

[Home](#) > [Handbook of Consumer Finance Research](#) > Chapter

Personal Financial Wellness

| Chapter

| pp 21–33 | [Cite this chapter](#)



[Handbook of Consumer Finance](#)

[Research](#)

[Sohyun Joo](#)

8352 Accesses 172 Citations

Abstract

As the importance of financial health of individuals and families continues to grow, people often use the term “financial wellness” to mean the level of a person’s financial health. Financial wellness is a comprehensive, multidimensional concept incorporating financial satisfaction, objective status of financial situation, financial attitudes, and behavior that cannot be assessed through one measure. This chapter discusses the concept and measurement of personal financial wellness and presents “Financial Wellness Diagram.” Future research directions are also discussed.



This is a preview of subscription content, [log in via an institution](#) to check access.

Access this chapter

[Log in via an institution →](#)

Subscribe and save

✓ Springer+

from €37.37 /Month

- Starting from 10 chapters or articles per month
- Access and download chapters and articles from more than 300k books and 2,500 journals
- Cancel anytime

[View plans →](#)

Buy Now

▲ Chapter

EUR 29.95

Price includes VAT (Poland)

- Available as PDF
- Read on any device
- Instant download
- Own it forever

[Buy Chapter →](#)

▲ eBook

EUR 80.24

Price includes VAT (Poland)

- Available as PDF
- Read on any device
- Instant download
- Own it forever

[Buy eBook →](#)

▲ Softcover Book

EUR 101.64

Price includes VAT (Poland)

- Compact, lightweight edition
- Dispatched in 3 to 5 business days
- Free shipping worldwide - [see info](#)

[Buy Softcover Book →](#)

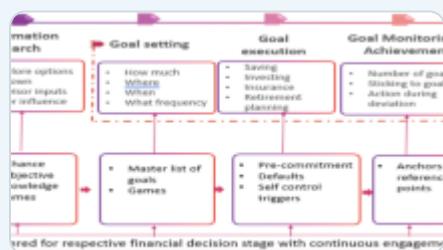
Tax calculation will be finalised at checkout

[Institutional subscriptions](#) →

Preview

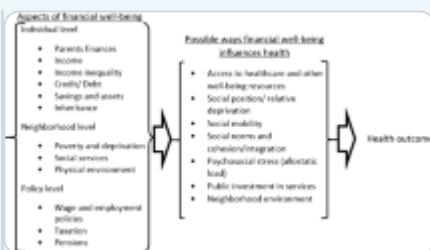
Unable to display preview. [Download preview PDF](#).

Similar content being viewed by others



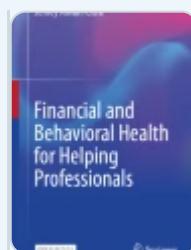
[Behavior science led technology for financial wellness](#)

Article | 01 June 2021



[Improving the Epidemiological Understanding of the Dynamic Relationship Between Life Course Financial Well-Being...](#)

Article | 05 February 2019



Chapter | © 2026

Explore related subjects

Discover the latest articles, books and news in related subjects, suggested using machine learning.

[Financial Econometrics](#)

[Financial Economics](#)

[Household Finance](#)

[Sociology of the Financial Market](#)

[Well-Being](#)

[Financial Technology and Innovation](#)

References

Back, E., & DeVaney, S. A. (2004). Assessing the baby boomers' financial wellness using financial ratios and a subjective measure. *Family and Consumer Sciences Research Journal*, 32, 321-348.

Bailey, A. W. (1987). Social and economic factors affecting the financial well-being of families. *Journal of Home Economics, Summer*, 14-18.

[Google Scholar](#)

Blau, F. D. (1998). Trends in the well-being of American women, 1970-1995. *Journal of Economic Literature*, 36(1), 112-165.

[Google Scholar](#)

Blinder, A. S., Kristol, I., & Cohen, W. J. (1980). The level and distribution of economic well-being. In M. Feldstein (Ed.), *The American economy in transition* (pp. 415-479). Chicago: University of Chicago Press.

[Google Scholar](#)

Breen, R. F. (1991). The financially mature: What they want and how to help them get it. *Insurance Sales*, 134(9), 8-10.

[Google Scholar](#)

Cantril, H. (1965). *The pattern of human concerns*. New Brunswick, NJ: Rutgers University Press.

[Google Scholar](#)

Cutler, N. E. (1995, January). Three myths of risk-tolerance: What clients are not telling you. *Journal of the American Society of CLU & ChFC*, 49, 33-37.

[Google Scholar](#)

Davis, E. P., & Schumm, W. R. (1987). Family financial satisfaction: The impact of reference point. *Home Economics Research Journal*, 14, 123-131.

DeVaney, S. A. (1993). Change in household financial ratios between 1983 and 1986: Were American households improving their financial status? *Financial Counseling and Planning*, 4, 31-46.

[Google Scholar](#)

DeVaney, S. A. (1994). The usefulness of financial ratios as predictors of household insolvency: Two perspectives. *Financial Counseling and Planning*, 5, 5-24.

[Google Scholar](#)

DeVaney, S. A., & Lytton, R. T. (1995). Household insolvency: A review of household debt repayment, delinquency and bankruptcy. *Financial Services Review*, 4, 137-156.

[Article](#) [Google Scholar](#)

Dickinson, A. (1996). The financial well-being of women and the family. The *American Journal of Family Therapy*, 24(1), 65-73.

[Article](#) [Google Scholar](#)

Diener, E., Suh, E., & Oishi, S. (1998). Recent studies on subjective well-being. *Indian Journal of Clinical Psychology*, 24, 25-41.

[Google Scholar](#)

Fergusson, D. M., Horwood, L. J., & Beautrais, A. L. (1981). The measurement of family material well-being. *Journal of Marriage and the Family*, 43, 715-725.

[Article](#) [Google Scholar](#)

Fletcher, C., & Lorenz, F. (1985) Social structural influences on the relationship between objective and subjective indicators of economic well-being. *Social Indicators Research*, 16, 333-345.

[Article](#) [Google Scholar](#)

Garman, E. T., & Forgue, R. E. (2006). *Personal finance* (7th ed.). Boston: Houghton Mifflin Co.

[Google Scholar](#)

George, L. K. (1992). Economic status and subjective well-being: A review of the literature and an agenda for future research. In N. E. Cutler, D. W. Gregg, & M. P. Lawton (Eds.), *Aging, money, and life satisfaction: Aspects of financial gerontology* (pp. 69-99). New York: Springer.

[Google Scholar](#)

Godwin, D. D. (1994). Antecedents and consequences of newlyweds' cash flow management. *Financial Counseling and Planning*, 5, 161-190.

[Google Scholar](#)

Greenley, J. R., Greenberg, J. S., & Brown, R. (1997). Measuring quality of life: A new and practical survey instrument. *Social Work*, 42, 244-254.

[PubMed](#) [Google Scholar](#)

Greninger, S. A., Hampton, V. L., Kitt, K. A., & Achacoso, J. A. (1996). Ratios and benchmarks for measuring the financial well-being of families and individuals. *Financial Services Review*, 5(1), 57-70.

[Article](#) [Google Scholar](#)

Hansen, J. C., Rossberg, R. H., & Cramer, S. H. (1994). *Counseling: Theory and*

practice. Boston: Allyn and Bacon.

[Google Scholar](#)

Haveman, R., & Wolfe, B. (1990). The economic well-being of the disabled. *Journal of Human Resources*, 25(1), 32-54.

[Article](#) [Google Scholar](#)

Hayhoe, C. R. (1990). Theoretical model of perceived economic well-being. *Annual Proceedings of the Association for Financial Counseling and Planning Education*, 116-141.

[Google Scholar](#)

Hayhoe, C. R., & Wilhelm, M. S. (1998). Modeling perceived economic well-being in a family setting: A gender perspective. *Financial Counseling and Planning*, 9(1), 21-34.

[Google Scholar](#)

Headey, B. (1993). An economic model of subjective well-being: Integrating economic and psychological theories. *Social Indicators Research*, 28, 97-116.

[Article](#) [Google Scholar](#)

Hira, T. K., & Mugenda, O. M. (1999). The relationships between self-worth and financial beliefs, behavior, and satisfaction. *Journal of Family and Consumer Sciences*, 91(4), 76-82.

[Google Scholar](#)

Jeries, N., & Allen, C. M. (1986). Satisfaction/dissatisfaction with financial management among married students. *Proceedings of American Council on Consumer Interests Annual Conference*, 63-69.

[Google Scholar](#)

Joo, S. (1998). *Personal financial wellness and worker job productivity*. Unpublished doctoral dissertation, Virginia Polytechnic Institute and State University, Blacksburg, VA.

[Google Scholar](#)

Joo, S., & Grable, J. E. (2004). An exploratory framework of the determinants of financial satisfaction. *Journal of Family and Economic Issues*, 25(1), 25-50.

[Article](#) [Google Scholar](#)

Lown, J. M., & Ju, I. (1992). A model of credit use and financial satisfaction. *Financial Counseling and Planning*, 3, 105-123.

[Google Scholar](#)

Magrabi, F. M., Pennock, J. L., Poole, W. K., & Rachal, J. V. (1975). An index of economic welfare of rural families. *Journal of Consumer Research*, 2(3), 178-187.

[Article](#) [Google Scholar](#)

Mathus, I. (1989). *Personal finance* (2nd ed.). Cincinnati, OH: South-Western Publishing Co.

[Google Scholar](#)

Minnesota Extension Service. (1992). *Specialist research report: Economic well-being of non-institutionalized elderly with functional limitations*. Retrieved August 14, 2002, from <http://www.cyfc.umn.edu/Documents/G/B/GB1013.html>.

[Google Scholar](#)

Moon, M., & Juster, F. T. (1995). Economic status measures in the health and

retirement study. *Journal of Human Resources*, 30(health and retirement study supplement), S138-S157.

[Google Scholar](#)

Porter, N. M. (1990). *Testing a model of financial well-being*. Unpublished doctoral dissertation, Virginia Polytechnic Institute and State University, Blacksburg, VA.

[Google Scholar](#)

Porter, N. M., & Garman, E. T. (1993). Testing a conceptual model of financial well-being. *Financial Counseling and Planning*, 4, 135-164.

[Google Scholar](#)

Radner, D. B. (1990). Assessing the economic status of the aged among nonaged using alternative income-wealth measures. *Social Security Bulletin*, 53(3), 2-14.

[PubMed](#) [Google Scholar](#)

Radner, D. B. (1993). Economic well-being of the old: Family unit income and household wealth. *Social Security Bulletin*, 56(1), 3-19.

[PubMed](#) [Google Scholar](#)

Sabelhaus, J., & Manchester, J. (1995). Baby boomers and their parents: How does their economic well-being compare in middle age? *Journal of Human Resources*, 30, 791-806.

[Article](#) [Google Scholar](#)

Smeeding, T., Torrey, B. B., & Rein, M. (1987). Comparative well-being of children and elderly. *Contemporary Economic Policy*, 5(2), 52-72.

[Article](#) [Google Scholar](#)

Strumpel, B. (Ed.). (1976). *Economic means for human needs*. Ann Arbor: MI: Institute for Social Research.

[Google Scholar](#)

Van der Gaag, J., & Smolensky, E. (1982). Consumer expenditures and the evaluation of levels of living. *Review of Income and Wealth*, 1, 17-27.

[Article](#) [Google Scholar](#)

van Praag, B. M. S., Frijters, P., Ferrer-i-Carbonell, A. (2000). *A structural model of well-being*. Tinbergen Institute Discussion Paper TI 2000-053/3. Retrieved August 12, 2002, from <http://www.tinbergen.nl>.

[Google Scholar](#)

Weinberg, D. H., Nelson, C. T., Roemer, M. I., & Welniak, E. J. (1999). Economic well-being in the United States: How much improvement—fifty years of U.S. income data from the current population survey: Alternatives, trends, and quality. *American Economic Review*, 89(2), 18-22.

[Article](#) [Google Scholar](#)

Weisbrod, B. A., & Hansen, W. L. (1968). An income-net worth approach to measuring economic welfare. *The American Economic Review*, 58, 1315-1329.

[Google Scholar](#)

Wilhelm, M. S., & Varcoe, K. (1991). Assessment of financial well-being: Impact of objective economic indicators and money attitudes on financial satisfaction and financial progress. *Annual Proceedings of the Association for Financial Counseling and Planning Education*, 184-202.

[Google Scholar](#)

Wilhelm, M. S., Varcoe, K., & Fridrich, A. H. (1993). Financial satisfaction and assessment of financial progress: Importance of money attitudes. *Financial Counseling and Planning*, 4, 181-198.

[Google Scholar](#)

Williams, F. L. (1993). Financial counseling: Low-income or limited-income families. In V. S. Fitzsimmons (Ed.), *Economic changes: Challenges for financial counseling and planning professionals* (pp. 121-145). *Proceedings of the Association for Financial Counseling and Planning Education*, San Antonio, TX.

[Google Scholar](#)

Winter, M., Morris, E. W., & Gutkowska, K. (1999). Constraints, domain conditions, and well-being: Evidence from Poland during the transition. *Journal of Consumer Affairs*, 33, 27-47.

[Article](#) [Google Scholar](#)

Zimmerman, S. L. (1995). *Understanding family policy: Theories and applications* (2nd ed.). Thousand Oaks, CA: Sage.

[Google Scholar](#)

Author information

Authors and Affiliations

**Financial Planning Standards Board of Korea, 17th FL., Seongji Bldg,
Dohwa 2-dong, Mapo-gu, Seoul 121-743, Korea**

Sohyun Joo

Editor information

Editors and Affiliations

Rights and permissions

Reprints and permissions

Copyright information

© 2008 Springer Science+Business Media, LLC

About this chapter

Cite this chapter

Joo, S. (2008). Personal Financial Wellness. In: Xiao, J.J. (eds) Handbook of Consumer Finance Research. Springer, New York, NY. https://doi.org/10.1007/978-0-387-75734-6_2

[.RIS](#) [.ENW](#) [.BIB](#)

DOI	Publisher Name	Print ISBN
https://doi.org/10.1007/978-0-387-75734-6_2	Springer, New York, NY	978-0-387-75733-9

Online ISBN	eBook Packages
978-0-387-75734-6	Behavioral Science
	Behavioral Science and Psychology (R0)

Keywords

[Objective Status](#) [Financial Wellness](#) [Financial Satisfaction](#) [Social Indicator Research](#)

[Money Income](#)

These keywords were added by machine and not by the authors. This process is experimental and the keywords may be updated as the learning algorithm improves.

Publish with us

[Policies and ethics](#) 

Search

Search by keyword or author



Navigation

Find a journal

Publish with us

Track your research