Student Loans and Financial Satisfaction: 
The Moderating Role of Financial Education

Jae Min Lee, Minnesota State University, Mankato
Kyoung Tae Kim, University Of Alabama
Jonghee Lee, Keimyung University

Abstract

We examined the association between holding a student loan and financial satisfaction and the moderating role of financial education using the 2015 National Financial Capability Study dataset. Households that hold a student loan had a lower level of financial satisfaction than did those without a student loan. We found a moderating role of receiving both formal and informal financial education on the relation between student loan and financial satisfaction regardless of for whom they took the loan. Our findings confirmed the importance of financial education and suggest that receiving a thorough combination of formal and informal education will improve student loan holders’ financial satisfaction.

1 Assistant Professor, Department of Family Consumer Science, 120 Wiecking Center, Minnesota State University Mankato, Mankato, MN 56001, United States. Phone: 507-389-5926. Email: jae-min.lee@mnsu.edu
2 Assistant Professor, Department of Consumer Sciences, 312 Adams Hall Box 870158, University of Alabama, Tuscaloosa, AL 35487, United States. Phone: 205-348-9167. Email: ktkim@ches.ua.edu
3 Assistant Professor, Department of Consumer Studies, 1095 Dalgubeol-daero, Dalseo-gu, Keimyung University, Daegu, South Korea. Phone: 82-53-580-5864. Email: jongheelee@kmu.ac.kr