

# Risky Financial Behaviors

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# Agenda

- Research Question
- Extant literature
- Model
- Propositions
- Benefits
- Questions

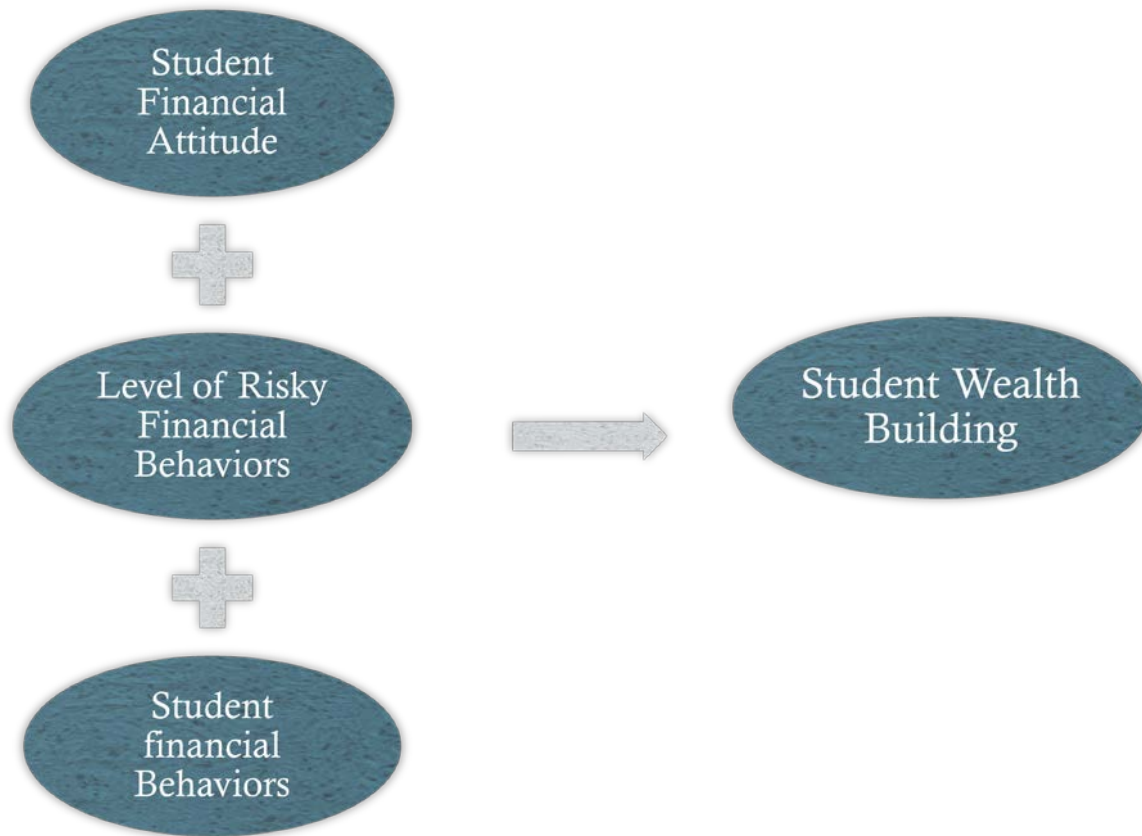
# Research Questions

- What behavioral determinants influence and encourage college students to build wealth?

# Literature Review

- Many college students, deciding how and where to invest seems like a task best left for the distant future. In 2013, college graduates minimum student loan debt was \$35,200 (Touryalai, 2013).
- Recent evidence indicates that experiencing certain types of shocks can have an effect on an individual's risk preferences. For instance, Malmendier and Nagel (2011) shows that experiencing macroeconomic shocks affects an individual's willingness to take financial risks and invest in certain types of assets.

# Proposed Research Model



# Proposition

- Student financial attitudes will influence student propensity to build wealth
- Students level of risky financial behaviors will influence student propensity to build wealth
- Student financial behaviors will influence student propensity to build wealth

# Benefits of Research

- Examine the role of student behaviors and attitudes on propensity to build wealth
- Provide insight on behaviors and attitudes necessary to alleviate the risky financial behavior
- Provide insight into factors that should be included in a student financial literacy program

Questions?