

THE MONEY MANAGEMENT HABITS OF HUNGARIAN SECONDARY SCHOOL GRADUATES

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1 INTRODUCTION

Students in the final year of secondary school may be considered as almost adults, as their money management practices are partly independent. They satisfy their own needs from their own financial sources, which may derive from various sources for example from parents and relatives in the form of pocket money and as salary from different student works. Our questionnaire survey conducted among Hungarian secondary school students in 2024 examined the practical financial knowledge of students. As part of this research, we asked about these sources of money and their money management methods. The results of this survey are presented in our analysis.

For young people, especially those who have just graduated from secondary school and are stepping into adult life, practical financial knowledge has become an essential problem. Without practical financial knowledge, every area of life may become hard. Nowadays, most countries have taken steps to improve financial literacy. However, most of these new measures have unfortunately started too late, even though young people can see that the key to their successful future life is based on their financial knowledge [1]. Hungarian secondary school students obtain their financial knowledge primarily from their parents, family, and friends, and secondly from the internet and online media, while school lessons as a source of knowledge only coming in the third place [2]. Research on financial literacy of Czech and Slovak students shows that students are not motivated enough to learn new skills, and their interest in economic issues is low in both countries [3]. In Poland, the majority of students are aware of the importance of savings, but the amount they save is small and they tend to keep their money in cash and bank accounts [4]. Financial freedom also represents a responsibility for the young people, but this freedom may help them to achieve their dreams, which – in long term – helps to create a more efficient national economy [5].

2 MATERIAL AND METHODS

Our questionnaire survey was conducted in April 2024. The questionnaires were sent to graduating students at secondary schools in Hungary, in the last month of their school years, with the help of their school principals. The questionnaire was completed electronically by young people using Google Forms on a voluntary basis. 1611 students completed and returned the questionnaires successfully.

In the research questionnaire – among others – we asked the following questions:

1. Do you regularly receive pocket money?
2. Do you have any income from work?
3. Do you have savings and if so, how do you keep them?

In addition, the questionnaire also asked about the awareness of 20 different specific financial products (savings, loans, insurance) and compared the results with typical forms of savings. The results were analysed using difference analysis tests.

3 RESULTS

The results of our research showed that those students who receive pocket money regularly typically do not have any income from work, i.e. they do not work while studying. Those who receive occasional pocket money tend to have income from casual work and do not tend to have income from regular work. Those who do not receive pocket money typically have income from regular work and do not typically have income from casual work.

Those students who regularly receive a certain amount of pocket money tend to have savings and usually invest them in some kind of financial instrument to generate a return. Those who receive only occasional pocket money also usually have savings but usually keep them in cash. Those who do not receive pocket money usually have no savings.

Who have no income from work usually have no savings. Those who do have an occasional income from casual work tend to have savings and usually keep them in cash. Those who have regular income from work tend to have savings and usually invest them in some kind of financial instrument to earn a return.

4 CONCLUSIONS

Our research showed that all young people need a source of money. If they receive it regularly in the form of pocket money, they are not motivated to work, if they receive occasional pocket money, they tend to supplement their income with occasional work, while those who do not receive any pocket money at all take regular work to earn an income. We found that young people who receive pocket money regularly handle their money more consciously than those who have only occasional pocket money or no pocket money at all. We also found that young people who work are also more conscious in managing their money than those who have only occasional income from work or do not work at all.

Our results also showed that students who have savings and tend to invest them in some types of financial instruments to earn a return have higher financial product knowledge than those who keep their savings in a bank account or in cash. Those with no savings have the lowest knowledge about financial instruments. The results clearly show that young people who use their resources more consciously have a higher level of practical financial product knowledge than their counterparts who use up their resources.

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