you have to spend on school expenses.
5. The amount of money you have left over after paying bills.
6. The amount of money you have to spend on fun things in your life.
7. The amount of money you have set aside in savings.
8. The amount of debt you have accrued.
9. The amount of money you have readily available in an emergency.
10. The amount of money you owe to others.

Appendix C-Demographics Questions

- 1) Age:
- 2) Sex: Male or Female
- 3) Ethnicity: Caucasian, African-American, Hispanic, Asian-American, Latino
(Non-Hispanic), Native-American, Pacific Islander, Multi Racial, or Other
- 4) Year in College: Freshman, Sophomore, Junior, or Senior
- 5) Are you a Psychology major: Yes or No

Appendix D-Long Form Consent

Welcome to the research study!

RESEARCH DESCRIPTION

1. Purpose: The purpose of this study is to determine if there is a relationship between financial satisfaction and the happiness of college students and to examine if the relationship is direct or indirect.
2. Description of Study: Participation in this study will take approximately 15-20 minutes of your time. Approximately 40-50 college students will participate in this study. During this study, you will be asked to complete questionnaires related to your background (e.g., gender, ethnicity), your current financial satisfaction level, your positive emotions, and your negative emotions.
3. Benefits: By participating in this study, you will provide valuable insight into the relationship between money and college students' happiness, and will help pave the way for more specific research to be done in regards to the influence of money on college students' overall mental health. You will also earn .5 SONA credits should they be applicable to your courses at the University of Southern Mississippi.
4. Risks: There are no known risks associated with the procedures of this study. There is a small chance that some participants may feel discomfort in answering the demographic questions, specifically those regarding to gender, race, and ethnicity. Participants may leave these questions blank with no consequences, and may exit the study at any time if they so wish.
5. Confidentiality: All responses to questionnaires and data from this study will be anonymous. This means that neither your name, nor any other identifying information, will be connected with your questionnaire responses or any other study data.
6. Alternative Procedures:
Participation in this study is completely voluntary, and you may withdraw from this study at any time without penalty, prejudice, or loss of benefits. Questions concerning the research should be directed to Dr. Randy Arnau, at 266-5092, or by email at Randolph.Arnau@usm.edu.
7. Participant's Assurance: This project has been reviewed by the Institutional Review Board, which ensures that research projects involving human subjects follow federal regulations. Any questions or concerns about rights as a research participant should be directed to the Chair of the IRB at 601-266-5997. Participation in this project is completely voluntary, and participants may withdraw from this study at any time without penalty, prejudice, or loss of benefits. Any questions about the research should be directed to the Principal Investigator using the contact information provided in Project Information Section above.

CONSENT TO PARTICIPATE IN RESEARCH

Consent is hereby given to participate in this research project. All procedures and/or investigations to be followed and their purpose, including any experimental procedures, were explained to me. Information was given about all benefits, risks, inconveniences, or discomforts that might be expected. The opportunity to ask questions regarding the research and procedures was given. Participation in the project is completely voluntary, and participants may withdraw at any time without penalty, prejudice, or loss of benefits. All personal information is strictly confidential, and no names will be disclosed. Any new information that develops during the project will be provided if that information may affect the willingness to continue participation in the project. Questions concerning the research, at any time during or after the project, should be directed to the Principal Investigator with the contact information provided above. This project and this consent form have been reviewed by the Institutional Review Board, which ensures that research projects involving human subjects follow federal regulations. Any questions or concerns about rights as a research participant should be directed to the Chair of the Institutional Review Board, The University of Southern Mississippi, 118 College Drive #5147, Hattiesburg, MS 39406-0001, (601) 266-5997.

The study should take you around 15 minutes to complete. Your participation in this research is voluntary. You have the right to withdraw at any point during the study, for any reason, and without any prejudice. If you would like to contact the Principal Investigator in the study to discuss this research, please e-mail Robin Leonard at robin.leonard@usm.edu

By clicking the button below, you acknowledge that your participation in the study is voluntary, you are 18 years of age, and that you are aware that you may choose to terminate your participation in the study at any time and for any reason.

Please note that this survey will be best displayed on a laptop or desktop computer. Some features may be less compatible for use on a mobile device.