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African American Graduates' Experiences of Managing College Debt

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Walden University

College of Management and Technology

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Christal Blalock

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Walden University
2017

Abstract

African American Graduates' Experiences of Managing College Debt

by

Christal Blalock

MBA, Keller Graduate School of Management, 2005

BS, Johnson & Wales University, 1998

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Management

Walden University

November 2017

Abstract

Higher education is a means to improve professional status and economic mobility; however, mounting college debt has become a hindrance to college graduates, primarily African Americans. A disproportionate number of these graduates incur significant debt while attending college. The purpose of this descriptive phenomenological study was to understand the lived experiences of African American college graduates who were managing debt incurred to pay for their education. Human capital theory and critical race theory provided the conceptual framework. Two research questions motivated this study: How do African American college graduates living in the state of Georgia manage their college debt? What role does college debt play in the career and financial choices of African American college graduates who reside in the state of Georgia? Data collection included semistructured interviews with 20 participants. Data analysis was hand coded to identify 3 themes: pursuit of financial independence, education would improve participants' financial position, and college debt is a burden. A college education has been viewed as the way to improve socioeconomic standing, however, the cost of this education can result in student loan debt that burdens graduates' ability to acquire financial growth, thereby reducing the effect of achieving a college education. Recommendations consisted of two potential areas of improvement: mandatory financial aid counseling for students before high school graduation, and an expansion of the exit interview process for prospective graduates from colleges and universities. Results may contribute to positive social change by enhanced decision-making among college students and their families before graduation, and to improved financial counseling techniques, research methods, and debt decision capabilities.

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Dedication

I dedicate this challenging journey to all the women in my family. I have learned tenacity, empowerment, love, and faith in God from each of you in some profound way. From those who have passed, I feel your spirit embracing me every day in all that I do. You persevered through troubling times of racism, unfairness, heartache, and sacrifice. Through it all, you continued to stand tall with your heads held high to move forward as phenomenal role models for your children, grandchildren, and great-grandchildren. I love and admire each of you. I would be remiss if I did not single out my amazing grandmothers, who each had a hand in raising me and taught me about being a wife, mother, daughter, sister, friend, and child of God.

A special thank you from the core of my heart goes to Madeline Holland, Rachel Blair, Olivia Johnson, and Anna Edwards.

Acknowledgments

I would like to extend a heartfelt thank you to my dissertation committee. I appreciate the time, energy, and guidance you have provided me throughout this process. The dedication and support that Dr. Jeffrey Prinster, Dr. Godwin Igein, and Dr. James Bowman exhibited throughout this process have been priceless. Dr. Prinster encouraged me through military stories, verses from the Bible, kind words when I needed to hear them, and of course prayers.

I thank my husband and children for being patient when I had to complete an assignment or conduct research for my dissertation rather than participate in a family activity. To Michael, Bria, and Justin, thank you for being an awesome family who supports me and encourages me to achieve and exceed the goals I have set for myself. I love each of you with every ounce of my being.

To the most amazing, loving, and supportive mother in the world, I LOVE YOU more than words could possibly express. To all of my extended family, friends, colleagues, and anyone I did not mention directly, but who has made a significant positive impact in my life, I sincerely thank you. Many continued blessings to all of you.

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Chapter 1: Introduction to the Study

This study involved examining the influences of college debt on African American graduates who reside in the state of Georgia. The money students owe on loans continues to increase and affects their financial future (Houle, 2013). Assessing why they incurred debt and how these actions affected their future finances was the focus of this study.

Determination is the key to achieving success and prosperity. Educational success, internal drive, and a fierce determination to achieve goals are typical components of monetary success (Keating, 2015). As people acquire experience and formal education, they develop knowledge and wisdom. Parents naturally want their children to achieve academically, professionally, and monetarily beyond the parents' accomplishments (Houle, 2013). Therefore, college degrees are important to many families.

This chapter includes the background, problem statement, purpose statement, research questions, conceptual framework, nature of the study, definitions of terms, assumptions, scope and delimitations, limitations, and significance of the study. Chapter 1 concludes with a summary that transitions into the literature review and rest of the study. The next section includes a description of the origin and influences of college debt for African American graduates.

Background of the Study

This section includes a review of escalating college debt among African Americans. Education-based debt may consist of loans incurred by students who cannot afford to attend college based on their families' socioeconomic circumstances, a wealth gap among races, and the effects of the Great Recession. This section of Chapter 1 includes a summary of the literature further examined in Chapter 2 and ends with a rationale for the importance of this study.

Socioeconomic Influences

Graduating from college is becoming an expectation in the African American community (Dugan & Vanderbilt, 2014); however, students must consider financial risks when taking on debt (Javine, 2013). Economic disadvantages diminish the likelihood of individuals obtaining a college education, and the positive effects of educational loans may decrease as debts increase. Students take on large amounts of debt early in their college career when the cognitive disconnect between current borrowing and future repayment may be the greatest (Dwyer, McCloud, & Hodson, 2012). Students later realize that they have reached the limit of what they can reasonably afford (Dwyer et al., 2012).

African American students with a lower to middle socioeconomic status who pursue higher education are likely to apply for multiple student loans and other forms of financial assistance (Boschma, 2014; Brachman, 2012). Even if they earn scholarships, they may still need additional funds to cover expenses such as room and board, books, and meal plans. If a family's income is middle, middle-low, or low, it is difficult for parents and other family members to contribute to the educational advancement of the family's youth (Mumper, 2003). Middle-income families earn too much money to qualify for some financial aid packages, but they do not have the savings to cover the cost of college; therefore, students from these families suffer a disproportionate burden of student-loan debt compared to their low- and high-income peers (Houle, 2013). Students of color are more likely to depend on financial aid to attend college and have higher amounts of college debt (Kerby, 2012).

The current loan repayment system strains incomes when earnings are lowest, which relates to socioeconomic status and the likelihood of obtaining viable employment after graduation (Amrine, 2013). As reported in a study conducted at a midsize urban university, African American college students from low socioeconomic backgrounds needed academic and social support (Parks-Yancy, 2012). Professional relationships with individuals such as career counselors might assist students seeking employment opportunities and learning how to manage finances after graduation. The results of a survey conducted by researchers for the National Association of Student Financial Aid Administrators (2015) indicated that financial aid professionals experience resource constraints that affect the provision of adequate counseling and other human-capital-intensive services.

Wealth Gap

Race in the United States, and specifically in the state of Georgia, is an issue that affects the economy, social interactions, and communities (Stanford, 2011). Secondary and postsecondary education systems and the wealth gap are at the forefront of disparities between races (Boschma, 2014). An enormous wealth disparity is the primary cause of the racial gap (Quinton, 2015). The discrepancy in household wealth means that a European American family and an African American family can have the same income but a radically different financial situation. The wealth gap is a disparity rooted in history and means that the average African American family may not have a financial safety net (Quinton, 2015).

As European American families have six times the wealth of African American and Hispanic American families, only 16% of European Americans have student-loan debt, compared to 34% of African Americans and 28% of Hispanic Americans (Ratcliffe & McKernan, 2013). The wealth gap between African Americans and European Americans has tripled since the early 1990s due to inequalities in home ownership, income, education, and inheritances (Boschma, 2014). A family's wealth translates into greater opportunities for family members to use the wealth to finance their education (Ratcliffe & McKernan, 2013).

Great Recession

The biggest reason for tuition increases was not increased spending in higher education institutions but a decline in state and local government support as a result of the Great Recession (N. Johnson, 2014). Median family wealth increased from $87,992 in 2003 to $98,872 in 2007 (Pfeffer, Danziger, & Schoeni, 2014). Although the absolute increase in the median from 2003 to 2007 was about $11,000 (12.4%), increases above the median were considerably greater (Pfeffer et al., 2014). In the aftermath of the Great Recession of 2007 to 2009, net worth declined for many people of multiple races. The 95th percentile declined by over $200,000 (12.8%) between 2007 and 2009, whereas the median fell by $28,000 (28.4%; Pfeffer et al., 2014). During this period, the retirement assets of African American families decreased an average of 35%, whereas European

American families experienced a slight increase (McKernan, Ratcliffe, Steuerle, & Zhang, 2013).

The net worth of African American households fell from $12,124 in 2005 to $5,677 in 2009, which represented a decline of 53% (Kochhar, Fry, & Taylor, 2011). African American households drew a large share (59%) of their net worth from home equity in 2005, and the housing downturn had a strong effect on their net worth (Kochhar et al., 2011). Between 2007 and 2013, the unemployment rate for recent African American college graduates increased from 4.6% to 7.8% (Jones & Schmitt, 2014). The high rates of unemployment, underemployment, and foreclosures during the Great Recession led African American families to contribute less to their children's college education (Scott-Clayton, 2012). As a result, more college-bound students had to apply for more financial aid and loans to cover costs. Student loans can help students finance college degrees, even as tuition prices increase; however, the result can be a heavy debt (Quinton, 2015).

According to the College Board, 27% of African American bachelor's degree recipients in 2007–2008 borrowed $30,500 or more, compared to 16% of European Americans, 14% of Hispanic or Latino Americans, and 9% of Asian Americans (Baum & Steele, 2010). Dependent European American and African American students from families with incomes of $100,000 or more are less likely than dependent European American and African American students from lower income families to have high debt; high debt is slightly more common among students from families with incomes between

$30,000 and $59,999 than among students with either higher or lower incomes (Baum & Steele, 2010).

Degree Worth

The repayment period for most loans matches the life of the investment. Banks do not offer a 25-year loan for a car, but they do so for a house because a car will probably have little worth after 15 years, whereas a house can provide shelter for decades (Dynarski & Kreisman, 2013). Additionally, few families could afford to own homes if they had to pay off their mortgages in less than 10 years. The Hamilton Project is an initiative that supports the idea that the maximum life of education loans should reflect the decades of increased earnings the education may produce. A benefit of restructuring the repayment process is for policymakers to negotiate longer repayment periods that will allow more students to afford college, as some cannot pay off their loans in the standard 10 years without severe financial stress (Dynarski & Kreisman, 2013). A 10-year term was manageable and realistic when the costs of college were less, but as students have had to take on more debt to cover expenses, a 10-year repayment period has become a significant burden (Lambert, 2015).

As yearly statistical data and surveys continue to show increases in tuition costs, heads of households have begun to question whether the cost of college is worth the expense. Students cannot predetermine the value of the economic goods they are purchasing with the tuition fees they pay, as a university education conveys a license to learn, not a guaranteed outcome (Engwall & Scott, 2013). The current study included an examination of the reasons for college debt and added to the body of knowledge on educating college graduates, specifically African Americans, on ways to manage college costs. This phenomenological study involved exploring how and why African Americans have more debt to repay and how educators and leadership staff at colleges and universities can assist in reducing this problem by studying individuals who experienced college debt during the Great Recession.

Problem Statement

African Americans are graduating with more college debt than other minority groups (Houle, 2013). Researchers for the Center for American Progress found that race is a significant factor in the population of graduates who possess the highest amount of college debt (A. Johnson, Van Ostern, & White, 2012). Twenty-seven percent of African American bachelor's degree recipients in 2007–2008 borrowed $30,500 or more, compared to 16% of European Americans, 14% of Hispanic or Latino Americans, and 9% of Asian Americans (Baum & Steele, 2010). The general problem was that college graduates' immediate families share the debt incurred by the graduates, which delays graduates' prospects for financial independence. The debt also contributes to delays in graduates' plans to purchase homes and begin families (A. Johnson et al., 2012). The specific business problem was the management or mismanagement of education-based college debt of African Americans who graduated during the Great Recession and who reside in Georgia. I found no studies in which researchers examined the experiences of African Americans who graduated from college between 2007 and 2009 who exhibited financial independence while managing their college debt. Findings from this study may increase understanding of how African American college graduates perceive and experience the impact of managing their debt.

Purpose of the Study

Many researchers have focused on rising college debt or on the significance of college debt on graduates' futures. However, to my knowledge no researchers have observed the current viewpoints and experiences of African American graduates who incurred debt and are attempting to manage it. The purpose of this study was to examine the experiences of African American college graduates in Georgia who were managing their financial independence while managing their college debt. The focus was to analyze the factors that may explain why African American college students graduate with more debt than other races. An increasing number of African American students are graduating from higher education institutions with high debt that negatively affects their ability to attain financial prosperity (Berman, 2015). The origin of this phenomenon was unclear and needed analyzing to bring awareness to all interested parties and to reduce the number of graduates who fall into unmanageable debt.

The goal was to identify how African American graduates can manage their debt so they can prosper in society. I addressed how management strategies may lower escalating debt to promote positive social change in the lives of the target population and explored strategies used by current college students to avoid making poor financial decisions when paying for college. I used the research questions to explore the experiences of African American college graduates who incurred debt to pay for their education. The findings may benefit new college students, secondary and postsecondary school counselors, and parents who advise students on school choice and how to pay for their education.

Research Questions

The need for the study, statement of the problem, and purpose of the research led to the following research questions (RQs):

RQ1: How do African American college graduates living in the state of Georgia manage their college debt?

RQ2: What role does college debt play in the career and financial choices of African American college graduates who reside in the state of Georgia?

Although a college education remains the path to a middle-class or a higher lifestyle, evidence has begun to mount that student debt may be more detrimental to financial futures than once thought, particularly for those with the highest levels of debt, who are students of color and students from low-income families (Hiltonsmith, 2013). More students are acquiring large amounts of debt due to the rising costs of tuition and fees. Loans often serve as support because they help students gain access to institutions of higher education that they or their families could not have otherwise afforded, but as college costs continue to rise and students incur larger debts, loan repayment is becoming more of a challenge (Chen & Wiederspan, 2014).

Conceptual Framework

The review of literature in Chapter 2 includes a discussion of the origin of the conceptual framework regarding the relationship between college debt and financial management as it relates to human capital theory and critical race theory. A process of qualitative analysis can lead to developing and constructing a conceptual framework (Jabareen, 2009). Qualitative researchers aim to describe and explain a pattern of relationships with a set of conceptually specified categories (Pathak, Jena, & Kalra, 2013). The conceptual framework for this study was suitable for analyzing how the theories of human capital and race affected the choices made by the target population. Through the conceptual framework lens, I analyzed college costs, management of debt after graduation, economic consequences of education-based debt, and the disproportionate amount of college debt among African Americans.

Human Capital Theory

According to human capital theory, tangible forms of capital are not the only type of capital (Becker, 2008). Education, training, and medical care are types of capital because they raise a person's earnings; therefore, economists regard expenditures on education and training as investments in human capital. Americans consider education an investment in human capital because they believe that acquiring knowledge and skills equips people with the tools necessary for success. Through qualitative research, I interviewed participants to determine whether the investment in their human capital met their expectations. Economic growth depends on the connections between new knowledge and human capital, which is why increases in education and training have accompanied major advances in technology (Becker, 2008).

Critical Race Theory

Critical race theory was used to analyze and identify how racial disparities affect college debt (see Delgado & Stefancic, 2001). Researchers have used critical race theory to analyze how institutional racism and wealth gaps affect minorities' ability to pay for college and repay debt after graduation. Although rising college debt is a national issue, there is a significantly higher amount of college debt associated with racial and ethnic minorities (Delgado & Stefancic, 2001).

In many African American communities, families set academic expectations that influence children to pursue a college education (Parks-Yancy, 2012). Some families consider a college education to be a requirement for their children, rather than an option. Other families believe it is possible their children will attend college, but the likelihood is remote due to their financial circumstances or the environment in which they are raising their children. Parents influence educational attainment, marital stability, and contributions to their children's welfare (Becker, 2008). Critical race theory is a means to call action to the disparities people of color experience on multiple fronts when attempting to secure educational attainment (Parker, 2015). As African Americans seek a college education, factors that may affect how they pay for college and the economic returns may relate to racial factors such as wealth gaps, socioeconomic levels, and lack of family savings.

Human capital theory and critical race theory formed the basis of the conceptual framework for this study. These theories provided a means to examine the financial options available to the participant population and factors that contributed to the choices made to finance college education. An analysis of the key elements of the connection between the conceptual framework and the research questions appears in Chapter 2.

Nature of the Study

From a descriptive phenomenological point of view, conducting research involves questioning the way individuals experience the world and understanding the world in which they live (Van Manen, 1997). The design was suitable for interacting with participants and analyzing descriptions of their lived experiences (see Giorgi, 2009). The goal was to analyze data obtained through interviews. Interviews have become the primary data collection procedure associated with qualitative human scientific research (Englander, 2012).

I conducted individual, semistructured interviews to gather data to answer the research questions. Researchers conduct interviews to pose specific questions, but accept and embrace broad responses from participants that may encourage elaboration on a preestablished set of questions and possibly initiate an additional line of questions (Cohen & Crabtree, 2006). Posing open-ended questions enables researchers to identify what participants experienced and how they experienced it (Patton, 2002). The audio-recorded interviews lasted less than 20 minutes with each face-to-face and phone participant. I posted a recruitment announcement on the professional social media platform LinkedIn and distributed flyers (Appendix A) to prospective participants who reviewed and signed a consent form prior to beginning the interview process. The sessions took place face-to-face, over the phone, and via e-mail. The preferred choice of communication was face-to-face when participants' schedules permitted.

The participant pool consisted of African American graduates who borrowed money federally or privately to pay for a college degree earned between 2007 and 2009.

Graduating during a recession has a long-term negative effect on wages and earnings due to the time it takes to build financial mobility (Bell & Blanchflower, 2011). I chose this period to gauge whether graduating from college during the Great Recession had any bearing on participants' college debt experience. Prospective interviewees completed a qualification form prior to accepting the role of a participant to confirm that they met the necessary criteria. Socioeconomic status was a key area to study when determining a significant financial barrier that contributed to debt. Literature reviewed in Chapter 2 indicated that debt among African American is escalating. Findings from the current study may influence positive social change in higher education and local business that may eventually flow to local, state, and federal governments. The intent was to initiate positive change to improve the management of college debt by the target population.

Phenomenological research in human science should include at least three participants (Giorgi, 2009). I used 20 participants. Findings from this study may serve as evidence for additional research and exploration on how escalating debt affects college graduates while attempting to promote positive social change for current and future graduates.

Definitions

Affirmative action: Affirmative-action policies are those in which the leaders of an institution or organization actively engage in efforts to improve opportunities for historically excluded groups in U.S. society. In institutions of higher education, affirmative action refers to admission policies that provide equal access to education for historically excluded or underrepresented groups, such as women and ethnic minorities ("Affirmative Action Overview," 2014).

African American: A large ethnic group in the United States, African Americans are mainly of African ancestry, but many have non-Black ancestors as well (Berlin, 2010). Throughout this study, the terms African Americans and Blacks refer to the same race of people.

Critical race theory: An examination of society and culture, to the intersection of race, law and power (Delgado & Stefancic, 2001).

European American: A person of European and especially White European descent. Throughout this study, the terms European Americans, Whites, and White non-Hispanics are interchangeable.

Great Recession: The Great Recession of 2007 to 2009 in the United States (State of Working America, 2015).

Hispanic American: A U.S. citizen or resident of Hispanic ancestry (International World History Project, n.d.). Throughout this study, the terms Hispanic Americans, Hispanics, and Latinos are interchangeable.

Human capital theory: Investments in education, training, and medical care increase earning potential.

Race-conscious admissions: When admissions staff at colleges and universities consider race as one factor in the admissions process, associated with affirmative action (Hoover, 2013).

Race-sensitive admissions: Admitting students of various races and backgrounds to colleges and universities, as associated with affirmative action (Fund, 2014).

Student debt: A form of debt owed by an attending, withdrawn, or graduated student to a lending institution (Lorin, 2015).

Assumptions

This study included several assumptions:

1. Education is the most important investment in human capital (Becker, 1994, p. 17)
2. The financial experiences of students vary based on race and economic status.
3. The participants would provide clear, reliable, and valid data related to the problem.

Scope and Delimitations

The parameters of this study included African American college graduates who acquired college debt to fund their education. Although Chapters 1 and 2 include references to European Americans and Hispanic Americans, African Americans were the focus because African Americans acquire debt at disproportionate rates compared to other groups identified in the literature and experience negative effects because of the debt. Debt can reduce anxiety and may be less stressful than having to experience hardship. I interviewed graduates who acquired education-based debt during the Great Recession and analyzed their familial economic status and accessibility to grants, scholarships, student loans, and private loans.

Limitations

Research is a means of exploring and understanding the meaning individuals ascribe to a social or human problem (Patton, 2002). The social problem under study was the experiences of members of a specific group. Interviews were the main source of data collection, and I recorded the face-to-face and phone interviews. Nachmias and Nachmias (2008) identified clear advantages and disadvantages of personal interviews. Advantages are (a) flexibility, as interviews allow flexibility in the questioning process; (b) control of the interview situation, as interviewers can ensure participants answer questions in the appropriate sequence; (c) high response rate, as individuals who would not ordinarily reply to a mailed questionnaire will often respond to a request for an interview; and (d) the collection of supplemental information such as background information about participants (Nachmias & Nachmias, 2008). Personal interviews also have disadvantages such as (a) higher costs, which may include selecting, training, and supervising interviewers or travel expenses and time required to conduct interviews; (b) interviewer bias, as interviews can be vulnerable to interviewer bias if there is a lack of standardization in the data collection process; and (c) lack of anonymity, as interviewers often know all or many of the potential participants (Nachmias & Nachmias, 2008).

I recorded and had the interviews transcribed, which was time consuming. Conflicting schedules between the participants and me was a limitation. Fortunately, neither the participants nor I had to reschedule interviews due to personal emergencies or weather-related incidents. My responsibility was to exhibit professionalism and commit to effective communication with participants and any other parties involved.

Significance of the Study

When a society experiences an economic downturn, members of the society will seek higher education to improve their skill sets by earning certifications and degrees to become viable candidates in a competitive job market (Fain, 2014). African Americans are more likely to incur higher amounts of student-loan debt than any other race (Javine, 2013). However, after these borrowers leave college, they fare worse in the labor market and earn less pay than European Americans at every level of education. In this study, I explored how the college-educated African American population in Georgia can overcome and manage escalating college debt.

Significance to Practice

As college costs continue to rise, more students are accruing significant amounts of student-loan debt, which is often impossible to manage with a low-paying job (Mullins, 2010). This pervasive problem requires attention by researchers, community leaders, and political leaders. As of 2013, African Americans constituted 31.4% of Georgia's population (Hagler, 2014). African American workers in Georgia suffered larger spikes in labor-market distress in recent years than European Americans or Hispanic American workers experienced (Tharpe, 2014). The findings of a 2011 study published by the Center on Education and the Workforce indicated that when educational attainment was equal between European Americans and African Americans, African Americans consistently earned less (Dugan & Vanderbilt, 2014).

Although the employment gap between European American and African American workers in Georgia goes back generations, the Great Recession made it considerably worse. Unemployment among African American workers rose 5.9 percentage points from 2007 to 2013, compared to 3.1 percentage points for European American workers and 1 percentage point for Hispanic American workers. Underemployment among African American workers rose 10.4 percentage points from 2007 to 2013, compared to 5.2 percentage points for European American workers and 2 percentage points for Hispanic American workers (Tharpe, 2014). The year 2015 included significant promise for an increase in Georgia's economic growth due to the number of new-construction single-family homes, an upturn in manufacturing jobs, and increased government spending (Humphreys & Knapp, 2013).

Significance to Theory

The research problem referred to the gap in current literature pertaining to African American graduates who may have improved their value as it relates to human capital, but the debts they incurred may negatively affect their finances. Researchers have used human capital theory as an economic lens in studies on education and class levels. An assumption of this theory is that students considering postsecondary education make their choices based on economic factors (Walpole, 2007). The current study involved exploring the effect that human capital value derived from education has had on the African American population in Georgia.

Significance to Social Change

Positive social change refers to a deliberate process of creating and applying ideas, strategies, and actions to promote the worth, dignity, and development of individuals, communities, organizations, institutions, cultures, and societies (Walden

University Center for Research Quality, 2015). The findings from this study may promote positive social change in the education and business industries. Accelerated college costs affect higher education by increasing student debt and deterring prospective students from enrolling in college.

The rate of unemployment and underemployment experienced by college graduates has negatively affected a wide range of businesses. The 2014 underemployment rate was 16.8%, and the unemployment rate was 8.5% for young college graduates (Shierholz, Davis, & Kimball, 2014). The unemployment rate for college graduates was 13.7% for African Americans, 8% for Hispanic Americans, and 7.8% for European Americans (Booker, 2014). Additionally, due to the progress of economic recovery and modest improvements in the unemployment rate, members of the Class of 2015 had better job prospects than the members of the classes of 2009–2014 did (Davis, Kimball, & Gould, 2015). However, the Class of 2015 still faced economic challenges, as evidenced by elevated levels of unemployment and underemployment and a large share of graduates who remained idled by the economy. Researchers at the Economic Policy Institute publish a yearly report on recent high school graduates (ages 17–20 years) and college graduates (ages 21–24 years) not enrolled in further schooling that includes employment, enrollment, and wage trends (Davis et al., 2015). The findings for 2015 included an unemployment rate of 7.2% compared with 5.5% in 2007, an underemployment rate of 14.9% compared with 9.6% in 2007, and unemployment rates of African Americans and Hispanic Americans that were substantially higher than the unemployment rates of European Americans.

The rising cost of higher education and the subsequent decreasing ability of parents to provide financial support for their children's college education have created a difficult situation for young adults (Kim, Chatterjee, & Kim, 2012). More graduates are moving back to live with their parents to save money while seeking employment comparable to their earning potential (Dickler, 2012). Graduates who are unemployed or underemployed are not in a financial position to pay property taxes that help cover the costs of roads, emergency services, and public schools in their communities, nor are they contributing to revenues for their local government agencies that facilitate the social services that many of these graduate's use (Booker, 2014). As more people incur debt to pay for their college education, it may take longer for graduates to hit key milestones, such as purchasing a home (Mitchell & Jackson-Randall, 2012). Repaying student loans may delay the ability to save for a down payment or to qualify for a mortgage.

Based on the results of this study, action plans, alternatives to escalating tuition costs, and suggestions to revamp the current system of student-loan repayment can help African American college graduates in Georgia be in a better position to enter the job market without staggering debt that may hinder them from becoming homeowners and investing in their futures. Young people need a quality education to obtain jobs that increase the nation's competitiveness and to earn incomes, so they can contribute to the economy. Through this study, I filled gaps in the current literature in which researchers had neglected to capture the experiences of African American graduates who incurred education-based debt during the Great Recession.

Significance to the Business Field

According to Hersh and Merrow (2005), higher education is both democratic and elitist. Some institutions have lenient admissions requirements, whereas others reject eight of 10 applicants. Researchers at the National Center for Education Statistics (NCES, 2016) reported 1,840,000 degrees awarded in 2012–2013, of which 361,000 were in business fields. Graduates who earn business degrees, specifically management and marketing degrees, are expected to use the skills, knowledge, and education they acquire to complete tasks in the workplace (Schlee & Harich, 2010). The human capital value of graduates who are educated employees in their field has increased. According to the Economic Analysis and Research Network (Berger & Fisher, 2013), there is a clear and strong correlation between the educational attainment of a state's workforce and median wages in the state. If an individual's wages increase with education, then wages across the economy are likely to increase as more people have higher levels of education (Berter & Fisher, 2013).

Higher education is a lucrative business that becomes increasingly attractive to prospective students through enticements with benefits (Mumper, 2003). As customers, students cannot predetermine the value of the educational services they are purchasing. Although a college education provides students with life skills and academic knowledge, it does not guarantee success and financial prosperity (Engwall & Scott, 2013). Consumers of higher education are similar to consumers who shop online or in physical retail spaces for goods and services. If an institution does not supply what students want, the students will go somewhere else (Woodson, 2013). This business mentality leads to more institutions providing high-priced amenities that students from lower socioeconomic classes cannot afford and that only meet the desires of upper-class families. College students are willing to pay large sums for expensive degrees because they commit to the notion that the value on return will be high (Avery & Turner, 2012). Although leadership staff at colleges and universities are good at creating inclusive mission statements and diversity action plans, attaining these goals can be difficult, if not impossible, with rising college costs (Ledesma & Calderon, 2015). Educators and leadership staff should ensure students are able to repay their student loans by providing the support and guidance necessary for the students to understand the implications of their borrowing decisions. Companies face an increased number of human capital needs, and business leaders spend more than $55 billion on organizational productivity and performance improvement initiatives to increase the human capital value of their employees (Thompson & Webber, 2016).

Summary and Transition

Chapter 1 included the introduction, background of the study, problem statement, purpose of the study, research questions, conceptual framework, nature of the study, definitions of terms, assumptions, scope and delimitations, limitations, and significance of the study regarding the influence of rising college debt on the target population. Although a college education remains the surest path to a middle-class or higher lifestyle, evidence has begun to mount that student debt may be far more detrimental to financial futures than once thought, particularly for those with the highest levels of debt: students of color and students from low-income families (Hiltonsmith, 2013). The findings from the current study may be useful to leaders of higher education institutions, high school administrators, career counselors, and policymakers who desire to build a positive relationship between college graduates and their career goals. Students may use this knowledge to plan for funding college expenses as well as to plan for paying off debt.

Chapter 2 consists of the literature review. Topics include the evolution of higher education in the United States, debt behavior, and financing options, as well as perceived causes of increased college costs. Chapter 3 includes an overview of the methods used in this study. Results from the study are presented in Chapter 4, and Chapter 5 concludes the study with recommendations for future research.

Chapter 2: Literature Review

The problem addressed in the current study was the management or mismanagement of the education-based college debt of African Americans who graduated during the Great Recession, and reside in the state of Georgia. The purpose of this study was to examine participants' experiences regarding financial independence. This chapter includes an analysis of how the business of postsecondary education affects African American graduates in relation to high tuition costs and the probability of acquiring gainful employment upon graduation. The current literature includes information on college debt in the African American community, with mixed findings on why this population has a higher proportion of education-based debt than other races. Several researchers found that the rising student debt continues to be a concern, as a significant number of individuals are unable to repay their loans (Chen & Wiederspan, 2014), whereas others found that acquiring higher education is beneficial despite the cost (Dwyer et al., 2012).

Researchers have provided insight into the decision-making process of students when determining which type of college to attend, especially in light of escalating tuition costs. Researchers have also addressed how colleges and the federal government contribute to the causes of escalating college debt and the financial burdens that affect African Americans. Other researchers have identified how unemployment and underemployment encountered by graduates of 4-year colleges and universities have negatively affected the economy. This chapter includes the literature search strategy, followed by sections on the evolution of higher education for African Americans, college debt, affirmative action, debt behavior, effect of college debt on the economy, students and families affected by college costs, financial options, college accountability, and career management and degree selection.

Literature Search Strategy

Literature was identified using Google Scholar and online Walden University library databases such as EBSCOhost, Business Source Complete, Sage Premier, Academic Search Complete, Education Research Complete, Sage Journals Online, ProQuest ABI/Inform Complete, and ProQuest Dissertations & Theses. Search terms included the following: *college debt*, *tuition costs*, *college graduates*, *African American*, *African American graduates*, *minority debt in Georgia*, *Georgia economy*, *recession*, *Great Recession*, *higher education*, *phenomenological*, *unemployment*, and *underemployment*. The peer-reviewed articles provided credibility and substance to the literature review. Researchers used the terms Black and African American interchangeably. Books, dissertations, and government agency reports served as additional sources of data.

Conceptual Framework

Researchers use concepts as a broad explanation for behaviors and attitudes exhibited by people. Human capital theory and critical race theory were suitable lenses through which to determine how both theories may affect the life choices of African American college graduates who incurred debt during the Great Recession. Some researchers acknowledged that higher education is a public good through which individual participation accrues benefits for the larger society (Harper, Patton, & Wooden, 2009). The review includes details regarding how researchers have addressed the phenomenon of African American graduates incurring more debt than other minorities or European Americans, specifically those who reside in Georgia. I highlighted research that shows the value of a college degree compared to a high school diploma when determining earning potential (see Becker, 1994).

According to human capital theory, investments in children largely depend on parents' resources (Houle, 2013). Parents with greater financial capital can invest in their children's futures, which include their educational advancement (Houle, 2013). Supporters of human capital theory have suggested that college graduates, compared to high school graduates, have a higher earning potential; therefore, they have a stronger likelihood of obtaining financial prosperity (Becker, 1994). Education and training are the most important investments in human capital (Becker, 1994), regardless of a person's race, socioeconomic level, or geographic location. However, findings from recent literature indicated that a college degree may not yield the professional and financial benefits initially intended. African Americans are less successful at completing a college education with manageable debt than other races and at obtaining gainful employment in their fields of study. Researchers have shown that African Americans may experience a lower return on their investment in education. The disproportionate levels of student-loan debt that African Americans face can result in a discouragingly steep path to financial security, even with the benefit of a college degree (Quinton, 2015). In the current study, I used human capital theory to explore how African American college graduates in Georgia flourished financially and contributed to the local economy.

The critical race theory movement includes a collection of activists and scholars interested in studying and transforming the relationship among race, racism, and power (Delgado & Stefancic, 2001). Critical race theory originated in the mid-1970s in the

United States as several lawyers, activists, and legal scholars agreed that advances of the civil rights era of the 1960s needed updating to address and combat subtler forms of racism in various areas of society, including higher education (Delgado & Stefancic, 2001). Delgado and Stefancic (2012) set out to understand the hierarchical structure in society that affects race, discrimination, and power for people of color. Delgado and Stefancic aimed to understand why racism was occurring and how it affected African Americans. The current study involved using critical race theory to examine participants' experiences as African American college graduates who managed or mismanaged their college debt.

The two different schools of thought regarding racism described by Delgado and Stefancic (2012) are idealism and realism. Idealists believe that racism is socially constructed, and that people are in control of the words and actions that make up racism (Delgado & Stefanic, 2012). According to this ideology, people hold the power to turn racism on and off. Realists believe racism is born out of slavery and the dominant culture's need to distribute privilege and power. The literature identified in this study and questions posed to participants in interviews were used to explore how low to middle socioeconomic levels, a familial lack of college savings, a wealth gap among races, and increasing costs of higher education contributed to African American graduates' management of their college debt.

African Americans have faced many challenges and obstacles throughout history. The history of the United States reveals many injustices that African Americans endured that made it nearly impossible for them to acquire family wealth (Bradford, 2014). From slavery to segregation, African Americans experienced forced hardships upheld by federal, state, and local laws. Laws, rules, and cultural improprieties such as not being allowed to read, write, attend adequate schools, or keep the wages they earned for labor directly affected African Americans' ability to save their wages to purchase property, gain academic knowledge, or plan their future or the futures of their offspring (Anderson, 1988). The right to obtain an education and pursue career choices in a free and open society has been a leading issue in the advancement of African Americans. The literature revealed that a wealth gap exists between European Americans and African Americans. The economy has experienced an increase in income and in wealth inequality for many decades, and the slow recovery from the Great Recession may continue to generate increased wealth inequality (Pfeffer et al., 2014). The wealth gap among Americans and the extended period in U.S. history when European Americans did not allow African Americans to read, write, attend public school, and earn a college degree contributed to the disproportionate amount of college debt incurred by African Americans.

Literature Review

The objective of the literature review was to analyze the nature of college debt for African Americans, explore the factors that generate a need for education-based loans, and determine the role college debt plays in the life of students after graduation. The need for the study arose from identifying a lack of information regarding the management of college debt by African American graduates who earned degrees during the Great Recession. The literature review was influential in formulating the conceptual framework for this study and in identifying the methodology for answering the research questions.

As yearly statistical data and surveys continue to show increases in tuition costs, many heads of households must determine whether the cost of college is worth the education obtained (Jackson & Reynolds, 2013). If the cost of higher education continues to rise, college debt may outweigh the potential income of a white-collar job (Lankford, 2009). A frequent conversation among prospective college students, families, and the general population is why college costs are rising. The colleges that attract students have high-technology media centers, dining halls that offer gourmet food, dormitories that rival high-end apartments, new-age programs that they claim set them apart from competing schools, and other incentives that entice students living on their own for the first time. Through marketing strategies, some colleges appeal to students' vanity with the ostentation and glamour of climbing walls, hot tubs, and sleeping pods (Rampell, 2012). Public and private colleges have 4-year degrees in many disciplines for varying prices. Although the government may grant funds to private schools, a primary responsibility of private school leaders is to acquire funds for day-to-day costs.

An alternative for affordable higher education is community college. Community colleges are often an option for students who wish to pursue a technical degree, who may not be eligible for acceptance into 4-year colleges due to grades, or who face financial challenges (Stein, 2013). Community colleges have an array of technical programs that include accounting, automotive technology, cosmetology, business, culinary arts, and health care. Programs can lead to certifications, associate's degrees, or both. Four-year colleges and universities accept transfer students who earn 2-year associate's degrees. For many students, this is the most viable way to obtain a 4-year degree and to decrease the cost of college upon graduation (Stein, 2013). The following sections of the literature review include subject matter on African Americans' college debt, affirmative action, debt behavior among graduates, the effect of college debt on the economy, students and families affected by education-based debt, financing options, college accountability, and career management and degree selection.

Evolution of Higher Education for African Americans

The United States has a rich history in education. It also has a lengthy and shameful history of the treatment of minorities and those with minimal power in the social and economic structure of the country (Mazama & Lundy, 2015). In theory, the attainment of education, especially college education, is an indication of individuals' drive and commitment to improve their life. From slavery, to the civil rights era of the 20th century, to current human rights issues, the economic and political advantages and disadvantages of Black and White wealth have resulted in disparities not yet reconciled (Rab, Kelchen, & Houle, 2014). Unlike European Americans, African Americans did not receive the same opportunities or permission to advance in education beyond basic skills learned through life experiences and the skills of hard labor to survive in a racially motivated society.

The first African American attended college in the 1820s (Harper et al., 2009). In 1823, Alexander Lucius Twilight completed collegiate studies, and Middlebury College in Vermont awarded a degree (Harper et al., 2009). Oberlin College became the first institution to admit African American students openly in 1835. Although some institutions graduated one or two African Americans prior to the founding of Oberlin in 1833, no others had policies specifically permitting African Americans to attend in large numbers (Harper et al., 2009). After the American Civil War, only 28 of the nearly four million newly freed slaves had received bachelor's degrees (Sanso-Navarro, Sanz, & Vera-Cabello, 2014). European Americans did not encourage African Americans to experience financial advancement or obtain independence as an accepted social norm, especially through higher levels of education and career training (Mazama & Lundy, 2015). Although the few who obtained an education experienced changes in their lives, more work was still necessary to increase access to higher education.

One of the most relevant access-related policies for public higher education, and subsequently for African Americans, emerged in 1862: the first Morrill Land Grant Act that led to the beginning of the agricultural and mechanical arts educational movement, which provided funds and 30,000 acres of land to establish public institutions in every state (Harper et al., 2009). The second Morrill Act of 1890, which mandated the distribution of funds for education in 17 states, extended access to African Americans (Harper et al., 2009). The act also legalized the segregation of Black and White public institutions and emphasized a curricular focus on mechanics, agriculture, and the industrial arts. Progressive thinking and the implementation of laws such as the Morrill Act contributed to the attainment of social, academic, and economic equality.

Enrollment numbers of African American students at high-ranking colleges and universities have improved since the early 1990s ("The State of Black Student Freshman Enrollments," 2009). Researchers have reported that African American students who earned a 4-year college degree had incomes that were substantially higher than African Americans who had only some college experience but had not earned a degree. Widespread access to college generates a problem of how to fund increased enrollments, especially as new enrollees include many students from families with fewer financial resources (Dwyer et al., 2012).

In the next three sections, I elaborate on how the access to college admission among African Americans affects debt accumulation. Additionally, I discuss affirmative action and describe it as a contributing factor to African Americans gaining admission to colleges. The third section addresses debt behavior.

African Americans and College Debt

The cost of a college education has continued to increase (Baum & Ma, 2013). Race and socioeconomic status also play a significant role in determining which groups experience the highest amount of college debt. African American students are much more likely to borrow for college than their European American, Hispanic American, and Asian American counterparts (Jackson & Reynolds, 2013).

Many African Americans believe educational attainment, entrepreneurship, and increased wealth are the most realistic and productive ways to narrow the wealth gap (Bradford, 2014). Minority families lost more wealth than White families did during the recent recessionary period (Rab et al., 2014). The median wealth of White families is approximately $124,000, compared to $16,000 for Black families (McKernan et al., 2013). Significant contributing factors to racial disparities in wealth are rates of employment, years of homeownership, levels of education, and differences in inheritances (Rab et al., 2014). Education attainment is a path to overcoming the wealth gap among races, specifically between European Americans and African Americans (Ryan & Bauman, 2016). African Americans identified as low or middle class incur more debt to satisfy the need for educational attainment (Houle, 2013).

Affirmative Action

African American students encounter more obstacles to college admittance than other races (Cokley, Obaseki, Jackson, Jones, & Gupta, 2016). African American high school graduates are not as prepared for a college-level curriculum, as other racial or ethnic groups (Cokley et al., 2016). This disparity is partly due to the substandard levels of education in urban and rural school systems due to poor infrastructures, unqualified educators, and a lack of resources such as adequate college preparatory courses.

The benefits of affirmative action improve the educational outcomes of African Americans. Graduation rates play an important role in measuring the success of affirmative action programs and initiatives. Many opponents of affirmative action contend, often without considering the actual data, that race-sensitive admissions damage Black graduation rates ("Black Student College Graduation Rates Remain Low," 2006). The graduation rates of Black students at the highest ranked colleges and universities in the United States have continued to increase (Flores & Park, 2013).

The leaders of academically selective and high-ranking institutions often actively commit to affirmative action in admissions and tend to deliver a successful graduation rate for Black students. This information refutes the notion or stereotype made by those who oppose affirmation action that Black students admitted to the most prestigious colleges and universities under race-conscious admissions programs are incapable of competing with their White peers and should seek admission to less academically rigorous schools ("Black Student College Graduation Rates Remain Low," 2006). The fact that almost all entering Black students at Harvard, Amherst, Princeton, and several other highly ranked colleges and universities earn diplomas shows they compete successfully at the most prestigious U.S. institutions of higher learning.

Debt Behavior

Higher education loans have put students in a precarious position (Grant, 2011). There is no guarantee that graduates will obtain employment at the level of their education, which would enhance their ability to repay their loans. The need for increasing numbers of students to borrow money coincides with expanded criteria for assuming credit. Those previously excluded, including young adults, become prime targets for the expansion of credit and repayment (Dwyer et al., 2012). Graduates who are unable to repay promptly become delinquent, which negatively affects their credit. As many as one in four borrowers who have begun repaying their college debt are behind on payments (Mitchell & Jackson-Randall, 2012). The increase in loan delinquencies and borrowing has led to concerns about students' ability to repay their debt obligations (Mezza & Sommer, 2015). Filing for bankruptcy, and including loans in the list of debts has become more common. In 1978, U.S. Congress began to withdraw bankruptcy protection from student loans unless repayment would present an undue hardship (Grant, 2011). Scholars contended that rising indebtedness links directly to increasing inequality, as lower and middle-class families have stagnating incomes, yet affluent families have moved forward (Dwyer et al., 2012).

Policy-makers express concern with the use of federal loans, and have begun to institute restrictions when applicants attempt to access these loans. Of students who left college with loans in 2011, 10% defaulted within two years (Rab et al., 2014). Increasing numbers of defaults have raised concerns about the ability of borrowers to repay loans, particularly Parent Loans for Undergraduate Students (U.S. Department of Education, Federal Student Aid, n.d.-b), which do not have income-based repayment options (Rab et al., 2014). A 2012 report by analysts at the Federal Reserve Bank of New York indicated that, of the 37 million borrowers who had outstanding student-loan balances in the third quarter of 2011, 14.4%, or about 5.4 million borrowers, had at least one past-due student-loan account (Monks, 2014). The past-due balances cumulatively amounted to $85 billion, or approximately 10% of the total outstanding loan balance (Monks, 2014).

Prospective college students, current students, and graduates have concerns about repaying college debt (Quinton, 2014). Fifty-seven percent of people with student loans have concerns about the possibility of being unable to repay their debt (Ratcliffe & McKernan, 2013). These matters affect multiple races but are more prevalent in some socioeconomic and racial groups. The spending habits and financial management of students' high debt levels have links to negative consequences such as damaged credit and stress-related health problems (Chan, Chau, & Chan, 2012).

High debt does not necessarily lead to repayment difficulties; however, borrowers with relatively small debts can struggle if they have low earnings, whereas those with high incomes can pay off large debts without undue hardship (Baum & Johnson, 2015). As a result of escalating college costs, responsible students may alter their intended career path for fear they will not be able to maintain timely payments or pay off their loans. Indebted students may ignore their debt by not remaining informed about their total debt or about how much their payments will be after they graduate (Mullins, 2010). In 2012, outstanding student loans became the largest nonmortgage source of household debt (Shaffer, 2014).

Authors of the Hamilton Project (2015) described the similarity between education and a business deal. In a business deal, a borrower puts up collateral to fund a potentially profitable investment. The collateral typically includes any capital goods such as a building or machinery (Dynarski & Kreisman, 2013). Similarly, homeowners use their homes as collateral when they take a mortgage. However, students cannot put themselves up as collateral. Despite the subsidies provided by the federal government, students and their families must often borrow to finance a college education (Hershbein, Harris, & Kearney, 2014). According to the U.S. Department of Education's *National Postsecondary Student Aid Study*, 69% of graduates from the class of 2012 who earned a bachelor's degree left school with student debt, and the median balance was $26,500 (Radwin, Wine, Siegel, Bryan, & Hunt-White, 2013). Due to rising costs, students and their families are questioning the value of their degrees when the time comes to repay the debt. In the following section, I discuss how the Great Recession affected society, especially college students and their ability to manage the costs of college.

Impact of the Great Recession on the Economy

The Great Recession of 2007–2009 negatively affected employment opportunities for recent college graduates. Seasoned professionals who had successfully achieved financial prosperity faced an economic downturn that caused many people to file for bankruptcy, lose their homes to foreclosure, lose vehicles to repossession, and become delinquent on student-loan debt. Demand for higher education increases during times of economic distress. Job losses and a weak job market drive people back to college to retrain and gain new skills (Chitty, 2009).

During a recession, states face cutbacks that affect budgets at every level of education. Funds allocated for public institutions of higher learning often undergo the most change. Higher education usually falls under discretionary spending (Rampell, 2012). Higher education leaders reported an increase of adult learners returning to college, in conjunction with an increase of high school students looking to attend college (Chitty, 2009). In the early 21st century, college graduates' earnings were approximately 90% higher than high school graduates' earnings, and the rate has continued to increase (Torche, 2011). The college premium, which refers to the difference in median wage between high school and college graduates, was nearly $24,000 in 2013 (Tharpe, 2014). Despite the increase in college enrollment of newly graduated high school students and adult learners returning to school, the economic downturn hindered students' ability to pay for college, which led to an increase in applications for aid (Chitty, 2009).

President Obama signed the Student Aid Bill of Rights in March 2015 (White House, 2015). President Obama also signed a presidential memorandum in 2015 directing leaders in the U.S. Department of Education and other federal agencies to work across the federal government to do more to help borrowers afford their monthly loan payments. It included (a) a complaint system to ensure quality service and accountability for the U.S. Department of Education, its contractors, and colleges; (b) steps to assist students with setting up affordable monthly payment to repay their loans; and (c) new steps to analyze student debt trends and recommend legislative and regulatory changes (White House, 2015). The Student Aid Bill of Rights reads as follows:

- Every student deserves access to quality, affordable education at a college that is cutting costs and increasing learning.

- Every student should be able to access the resources needed to pay for college.
- Every borrower has the right to an affordable repayment plan.
- Every borrower has the right to quality customer service, reliable information, and fair treatment, even if they struggle to repay their loans. (White House, 2015, para. 3)

In Georgia, more than 1.4 million student-loan borrowers accrue an average debt per borrower of $30,443 (Otani, 2015). Georgia is leading the country in individuals with high student debt; only Washington, DC, has a higher average of $40,885, which is considerably higher than the national average of $28,400 (Otani, 2015).

The Board of Regents of the University System of Georgia (USG) approved a tuition increase for state public colleges and universities for the 2015–2016 academic year. For the 3 preceding academic years, the USG regents kept tuition increases as low as possible (USG, 2015). Chancellor Hank Huckaby of USG stated, “To ensure we can continue to offer quality public higher education, we must continue to invest in our institutions” (USG, 2015, para. 3). Huckaby also stated, “We have carefully assessed the tuition rates for our institutions to make sure we are balancing the increasing costs of providing public higher education while keeping tuition and fees as affordable as possible” (USG, 2015, para 3). These statements conflicted with information provided in the *Atlanta Journal Constitution* dated the same day USG released the tuition increase (Davis, 2015). Among the USG colleges and universities, 20 had a rate increase of 2.5%, and 10 USG institutions had different rate increases. According to USG (2015), funding covered most of the system’s costs in the past, with tuition funding 25%; however, due to state funding cuts in recent years, the ratio of tuition to state funding is closer to even, which ultimately leads to passing the costs onto students. Details about increased tuition costs and how these costs affect students and their families appear in the next section.

Students and Families Affected

As human capital relates to value associated with an individual, it is important not to discount the influence of families on the knowledge, skills, values, and habits of their children (Becker, 1994). Parents have a prominent effect on their children's lives and education. In the mid-1980s, parents frequently helped pay for their children's college tuitions. Parents may have adjusted their budgets to accommodate an additional financial sacrifice, but parents in the 21st century have a more limited ability to help with college debt. Parents are often paying off the debt they accumulated in college themselves and cannot offer much help to the next generation. Other sacrifices may include taking a second job, postponing retirement, and taking out personal loans or second mortgages (Lankford, 2009). Parents are the most influential agents of socialization in their children's lives; therefore, active parental influences include explicitly teaching and demonstrating financial concepts and encouraging financial literacy (Kim et al., 2012, p. 57).

Analysts at the National Bureau of Economic Research (2015) reported that trends in financial aid continued to change, especially during the recession of 2007–2009, when unemployment and home foreclosures were at an all-time high, which resulted in smaller state appropriations to public higher education institutions. College-educated Blacks are also more likely than individuals of other races who have degrees to experience underemployment. The rate of young African American college graduates who experienced underemployed increased by 10 percentage points to 56% since 2007 (Ross, 2014).

The average published tuition and fees for in-state students at public 4-year colleges and universities increased from \$8,646 in 2012–2013 (Baum & Ma, 2013) to \$8,893 in 2013–2014, \$9,139 in 2014–2015 (Baum & Ma, 2014), and \$9,410 in 2015–2016 (Baum, Ma, Pender, & Bell, 2015). Average published tuition and fees at private, nonprofit, 4-year institutions rose by \$1,105 (3.8%), from \$28,989 to \$30,094 in 2013–2014, to \$31,231 in 2014–2015 (Baum & Ma, 2014), and to \$32,405 in 2015–2016 (Baum et al., 2015).

In results reported by a 2014 survey conducted by Ipsos Public Affairs and reported by Sallie Mae (2014), enrollment in 2-year public colleges reached 34% in 2013–2014, which was an increase from 30% the previous year. At the same time, enrollment at 4-year public colleges declined from 46% to 41%. Although the proportion enrolled at 4-year private colleges remained the same year over year (22%), the average spending at that type of institution reflected a reduced cost to the families who chose them. The average yearly amount spent for 2-year public colleges was \$11,012, which was a slight increase of \$344 from the prior year, but \$10,060 less than the amount spent at 4-year public schools. The average amount spent for 4-year public institutions was \$21,072, which was an increase of \$1,276 from 2013 and similar to the reported spending in 2012 (Sallie Mae, 2014). Many families have concluded that, depending on the student’s career aspirations, pursuing an associate’s degree at a 2-year college and then transferring to a 4-year baccalaureate institution may be the best way to minimize the cost of college.

A significant challenge faced by leaders of institutions of higher education is to provide affordable education. Many potential students and their families have become more astute when making decisions about higher education. When narrowing the list of schools to apply to, students must weigh their options and analyze the costs and benefits of each college (Chitty, 2009). The economy had improved as of 2014 (Fannie Mae, 2014), and state tax revenues were increasing, but so were state spending obligations (Rampell, 2012). Members of the Joint Economic Committee, U.S. Congress, reported on the causes and consequences of increasing student debt, which resulted in findings that state subsidies and grants have declined and left students and their families to bear more of the burden (Joint Economic Committee, 2013; Monks, 2014).

Sallie Mae (2014) is the primary financial-services company specializing in education. Every year since 2008, Sallie Mae leaders have released an annual *How America Pays for College* study. According to the 2014 survey, out-of-pocket contributions, mainly from parents, rose in 2014 after three years of decreases. Parent income and savings paid 30% of college costs in 2014, and student income and savings paid 12% (Sallie Mae, 2014). High-income parents contributed a more substantial share than middle- and low-income parents did. Based on these findings, parents from a higher socioeconomic level were able to pay more toward their students' education to reduce the likelihood of their students incurring more debt for their college educations. Parents in lower-income families were not in a financial position to pay for their students' educations, yet the students contributed to their educations, primarily from jobs they acquired while attending secondary school (Sallie Mae, 2014). Institutions that admit affluent students should have lower levels of student borrowing than colleges that cater to less wealthy students (Monks, 2014).

Socioeconomic status plays a significant role in determining the basis of lived experiences of individuals and groups on economic growth and decline. Researchers can differentiate dependent students according to their parents' income levels (Baum & Johnson, 2015). One reason students from lower income families are overrepresented among graduates with high cumulative debt is that these students are likely to have earned certificates or associate's degrees, which take less time; the percentage earning bachelor's degrees increases with family income (Baum & Johnson, 2015).

Crosnoe (2009) reported the propensity score analyses and calculations for a sample of public high schools in the National Longitudinal Study of Adolescent Health. This study brought to the forefront various obstacles experienced by African American youth who are predominantly raised in low- or middle-income households but encouraged to pursue secondary and possibly postsecondary education in neighborhoods with a higher socioeconomic status. Crosnoe indicated that poor students might face greater competition for academic credentials and more risk for stigmatization in middle-class schools than in schools with similar peers.

Crosnoe's (2009) analysis contradicted the arguments fought for and won in the civil rights case *Brown v. Board of Education*, which Patterson (2002) noted outlawed race-based segregation in the United States. If low-income and the lower range of middle-class students experience the advantages of higher socioeconomic environments often associated with better schools, resources, opportunities, and teachers, then these students may have a stronger likelihood of succeeding academically. Crosnoe showed that advanced coursework and social belongingness experienced by low-income students, predominantly African Americans, negatively affected their academic success. In the next two sections, I detail various financing options students use to obtain funds for college and how the government and leaders of colleges and universities perceive themselves to be accountable for the rise of student debt.

Financing Options

The Federal Student Loan Program started guaranteeing loans in 1965 as a small division of the U.S. Department of Education that served to secure private loans in exceptional cases where a person wanted to attend college but lacked the means to pay or lacked credit to obtain financing (Grant, 2011). The program expanded and accounts for more than half the revenue produced in many higher education institutions, as student loans have become a staple of U.S. education (Grant, 2011).

Some analysts believe the government should limit how much parents can borrow. Federal Parent Loans for Undergraduate Students have a 7.9% interest rate, whereas rates on federal loans to undergraduate students range from 3.4% to 6.8% (N. Anderson, 2013). Parents also face higher borrowing fees and can borrow more (N. Anderson, 2013). Those willing to incur debt to help fund their students' college education become vulnerable by taking on excessive debt.

U.S. Congress passed several student-aid bills before the economic downturn of 2007 entirely affected the U.S. economy (Chitty, 2009). These measures increased student-aid and loan limits and made some qualification requirements easier. State legislators send billions of dollars annually to public colleges and university systems. Pell Grants offset the cost of schooling for disadvantaged students (Hurwitz, 2012). Federal tax breaks, such as higher education tax credits and deductions for tuition, further reduce the after-tax cost of attending college. School endowments and the institutional grants that tax credits provide often result in a significant difference between the total cost of education and what students and their families have to pay (Hershbein et al., 2014).

College Accountability

Leaders of colleges and universities feel pressure to control tuition and total costs or risk losing vital federal support (Monks, 2014). Through hard work, sacrifice, and dedication to their studies, students expect that, upon graduation, they will have the skills and knowledge necessary to gain employment commensurate with their education level to become positive economic contributors to society. Cuts in state funding for public colleges and universities have led to increased tuition costs, which have affected the educational experiences of students by faculty and staff reductions, fewer course offerings, and increased campus closures (Mitchell, Leachman, & Masterson, 2016). These choices have made college less economical and accessible for those who want to earn degrees (Mitchell et al., 2016).

In reaction to concerns from the U.S. Government Accountability Office, U.S. Congress, and the tax-paying public, leaders at the U.S. Department of Education introduced a policy rule on gainful employment in 2010 (Serna, 2014). The focus of the policy is on defining profitable college education in conjunction with employment, and the policy generated debt restrictions to halt excessive loans accumulated by students at for-profit higher education institutions. Although traditional public and private schools are not exempt from this policy, the focus is on for-profit organizations that tend to market to and enroll higher proportions of students from socioeconomically disadvantaged backgrounds and underrepresented groups (Serna, 2014). In 2010, researchers at the U.S. Government Accountability Office conducted an undercover investigation that tested 15 for-profit colleges and found that representatives at every school "made deceptive or otherwise questionable statements" to applicants (Appel & Taylor, 2015, p. 31).

Aligned with the Higher Education Act of 1965, as amended, many institutions of higher education are eligible to participate in Title IV programs, including for-profit organizations. The goal of the act was to ensure income, gender, race, religion, and geography were not barriers to college attendance (Hersh & Merrow, 2005). For-profit higher education institutions have become a favorite topic of discussion and investigation of rapidly increasing college debt (Appel & Taylor, 2015; Gramling, 2011; Lillis, 2010). Critics of for-profit institutions contend that many schools and programs leave students with large amounts of debt, few employable skills, and at a higher risk of not completing a degree at all.

In 2011, the Obama administration released final regulations requiring career college programs to prepare students for gainful employment more efficiently or risk losing access to student aid (U.S. Department of Education, 2011). The goal of many career programs is to help prepare the workforce for sustainable jobs, but too many students at these for-profit schools take on insurmountable debt in exchange for degrees and certificates that fail to help them get jobs (Serna, 2014). Gainful employment regulations will increase to give college leaders time to reform while protecting students and their families from exploitative programs.

To qualify for federal aid, the law requires that leaders of most for-profit programs and certificate programs at nonprofit and public institutions design the programs to prepare students for gainful employment in a recognized occupation. Under the 2011 regulations, a program will lead to gainful employment if it meets at least one of the following three metrics: (a) at least 35% of former students are repaying their loans, (b) the estimated annual loan payment of typical graduates does not exceed 30% of their discretionary income, or (c) the estimated annual loan payment of typical graduates does not exceed 12% of their total earnings (U.S. Department of Education, 2011).

Colleges and universities with endowments and other financial means to provide considerable financial aid to students who need financial assistance positively contribute to a higher graduation rate for students of color. The availability of a high level of financial aid shields low-income Black students from economic pressures that may force minority students to leave college to fulfill family obligations and financial responsibilities (Douglas-Gabriel, 2016). Although many universities and the federal government provide financial aid to help students with the cost of college, higher prices can discourage students from enrolling, even if the net out-of-pocket costs do not rise (Mitchell et al., 2016).

Engwall and Scott (2013) discussed the term *knowledge society*. Global prestige and competitiveness increasingly relate to the production of knowledge goods and services (Engwall & Scott, 2013). As researchers continually confirm that higher education is a business, a logical conclusion is that, as customers, students expect to acquire a quality education, regardless of the tuition price tag, to achieve their goals. As a technologically interconnected society, the dissemination of knowledge-based goods and services occurs in many different forms. Society has embraced virtual education as a convenient and feasible means of learning. Colleges must have a variety of learning platforms. Even though online learning is accessible, as it offers flexibility for students, online learning may not replace traditional lectures completely. Some education requirements require laboratory work and other practical learning activities and demonstrations. However, as the job market continues to change with virtual work and telecommuting, college leaders must adapt their programs by ensuring graduates have the skills to participate in the innovative ways that employers are transforming their work environments. The next section of the literature review includes a discussion of how students' decisions regarding which programs of study to pursue can affect how much debt they will incur to pay for college.

Career Management and Degree Selection

The earning potential of college graduates often differs based on their degree majors. Although prices, policies, and practices play an essential role in determining average student debt, institutions cannot force debt on an unwilling student body (Monks, 2014). Students make enrollment decisions based on price, value, and expected returns on their investment. Students who are more likely to graduate and who pursue majors in fields with higher earning potential should be more willing to assume debt in pursuit of their degrees (Monks, 2014). High debt makes students less likely to choose a lower paying career path, such as teaching (Rothstein & Elena, 2011). The possibility of debt leads graduates to select higher salary jobs. Much of this effect crosses occupations, as debt appears to reduce the probability that students choose low-paid public interest jobs (Rothstein & Elena, 2011).

Students who borrow large amounts to pursue lucrative careers, such as medicine and law, are less likely to struggle than those who borrow small amounts to train for occupations that are unlikely to yield earnings necessary for a middle-class lifestyle or those who borrow money for programs they do not complete (Baum & Johnson, 2015). The authors of the Hamilton Project summarized earnings data by college majors derived from the U.S. Census Bureau's American Community Surveys (Hershbein et al., 2014).

Data on the student debt of bachelor-level graduates come from the U.S. Department of Education's *2011-12 National Postsecondary Student Aid Study* (Radwin et al., 2013). The study was instrumental in highlighting bachelor-level majors identified as reaping significant growth in the first five years after graduation and majors with lower initial earnings that are more likely to acquire faster growth in the early years of graduates' career. The study included full-time workers, part-time workers, and those who experienced unemployment. In comparing initial growth earnings during the first five years after graduation, a pattern surfaced: those with low-earning majors tended to see the slowest earnings growth (Radwin et al., 2013).

A college degree is likely to yield substantial economic returns (Torche, 2011). The positive outlook for almost all bachelor-level graduates is that a higher-level degree does allow for increased earnings over those with only a high school diploma or a GED. Studies by researchers at the U.S. Department of Education, U.S. Census Bureau, National Center for Education Statistics, other government agencies, and private-sector organizations provide valuable data that prospective college students and their families can and should evaluate when determining the best higher learning institution and major to pursue based on career development, earning potential, and realistic longevity.

Specifically, the National Center for Education Statistics (Radwin et al., 2013) is the primary federal entity for collecting, analyzing, and reporting data related to education in the United States and other nations.

Vedder, Denhart, and Robe (2013) attempted to answer the following question: "Why are recent college graduates underemployed?" (p. 4). Vedder et al. highlighted the growing disconnection between employer needs and the volume and nature of college training and indicated that the growth of college-educated labor exceeds the growth for such work in the market. About 48% of employed U.S. college graduates are in jobs that require less than a 4-year college education. A college degree is no longer a guarantee of a comfortable middle- to upper-class life.

Data released by the U.S. Bureau of Labor Statistics in 2013 indicated the number of college graduates is expected to grow by 19 million from 2010 to 2020, whereas the number of jobs that require a bachelor's degree may become fewer than 7 million (Vedder et al., 2013). Thus, educators may create approximately three new graduates for every new job requiring a college degree (Vedder et al., 2013). The connection between career management and degree selection is an essential concern that students must research to obtain gainful employment upon graduation.

Summary and Conclusions

Educators and leadership staff within the field of education are not doing enough to provide college-bound consumers of education the right information to make responsible decisions based on the critical characteristics of an institution, including the cost to earn the right degree to meet their needs and be successful in society after graduation. The focus of the literature reviewed in Chapter 2 was on the evolution of higher education, African Americans seeking higher education, affirmative action, debt behavior due to the rising costs of college, the impact of college debt on the economy, financing options, colleges' accountability for college costs, and career management after degree completion.

Student-loan debt has become a significant financial burden for many U.S. students. Twenty percent of U.S. adults and 30% of people in their 20s and 30s have student-loan debt (Ratcliffe & McKernan, 2013). The benefit of postsecondary education outweighs the cost to complete a degree. A review of the current literature confirmed the gap that exists when analyzing the debt management experiences of African American graduates who incurred college debt during the Great Recession. The data from this study contribute to new knowledge on the disparities concerning the wealth gap, rising college costs, and financial management experiences as they relate to African American graduates. Chapter 3 includes a description of the research design, methodology, and procedures used for data collection.

Chapter 3: Research Method

Chapter 3 includes the research design and methodology. The purpose of this study was to examine the experiences of African American college graduates in Georgia who were managing their financial dependence while managing their college debt. In this chapter, I describe the role of the researcher and the methodology, which includes a description of the population, selection criteria, and sampling strategy. This chapter also includes explanations about data collection and issues of trustworthiness.

The basis of the conceptual framework was primarily human capital theory. The basis of human capital theory is the concept that, by obtaining knowledge and skills, a person becomes more valuable and can subsequently produce economic value (Becker, 1994). Education may provide students with skills they can bring to their jobs and allows them to be more productive and functional members of society (Walters, 2004). This theory aligns with the expectations of African Americans who believe that a college degree will afford them the opportunity to increase their earning potential and obtain higher socioeconomic status. Education represents a major means through which individuals acquire the mental skills and capacities for self-direction necessary for successful performance in the workplace (Walters, 2004). Education also leads to higher levels of competence and to modern pathways of economic advancement (Walters, 2004).

Friedman and Friedman (1962) examined human capital from a perspective of capitalism. According to the authors, human capital reflects an imperfection in the capital market, as financing investment in individuals cannot occur under the same terms or with equal ease as funding investment in physical capital. With fixed-money loans made to fund investments in physical capital, lenders can get some real security for the loan. In contrast, if lenders make a comparable loan to increase the earning power of an individual, they cannot obtain similar protection; in a non-slave state, buying or selling the individual embodying the investment is not possible (Friedman & Friedman, 1962). Student loans may improve the efficiency of the economy by raising the supply of college-educated workers in the labor market (Avery & Turner, 2012).

Maxwell (2005) identified advantages and disadvantages of using existing theory. According to Maxwell, a useful high-level method gives a framework for making sense of what individuals see and understand. Researchers can relate pieces of data that otherwise might seem unconnected or irrelevant to one another or to research questions by fitting them into theory. A useful approach draws attention to events or phenomena and sheds light on relationships that might otherwise go unnoticed or misunderstood (Maxwell, 2005).

A disadvantage of using existing theory is that a theory that brightly illuminates one area will leave other areas in darkness, as no theory can explain everything (Maxwell, 2005). Many people decide to attend college based on the premise of human capital theory that states anticipated earning potential, personal growth and intellectual satisfaction are a roadmap to success (Maxwell, 2005). Human capital theory highlights the decision-making process of students, and the results of those decisions that may result in accumulated debt, unemployment, underemployment, or long-term financial issues. On a smaller scale, critical race theory links human capital to the origin of escalating African American college debt. This study aimed to highlight the lived experiences of African

American graduates regarding managing college debt after graduation and pursuing career opportunities commensurate with their education.

Research Design and Rationale

In research, it is useful to distinguish among three kinds of goals: personal goals, practical goals, and intellectual or scholarly goals (Maxwell, 2005). The particular goal that motivated me was my association with the topic. I am an African American college graduate with college debt who earned college degrees and resides in the state of Georgia. As noted in the previous chapters, college debt for African Americans continues to rise. Therefore, I investigated why this phenomenon is occurring, whom the phenomenon affects, and how to implement processes to promote positive social change for those directly and indirectly affected. Practical goals focus on accomplishing something, such as meeting some need, changing some situation, or achieving some objective. The objective of this study was to learn, understand, and analyze the lived experiences of the individuals who manage their college debt. In contrast, the focus of intellectual goals is on understanding something, gaining insight into what is going on, and why it is happening or answering a question that previous researchers did not adequately address (Maxwell, 2005). In this study, I aimed to understand why African Americans experience higher amounts of college debt than other races, particularly European Americans, and how this disparity affects their lives.

Before selecting the phenomenological design, I explored the narrative, ethnographic, case study, and grounded theory designs to determine their relevance to my research questions. I decided not to pursue a narrative approach because Patton (2002) indicated it involves a slow process of collecting data and analyzing them to shape a narrative. In narrative research, a researcher tells a story that unfolds over time. This type of analysis would have limited my focus to capture the lived experiences of multiple participants. Ethnography is appropriate if the needs are to describe how a cultural group works and to explore beliefs, language, behaviors, and issues such as power, resistance, and dominance (Patton, 2002). I did not choose to pursue ethnography because I included a broad range of African American college graduates with varying degrees and career aspirations.

Case study research involves reviewing an issue through one or more cases in a bounded system (Williams, 2007). I did not choose this method because the basis for data collection in the current study was interviews to assess the perceptions and experiences of the target population. In grounded theory, a researcher develops a general, abstract theory of a process, action, or interaction rooted in the views of the participants (Williams, 2007). I did not choose grounded theory because several existing theories addressed the reasons for acquiring a higher education and the perceived benefits, such as human capital theory and critical race theory. Therefore, I chose a phenomenological research approach. When using this design, it is important to understand a researcher's role in the process (Kapoulas & Mitic, 2012).

Researchers conduct qualitative research to gain an intricate, detailed understanding of an issue. This is revealed by talking directly with people and allowing them to tell their stories freely (Patton, 2002). Qualitative research may serve to empower individuals to communicate their stories, minimize the power relationship that often exists between a researcher and the participants in a study, and develop theories when partial or inadequate theories exist for specific populations and samples or when existing theories do not adequately capture the complexity of a problem. Such research may be suitable when quantitative measures and statistical analyses do not fit the problem (Williams, 2007).

Researchers conducting qualitative research can use inductive analysis to work back and forth between the themes and the database until they establish a comprehensive set of themes (Williams, 2007). Using the data, I was able to identify recurring themes, patterns, and categories experienced by the target population. Inductive data analysis also may involve collaborating with participants interactively, so they have a chance to shape the themes that emerge from the interview process (Kapoulas & Mitic, 2012).

The need for the study, statement of the problem, and purpose of the investigation led to the following research questions:

RQ1: How do African American college graduates living in the state of Georgia manage their college debt?

RQ2: What role does college debt play in the career and financial choices of African American college graduates who reside in the state of Georgia?

The procedural steps for this study involved determining that the problem would be most suitable for a phenomenological design and recognizing the broad philosophical assumptions of phenomenology. The study also included collecting data from individuals who experienced the phenomenon and asking questions that led to an understanding of the shared experiences of the population under study.

Role of the Researcher

Researchers are responsible for collecting data from people who have experienced a phenomenon and developing a composite description of the essences for all individuals

(Kapoulas & Mitic, 2012). It is essential to identify and consider the ethical and personal issues that may influence individual interpretations and biases during the data collection and analysis process (Bendassolli, 2013). I saw my role in this study as an inquirer and social change agent seeking to identify barriers experienced by the target population when choosing how to pay for their education. My personal experience as an African American college graduate and my professional background as a college instructor served as a connection with the participants. Therefore, it was vital that I maintained clear boundaries about my role as an employee of higher education and holder of college debt. During the introductory stage, I disclosed my background as a college graduate who incurred loans as an undergraduate and graduate student and my current role in education. I maintained full disclosure with participants and all parties involved by promoting honesty, validity, and candor throughout the process.

I intended to interact with participants by having them review my interview questions and asking them to communicate with me during the data analysis and interpretation phases of the study. Based on responses from initial questions, I developed additional questions to compile the significant, reliable, and valid data needed to move forward with a meaningful and socially responsible study.

Pursuing research requires a strong commitment to studying a problem and demands time and resources (Kapoulas & Mitic, 2012). My goal as the researcher was to maintain a high level of professionalism, especially when interacting with participants. Qualitative inquiry is suitable for researchers willing to commit extensive time in the field, as researchers' role is to gain a holistic overview of the context under study (Miles & Huberman, 1994). A primary task is to increase an understanding of how participants account for, act regarding, and otherwise, manage their day-to-day situations. Researchers can spend many hours in the field, collect extensive data, and labor over field issues of trying to build trust and rapport at every stage (Patton, 2002).

An ethical issue considered during this process was the use of incentives. As a means of thanking participants, I provided a thank-you card for participating in the study. All cards reflected the same verbiage and did not identify the participants. The next section includes a description of the methodology, the reason for choosing specific theories, and the connection between the theories and the research topic.

Methodology

In a qualitative study, researchers have an interest in the physical events and behaviors taking place and in the ways; individuals make sense of how events influence their behavior (Maxwell, 2005). The participants in this study decided to pursue higher education. Academic achievement was significant to them. The event of requesting and accepting debt to pay for their education resulted in behaviors that may or may not have affected their lives in a significant way. Through interviews, I asked questions that arose in clear and honest answers that I translated into valid research findings.

The theories evaluated were human capital theory and critical race theory. In 1961, Becker popularized the concept of human capital (Khan, 2014). Investments in human capital, notably higher education, are critical to U.S. economic well-being (Keating, 2015). Businesses benefit in many ways when their leaders employ individuals who have achieved high levels of education and the skills required in many areas in society. Workers become more productive and valuable and often enhance the performance of businesses by being better able to work with technology, communicate with other workers, and compete on a global level (Keating, 2015). The critical race theory movement is a collection of activists and scholars interested in studying and transforming the relationship among race, racism, and power in the United States. Supporters of the theory presume that racism has contributed to contemporary group advantages and disadvantages of minorities, specifically African Americans (Solorzano, Ceja, & Yosso, 2000). Supporters use critical race theory to give voice to the unique perspective and lived experiences of people of color. According to critical race theory, the experiential knowledge of women and men of color is legitimate, appropriate, and vital to understanding, analyzing, and teaching about racial subordination in the field of education (Solorzano, 1998).

Participant Selection Logic

The focus of a phenomenological study is exploring how people make sense of their lived experiences and providing a deeper understanding of the phenomenon that they have experienced (Patton, 2002). The approach requires at least some knowledge of broader philosophical assumptions. Researchers need to choose participants carefully to ensure they are individuals who have experienced the phenomenon under study, so the researcher can forge a shared understanding of their experiences when collecting and analyzing the data (Patton, 2002). The focus of qualitative inquiry typically includes relatively small and purposefully selected samples to identify information-rich cases that highlight the questions asked. No rules exist for sample size in qualitative research (Patton, 2002). For this study, the sample size was 20 participants. I dispersed recruitment flyers (Appendix A) to colleagues and sought participants from the professional social media forum LinkedIn. Specifically, I contacted the administrators of the social groups of the National Black MBA Association and Keller Graduate School of Management of Devry University Alumni via e-mail through LinkedIn.

Sample size depends on what researchers want to know, the purpose of the inquiry, what is at stake, what will be useful, what will have credibility, and what researchers can do with the available time and resources (Patton, 2002). Broad and open-ended interview questions allow participants to provide a wealth of information (Janesick, 2011). Individual responses may propel additional items that will add value. Patton (2002) contended that in-depth data from a small number of people could be valuable, mainly if the cases were information rich.

Qualitative researchers typically study a relatively small number of individuals and preserve the individuality of each person in their analysis, rather than collect data from large samples (Maxwell, 2005). As the researcher, I wanted participants to reveal their lived experiences honestly and openly, which may have varied based on their circumstances and experiences. The use of interviews supports revisions to the research framework and direction if new information emerges. By using a small population, researchers cannot generalize the findings to a larger population.

Instrumentation

It was my responsibility to interact with participants in an organized and professional manner. I served as an instrument that conducted the interviews to add value. The primary instrument for data collection were face-to-face, phone, and electronic mail interviews. Interviews can develop according to an interviewee's conversation and responses to predetermined questions (Ornek, 2008). I encouraged open dialogue. I disclosed questions before the interview session by communicating either in person or by e-mail. I also required participants to complete a qualification form and sign a consent form before the interviews.

Procedures for Recruitment, Participation, and Data Collection

Qualitative researchers collect data in a natural setting, are sensitive to people and places, and conduct data analysis that is inductive and establishes patterns or themes (Williams, 2007). The setting was the public library and personal and professional environments of the participants who emailed their responses and communicated via phone. The basis for the procedure for recruitment, participation, and data collection was determining how to identify, locate, and communicate directly with participants who met the research criteria. Researchers commonly ask themselves whether they can use their place of work or themselves, which may raise issues of power and risk to the researcher, the participants, and the site. For this reason, I decided not to conduct interviews at my place of employment or actively recruit at my workplace. Although autoethnography is an approach used by researchers to explore their lived experiences, this study was well suited to include participants not closely related to me and this decision added to the goal of documenting unbiased findings.

Participant recruitment took place through LinkedIn. LinkedIn is the world's most extensive professional network on the Internet, with over 467 million members in over 200 countries and territories (LinkedIn, 2017). The social forum, which includes more than 40 million students and recent college graduates (LinkedIn, 2017), was an appropriate recruitment tool to acquire interviewees who met the participant criteria for this research study.

Locating sites and individuals. Interviews occurred face-to-face, over the phone, and via e-mail. The optimal form of communication is face-to-face interviews per accordance with participants' schedules (Janesick, 2011). Interviews scheduled to take place at colleges or places of employment require an approved letter of cooperation. I did not need a letter. Had this changed, I would have designed and submitted a letter to Walden University's Institutional Review Board (IRB).

The interviews did not exceed 1 hour. The participants were at different sites, which included the public library if face-to-face, and their workplace or homes, depending on personal preference for those who conducted email interviews. Regardless of location, participants experienced the phenomenon under study and were willing to articulate their experiences (Patton, 2002). The more diverse the characteristics of the individuals, the more difficult it is to find common themes for all participants (Patton, 2002). Thus, the pool included African Americans who graduated within a specific period.

Gaining access and establishing rapport. All participants read and signed an approved letter of consent to participate. Social scientists often agree that research involving human participants should include informed consent (Nachmias & Nachmias, 2008). Informed individuals are best able to promote their own well-being (Nachmias & Nachmias, 2008). I ensured I thoroughly answered all questions about the interview process, location, recording devices, substance of questions, access to research findings, and environment to the satisfaction of participants before beginning the interviews. I was forthcoming and answered questions regarding the study. My goal was to promote a transparent interviewer–interviewee relationship.

Interviewees can actively engage in an interview but not reveal anything intensely personal, or they can be open about personal matters (Maxwell, 2005). My goal was to ensure they felt at ease in the environment. The goal was to ensure their openness, honesty, and comfort, so they shared more information about their experiences on the research topic.

Purposeful sampling. I made every effort to determine the best participant criteria. I contacted colleagues to inquire if they had access to candidates who met the requirements, so I could estimate the number of participants. I conducted purposeful sampling to capture the heterogeneity in the population adequately by defining the dimensions of variation in the population that are most relevant and by selecting individuals who represented the most significant possible differences on these dimensions. For this study, it was most useful to recruit participants who were African American college graduates who incurred debt to earn a bachelor's degree or higher during the Great Recession and who resided in Georgia (see Appendix A). I sought participants from the LinkedIn social groups for the National Black MBA Association, which had more than 3,000 members in its Atlanta chapter, and the Keller Graduate School of Management of Devry University Alumni, which had more than 15,000 members.

Collecting data. A telephone interview is an acceptable source of information when researchers do not have direct access to individuals (Nachmias & Nachmias, 2008). The advantage of a phone interview is that it allowed me to proceed with the process when a participant was unable to meet in person.

Researchers need participants who are not hesitant to speak and communicate ideas and need to determine a setting that is comfortable and professional (Nachmias & Nachmias, 2008). I reached out to qualifying participants in advance to distribute consent forms and verbally share with them the location and the planned use of recording devices. I asked if I could do anything to ensure their comfort during the interview process.

Recording information. At every interview, I had a digital recorder, backup recorder, and notebook to take handwritten notes. Before every interview, I double checked the recorders to ensure they had a full charge and were working correctly. I told all participants that I would provide them with a copy of the interview transcripts. Whether an interview took place face-to-face or over the phone, I recorded the audio. If an interview occurred by e-mail, the interviewee and I had a transcription of the interview when I saved and printed the e-mail conversation.

Resolving field issues. Field research is the most central strategy of data collection associated with qualitative methodology and is "the study of people acting in the natural courses of their daily lives" (Nachmias & Nachmias, 2008, p. 257). As a responsible researcher, I anticipated issues in the field when gathering data. I administered a consent form, confidentiality agreement (see Appendix B), and a qualification form (see Appendix C) to all participants before the interview sessions. Another field issue that might have occurred was tardiness or absence among interviewees. I made every attempt to communicate with interviewees by phone and e-mail to anticipate if they needed to reschedule. I did not experience any field issues.

Storing data. I handwrote, transposed into Microsoft Word, entered into NVivo software, and reported the responses from interview questions (see Appendix D) in tables, codes, and themes. Two standard methods used to protect participants are anonymity and confidentiality (Nachmias & Nachmias, 2008). One way to ensure anonymity is not to request names and other means of identifying participants in a research project. Researchers often tell participants that the information they provide will remain confidential (Nachmias & Nachmias, 2008). All data I collected remained safeguarded. I will keep all notes, audio recordings, printed e-mails, and supportive documentation relating to the study in a cabinet located in my home office for a maximum of five years or for any period mandated by the IRB at Walden University.

Data Analysis Plan

Coding is the process by which researchers translate responses into categories (Nachmias & Nachmias, 2008). The analysis consisted of preparing and organizing data for analysis; reducing the data into themes and categories through a process of coding and condensing the codes; and representing the data in figures, tables, or a discussion (Maxwell, 2005). The interviewees' responses were transcribed, and I added margin notes. I also compiled, reviewed, and recorded the responses.

The study involved using software for analysis purposes. A computer program provides an organized file-storage system so researchers can locate material and store it. NVivo software is a computer package produced by QSR International and designed for researchers working with text-based information (Sepulveda, Sanchez, & Sanchez-Gomez, 2012). I incurred the cost of a yearlong subscription to download the package. QSR International offers free tutorials and electronic demonstrations to teach the functionalities of NVivo.

The process for data analysis is the same for hand coding or for using a computer. Researchers identify a text segment, assign a code label, and search through the database for all text segments that have the same code label. In this process, the researchers, not the computer program, do the coding and categorizing (Sepulveda et al., 2012).

Interviews were the most appropriate data collection technique to collect, measure, and analyze the lived experiences of the participants. As part of my recruitment plan, I engaged in purposeful sampling and reached out to professional colleagues to assist in recruiting. After individuals made initial contact, I confirmed that they met the eligibility requirements. I also discussed the purpose of the study and scheduled a meeting time and location to conduct the interview. As an additional recruitment effort, I asked the participants to assist in recruiting other African American college graduates who earned a bachelor's degree or higher and to provide my contact information to their family, friends, or neighbors who might meet the eligibility requirements and would like more information about the research study. I used NVivo software to compile the collected data to devise the results reviewed in Chapter 5.

Issues of Trustworthiness

Credibility

Researchers establish credibility through the lens of readers who read an account of the findings and feel transported into a setting or situation (Creswell & Miller, 2000). To establish credibility, researchers can employ a constructivist perspective to contextualize the people or sites studied. The credibility of the researcher is also dependent on training, experience, record of accomplishment, presentation of self, and belief in the value of qualitative inquiry (Patton, 1999). To increase the consistency and reliability of a study, a researcher must document all procedures and set up a detailed protocol (Van Manen, 1997). Reliability procedures involved checking transcripts for apparent mistakes and making sure there was no drift in the definitions of codes or their application during the coding process.

Researchers must try to rule out most validity threats after the research has begun by using evidence collected during the process to determine if the findings are accurate from the standpoint of the researcher, the participant, or the readers (Maxwell, 2005). Validity refers to questioning whether researchers measure what they intended to measure (Nachmias & Nachmias, 2008, p. 149). Throughout the research and data collection process, I continuously revisited this question to ensure I confirmed and adhered to validity. To add to credibility and validity, I searched for additional literature about the trustworthiness, authenticity, and credibility of data to incorporate in Chapter 4 when I report the findings.

Through the extensive time and effort in the field with the participants, I developed a strong rapport with the interviewees, so I could provide a thorough description of their lived experiences and add value and substance to this study. An option for internal validity is member checks. In member checking, the researcher solicits participants' views of the credibility of the findings and interpretations (Harper & Cole, 2012). At the end of every interview session, I informed the participants that I would provide them a copy of the interview transcripts and findings when I had completed the data collection and analysis process. I contacted those who wanted to provide feedback based on the findings. The purpose of member checking is to ensure the phenomenon described is a reflection of the participants' experience (Lanctot, Durand, & Corbiere, 2012).

Transferability

Thick descriptions are in-depth and detailed accounts transmitted from field data. The purpose is to create a realistic depiction of participants' experiences so the reader can understand and relate to the events described. The process of writing using thick description provides as much detail as possible, which may involve describing examples of experiences or actions in specific situations. Based on the responses from participants, I provided a detailed description of their experiences to benefit readers and to contribute to future studies. With vivid detail, researchers help readers understand that the account is credible. Such a description also enables readers to make decisions about the applicability of the findings to other settings or similar contexts.

Dependability

Researchers establish the credibility of a study by turning to individuals who are external to the project, such as auditors or readers, to examine the narrative account and attest to its credibility (Creswell & Miller, 2000). In establishing an audit trail, researchers provide clear documentation of all research decisions and activities. They may provide evidence of the audit trail throughout the account or in the appendices. I considered using an external auditor to review this study. The goal of a formal audit is to examine the process and the product of the inquiry and determine the trustworthiness of the findings. In the systematic procedure, the reviewer writes an analysis after carefully studying the documentation provided by the researcher. Researchers establish an audit trail by documenting the inquiry process through journaling and memoing, keeping a research log of all activities, developing a data collection chronology, and recording data analysis procedures. Through the process of documenting a study and asking an external auditor to review the documentation, a narrative account becomes credible (Creswell & Miller, 2000).

Confirmability

Reflexivity is the process by which researchers report on personal beliefs, values, and biases that may shape their inquiry (Creswell & Miller, 2000). It is particularly important for researchers to acknowledge and describe their beliefs and biases early in the process to allow readers to understand their positions and then to bracket or suspend those biases as the study proceeds. This validity procedure involves using the lens of the researcher and is a critical paradigm in which individuals reflect on the social, cultural, and historical forces that shape their interpretation (Creswell & Miller, 2000). I disclosed that I am an African American college graduate who incurred student loans.

Ethical Procedures

I submitted the dissertation proposal to Walden University's IRB for approval before data collection. The IRB consists of staff and faculty members from each of Walden University's research areas and is responsible for ensuring all university research complies with the university's ethical standards as well as U.S. federal regulations and any applicable international guidelines (Walden University Center for Research Quality, 2015). I did not use coercion as a method to recruit participants or withhold any information about the study to recruit participants, which included not offering substantial inducements to prospective or confirmed participants.

Summary

I used a qualitative phenomenological research methodology to carry out this research study. This chapter began with a description of human capital theory and critical race theory, a rationale for the design, the research questions, the role of the researcher, and an in-depth description of the methodology. I also defined my role as the researcher linked to the data collection and analysis processes. Following the theory descriptions, I presented a detailed view of participant selection, instrumentation, procedures for recruitment, and data analysis. The chapter ended with issues of trustworthiness, which included credibility, transferability, dependability, confirmability, and ethical procedures.

Chapter 4: Results

The purpose of this study was to examine, understand, and describe the experiences of African American college graduates in Georgia who are managing their financial independence while also managing their college debt. I gained an understanding of the experiences of 20 graduates through semistructured interviews. The study involved face-to-face, phone, and e-mail interviews. Participants shared perceptions and experiences of acquiring college debt. The data collected were suitable to address the research questions:

RQ1: How do African American college graduates living in the state of Georgia manage their college debt?

RQ2: What role does college debt play in the career and financial choices of African American college graduates who reside in the state of Georgia?

Chapter 4 includes the data analysis and findings of the study based on themes developed from the lived experiences of the participants. I employed NVivo11 to assist in organizing codes and to determine the themes. The sections that follow include the research setting, demographics, data collection, data analysis, evidence of trustworthiness, research results, and summary.

Research Setting

I used purposeful sampling (see Patton, 2002) to collect data through semistructured interviews with 20 African Americans who graduated between 2007 and 2009, incurred debt to pay for their education, and resided in Georgia. Communication occurred in person, over the phone, and by e-mail. Five face-to-face interviews happened in a private meeting room at the South Cobb Library located in Mableton, Georgia. One telephone interview took place in my home office, which offered the privacy necessary to ensure confidentiality. Fourteen participants indicated that their schedules were busy and preferred e-mail correspondence rather than face-to-face or phone interviews. I e-mailed the recruitment flyer, participant qualification form, consent form approved by Walden University IRB, and interview questions in pdf and Microsoft Word format. I received IRB approval in April 2017; the approval number is 04-11-17-0192377.

Individuals who participated by phone or e-mail sent me the completed qualification forms and signed consent forms via e-mail. The face-to-face interviews were audio recorded, and there were no organizational challenges that might have influenced the results. The interviews started with me thanking participants for participating and reminding them what the research was for, that they could stop at any time, and that I would be recording the interview. Throughout the sessions I stated which question we were currently on and, after the final question, I asked if there were any additional information, they would like to add. After this, I let them know that I would provide them with a copy of the transcripts and signed consent form, and after the study was complete, they would receive the results. No organizational conditions occurred at the time of the study that may have influenced the interpretation of the results.

Demographics

Twenty African American college graduates participated in the study. This section includes personal information identified by participant number. The information pertains to age, gender, graduation year, highest college degree attained, occupation, and earnings range. Findings from the qualification form (see Appendix C) indicated that all participants identified their race as African American, had earned a bachelor's degree or higher, worked in professional occupations, incurred loan debt, and resided in Georgia.

During member checking, I obtained additional demographic information such as age, occupation, and yearly earning ranges. The earning ranges were $20,000 to $35,000, $36,000 to $50,000, $51,000 to $75,000, and above $75,000. One participant earned $20,000 to $35,000, seven participants earned $36,000 to $50,000, six participants earned $51,000 to $75,000, and six participants earned more than $75,000 annually. Five participants fell in the age range of 25 to 30, three in the age range of 31 to 35, seven in the age range of 36 to 40, four in the age range of 41 to 45, zero in the age range of 46 to 55, and one in the age range of 56 to 60. Table 1 includes the demographic characteristics of each participant. I replaced the names of the participants with numeric labels.

Table 1

Demographics of the Participants

Participant number	Age	Gender	Graduation year	Highest degree level	State	Occupation	Earnings range (thousands)
1	38	Female	2009	Doctorate	GA	Professor	51–75
2	37	Male	2009	Master's	GA	Counselor	51–75
3	44	Female	2009	Master's	GA	Executive	75+
4	28	Female	2009	Master's	GA	Finance	75+
5	28	Female	2009	Master's	GA	Auditor	75+
6	28	Male	2009	Master's	GA	Auditor	75+
7	59	Female	2009	Master's	GA	Educator	51–75
8	37	Male	2009	Master's	GA	Real estate	36–50
9	38	Female	2009	Master's	GA	Accountant	51–75
10	41	Female	2009	Doctorate	GA	Professor	36–50
11	30	Female	2009	Doctorate	GA	Counselor	51–75
12	40	Male	2008	Master's	GA	Higher education	36–50
13	34	Female	2007	Doctorate	GA	Educator	75+
14	32	Male	2007	Master's	GA	Higher education	36–50
15	45	Female	2009	Bachelors	GA	Technology	75+
16	25	Female	2009	Master's	GA	Higher education	36–50
17	35	Female	2008	Master's	GA	Higher education	36–50
18	37	Female	2008	Master's	GA	Counselor	36–50
19	44	Female	2007	Master's	GA	Higher education	51–75
20	40	Female	2009	Master's	GA	Higher education	20–35

Data Collection

The recruitment process began after securing approval from Walden University's IRB. I posted the flyer on the professional social media platform LinkedIn. I posted to the national LinkedIn distribution groups for the National Black MBA Association and Keller Graduate School of Management because these organizations promote academic and career-related connections among professionals. The National Black MBA Association consists of over 3,000 African American members who have earned at least a master's degree. The Keller Graduate School of Management Alumni Association consists of over 15,000 members who received a master's degree or higher. I am a member of LinkedIn, the National Black MBA Association, and the Keller Graduate

School of Management Alumni Association. Membership in these organizations did not result in any bias or credibility concerns. Within 5 weeks of IRB approval from Walden University, I secured 20 participants who met the criteria for the study.

Each face-to-face and phone interview lasted less than 20 minutes. I digitally recorded the phone and face-to-face interviews, saved the audio on a secure flash drive and mailed it to the transcriber who transcribed six interviews and e-mailed them to me in Microsoft Word. The transcriber sent the secure flash drive back to me within five business days. The transcriber signed a confidentiality agreement approved by Walden University IRB. The research plan was sufficient to collect the data, and change procedures were not necessary. I set aside my experiences and biases to approach this study with a fresh perspective and open mind.

The interview protocol consisted of going over the qualification form, consent form, and interview questions before the interviews. The participants who interviewed face-to-face completed the qualification form and signed the consent form at the time of interview. I later e-mailed them the signed consent forms, participant qualification forms, and transcripts. I managed all data and stored them per the described details presented in Chapter 3. No unusual or unprofessional circumstances occurred during data collection.

Data Analysis

Throughout the interview process, I organized the data by labeling each participant's information in an identifiable folder and were stored on a password-protected laptop. Fourteen e-mail interviews were transposed to Microsoft Word documents. The transcriber transposed six interviews that were face-to-face and over the phone. I uploaded all transcripts to NVivo 11, and hard copies were printed and filed. I read each transcript several times to decipher commonalities and patterns of participants' responses to interview questions. Based on the responses to Interview Questions 1–11, I determined there were more similarities than differences. Most participants provided clear and vivid descriptions of their college debt experiences.

As I conducted a descriptive analysis, I made a deliberate effort to report the findings as the participants gave them. I hand coded the transcriptions based on similarities of responses to the questions. In qualitative research, a code is often a word or short phrase used to assign a summative attribute for a portion of data (Saldana, 2013). The data can consist of interview transcripts, participant observations, field notes, literature, and e-mail correspondence (Saldana, 2013). The point is not to go beyond the given and to attempt to understand the meaning of the description based solely on what appears in the data (Giorgi, 2009). According to Giorgi (2009), the scientific assumption behind descriptive analysis is that findings are credible.

I developed interview questions to facilitate exploration of the following questions: How do African American college graduates living in the state of Georgia manage their college debt? What role does college debt play in the career and financial choices of African American college graduates who reside in the state of Georgia? As I determined codes based on the transcriptions, I wrote notes in the margins to identify responses from the participants that directly related to the literature reviewed in Chapter 2. This analysis resulted in the following codes: unprepared, limited information, lack of availability, financial need, no effect, significant effect, and economic contribution. Participants responded to the following interview questions:

1. Part 1: Did you receive financial counseling to assist you with options for paying for a college education before applying for college? If not, why didn't you receive this type of counseling?

   Part 2: If you received this type of financial counseling, did it help you with the decision-making process regarding loans, grants, scholarships, and paying out of pocket?
2. To your knowledge, did you incur more college debt than your college classmates or your colleagues who are Hispanic Americans?
3. Did you incur college debt out of necessity due to your family's socioeconomic level or did you pursue college debt for another reason? Please explain.
4. Has the college debt impacted your decision to purchase a home? If not, why? If so, why?
5. Has the college debt impacted your decision to purchase a car? If not, why? If so, why?
6. Has the college debt impacted your decision to start a family? If not, why? If so, why?
7. Has the college debt influenced your decision to pursue higher degrees or professional certifications/licenses? If not, why? If so, why?
8. Has the college debt influenced your career choices? If not, why? If so, why?
9. Within 5 years of earning your bachelor's degree, were you employed in your field of study or another field? Were you underemployed in your field or another field?

10. Based on your college education, college debts, and employment status, how have you contributed to the overall economy of Georgia?
11. Briefly describe how your student loan debt has impacted your life the most when pursuing financial prosperity and independence?

Participants communicated perspectives regarding factors that led them to incur debt and how the accumulation of this debt affected their financial decisions after graduation. The researcher identified themes by meticulously reading and rereading the interview transcripts and highlighting how African American graduates managed their college debt. The extraction of excerpts from transcripts that demonstrated the participants' perceptions and experiences were coded which led to three major themes: (a) pursuit of financial independence, (b) education would improve participants' financial position, and (c) college debt is a burden.

Discrepant and Nonconforming Data

Discrepant or nonconforming data emerged during the data analysis process, contradicting the responses of most participants. Discrepant cases are those opposed to the themes identified by a researcher in a study (Merriam, 2002). Overall, the participants responded to the questions that were in alignment with the three common themes. During the analysis, it became evident that two participant responses did not support all the themes. For example, Participant 5 stated that she had paid off her college debt. This was an anomaly, as the other 19 participants still had outstanding college debt. Also, when Participant 13 discussed how student loan debt had affected her life, she responded, "I don't see debt as a hindrance."

Evidence of Trustworthiness

I ensured high standards of credibility, transferability, dependability, and confirmability throughout the research process. Chapter 3 reveals the definitions of these four standards. An explanation of how different strategies may be used to establish each standard is presented below.

Credibility

As a professional in the business industry and a doctoral candidate, I depended on my training and experience to comply with Walden University research standards, professionally conduct myself, and value the importance of the research process (see Patton, 1999). I complied with the interview protocol (Appendix D), checked the transcripts for mistakes, and ensured codes and themes corresponded to the data collected. Throughout the interview process, I confirmed that the interview questions were valid and related to the research questions.

As an appropriate and effective method of credibility, I conducted member checks. In member checking, the researcher confers with participants to receive feedback regarding the credibility of the findings (Harper & Cole, 2012). At the end of every face-to-face and phone interview, I asked for immediate feedback and informed each participant that he or she would be provided with a copy of the transcripts and signed consent forms. I complied, supplied the transcripts, and signed consent forms. For those who participated by e-mail, I requested feedback immediately and allowed them to share any questions, comments, or suggestions.

Transferability

Taking notes on every step of the process served to establish transferability. Recruitment of participants involved a purposeful sampling strategy, which became the first technique employed to determine transferability. Purposeful sampling helped obtain the most relevant data possible to represent African American college graduates who are attempting to manage their debt. During the interview process, I collected descriptive data to provide the basis for coding and developing a thematic analysis. The notes and logs will remain secure for at least five years, as required by Walden University.

Dependability

I addressed dependability for this study through an audit trail evidenced by the documented procedure stated in Chapter 3 and subsequently followed. The documents included copies of the signed consent forms, confidentiality agreement, participation qualification forms, audio recordings, interview transcripts, e-mail correspondence, and notes. The electronic and hard copy documents will remain secure in a locked file cabinet to which only I will have access. These items will stay protected for a minimum of five years.

Confirmability

I maintained confirmability throughout this study because no deviations were necessary for the approved research design and implementation procedures. The 20 participants can confirm or corroborate the results. I disclosed in the consent form that I worked as an instructor at Chattahoochee Technical College, but that it had no bearing on my ability to conduct the study or adhere to all confidentiality and research standards. I divulged this information in case any of the participants worked for or had an association with Chattahoochee Technical College. I was the only person coding and analyzing the data, which served as an additional measure to address confirmability in this research.

Study Results

The analysis of qualitative data is a dynamic, intuitive, and creative process of inductive reasoning (Basit, 2003). The purpose of analyzing the data is to determine themes, relationships, and assumptions that inform the participants' view of the world in general and the research topic (Basit, 2003). The interview sessions included 11 questions. Interview Questions 1-3 related to Research Question 1 and Interview Questions 4-11 pertained to Research Question 2.

Participant 1 was a 38-year-old African American female who graduated in 2009 with her bachelor's degree. She pursued a master's degree in management to increase earning potential and earned a doctoral degree in 2014. She incurred federal loans to pay for her education and considered her debt amount to be high. When asked if college debt influenced her career choices, she replied, "Yes. I selected a career that I knew would allow me to take care of myself and pay down the debt." Her occupation was a professor in the field of higher education.

Participant 2 was a 37-year-old African American male who graduated in 2009 with a bachelor's degree. He earned a master's degree in community counseling and was pursuing a doctoral degree in counselor education and supervision at the time of the interview. He incurred federal loans to pay for his education and considered his debt amount to be high. When asked if college debt influenced his career choices, he responded, "Not really, but I will work for a non-profit or in social service to have my loans forgiven." His occupation was a counselor at a correctional facility.

Participant 3 was a 44-year-old African American female who graduated in 2009 with a master's degree in business administration. She incurred federal loans to pay for her education and considered her debt amount to be very high, more than $200,000. When asked if college debt influenced her decision to pursue higher degrees or professional certifications and licenses, she replied,

> When I was pursuing my MBA, it was brought to my attention that I had surpassed the threshold of federal subsidized loans. I had to get the other kind of loans. I forgot what they were called for graduate students who had a lot of debt. When I was considering going back for a PhD program that I started just a couple years ago, I looked at it and was like "Okay, that's not even an option because of my debt load."

Her occupation was an executive role (director) at a global mutual insurance firm.

Participant 4 was a 28-year-old African American female who graduated in 2009 with a bachelor's degree in accounting. She later earned a master's degree in accounting and has a Certified Public Accountant license. She incurred federal and private loans to pay for her education and considered her debt amount to be moderate. When asked if college debt influenced her career choices, she stated,

> No, however it played a part. I considered at one point going back to law school. I just do not want to get into the kind of debt that comes with being a lawyer. So, it's played a part in maybe going back to school to be a lawyer, but not in my current career choices.

Her occupation was a financial manager at a global corporation.

Participant 5 was a 28-year-old African American female who graduated in 2009 with a bachelor’s degree in accounting. She later earned a master’s degree in accounting. She incurred federal loans to pay for her education and considered her debt amount to be moderate. When asked if college debt influenced her decision to pursue higher degrees or professional certifications, she replied,

> Yes, college debt has influenced my decision to not pursue higher degrees. I think I am at a point in my life where I am in a good kind of space in terms of having paid off my debt. I am not passionate enough about anything to warrant going back to school for it.

Her occupation was a financial auditor at a global corporation.

Participant 6 was a 28-year-old African American male who graduated in 2009 with a bachelor’s degree in accounting. He later earned a master’s degree in accounting. He incurred federal loans to pay for his education and considered his debt amount to be low. When asked if college debt influenced his career choices, he answered,

> College debt has influenced my career choices. Although they have not changed from when I started my collegiate career. The college debt was certainly an encouragement to continue my desired path, again, to help increase, or the thought process behind being able to increase my earning potential to pay off the debt faster.

His occupation was an auditor at a national firm.

Participant 7 was a 59-year-old African American female who graduated in 2009 with a bachelor’s degree. She later earned a master’s degree in business administration with a concentration in marketing. She incurred Direct Plus loans from Sallie Mae to pay for her education and considered her debt amount to be high. When asked if college debt influenced her decision to pursue higher degrees or professional certifications, she replied, "No. An advanced degree was required for higher level positions and pay in my field." Her occupation was an educator in higher education.

Participant 8 was a 37-year-old African American male who graduated in 2009 with a master's degree in business administration. He incurred federal loans to pay for his education and considered his debt amount to be moderate. When asked if college debt influenced his career choices, he answered, "College debt did not influence my career choices. I think the path that I ultimately chose would have been the same whether I had student loans or not. I was interested in real estate at a young age." His occupation was a real estate professional (Realtor).

Participant 9 was a 38-year-old African American female who graduated in 2009 with a master's degree in business administration. She incurred federal loans to pay for her education and considered her debt amount to be high. When asked if college debt influenced her career choices, she replied, "Yes. My earnings income has to be enough to pay my monthly debt." Her occupation was a senior accountant.

Participant 10 was a 41-year-old African American female who graduated in 2009 with a master's degree in public administration. She later earned a doctoral degree in 2014. She incurred federal loans to pay for her education and considered her debt amount to be moderate. When asked if college debt influenced her decision to pursue a higher degree or professional certifications, she stated,

> It did cause me to pause for a moment and consider if I really wanted to incur more debt. But, I considered the importance of a higher degree and decided the value of another degree was higher than the concern for incurring more debt.

Her occupation was an educator in higher education.

Participant 11 was a 30-year-old African American woman who graduated in 2009 with a bachelor's degree. She later earned a master's degree and doctorate in counseling. She incurred federal loans to pay for her education and considered her debt amount to be high. When asked if college debt influenced her career choices, she responded, "No, because I don't let the loans influence my professional choices." Her occupation was a licensed professional counselor.

Participant 12 was a 40-year-old African American male who graduated in 2008 with a master's degree in business administration with a concentration in marketing. He incurred federal loans to pay for his education and considered his college debt amount to be low. When asked if college debt influenced his decision to pursue higher degrees or professional certifications, he replied "Absolutely. I will not allow myself to sign up for more loans." His occupation was an academic advisor in higher education.

Participant 13 was a 34-year-old African American female who graduated in 2007 with a master's degree. She incurred federal loans to pay for her education and considered her college debt amount to be low. When asked if college debt had influenced her career choices, she stated, "No. I want to continue to advance in my career and education helps." Her occupation was an educator in higher education.

Participant 14 was a 32-year-old African American male who graduated in 2007 with a bachelor's degree and later earned a master's degree in public administration. He incurred federal loans to pay for his education and considered his college debt amount to be moderate. When asked if college debt has influenced his decision to pursue higher degrees or professional certifications, he replied, “Yes. I absolutely want to go and get a PhD or EdD, but I don’t want to pay for it, because I already have loans that I am paying for now.” His occupation was in higher education administration.

Participant 15 was a 45-year-old African American female who graduated in 2009 with a bachelor’s degree. She incurred federal loans to pay for her education and considered her college debt amount to be high. When asked if college debt influenced her decision to pursue higher degrees or professional certifications, she answered, “Yes. I chose not to pursue higher degrees because I did not want to incur the additional financial debt.” Her occupation was a program manager in the technology field.

Participant 16 was a 25-year-old African American female who graduated in 2009 with a bachelor’s degree and later earned a master’s degree in education. She incurred federal loans to pay for her education and considered her college debt amount to be high. When asked if college debt had influenced her decision to pursue higher degrees or professional certifications, she replied, “Yes. I want a doctorate but will not pursue it until some student-loan debt is paid.” Her occupation was a career services specialist in higher education.

Participant 17 was a 35-year-old African American female who graduated in 2008 with a master’s degree in applied computer science. She incurred federal loans to pay for her education and considered her college debt amount to be moderate. When asked if college debt has influenced her career choices, she stated “No. I do what I love to do.” Her occupation was a career services coordinator in higher education.

Participant 18 was a 37-year-old African American female who graduated in 2008 with a master's degree in adult and higher education. She incurred federal loans to pay for her education and considered her college debt amount to be low. When asked if college debt influenced her decision to pursue higher degrees or professional certifications, she said,

> No. The amount of debt that I incurred has not impacted my decision to further my education and pursue an advanced degree. I realize that attaining an advanced degree will have a positive impact on future salary and employment opportunities. Therefore, I have not allowed my prior student-loan debt to influence my decision to fulfill my educational goals.

Her occupation was an admissions counselor in higher education.

Participant 19 was a 44-year-old African American female who graduated in 2007 with a master's degree in administration. She incurred federal loans to pay for her education and considered her college debt amount to be moderate. When asked if college debt influenced her career choices, she said, "Yes. Ironically, I work in the field of student financial aid. It is a joy to be able to counsel students about student-loan debt and the importance of staying clear of student loans if possible." Her occupation was financial aid director in higher education.

Participant 20 was a 40-year-old African American female who graduated in 2009 with a master's degree in educational leadership. She incurred federal loans to pay for her education and considered her college debt amount to be high. When asked if college debt influenced her career choices, she stated,

> Yes, the debt has influenced my career choices because I feel that even though I have a master's in education, I cannot teach or become a principal unless I am certified in the state of Georgia. I did not know that, regardless of education level, you must also be certified.

Her occupation was in higher education.

The themes developed from the data were (a) pursuit of financial independence, (b) education would improve participant's financial position, and (c) college debt is a burden. Table 2 lists the themes and subthemes. A discussion of these themes and subthemes follows, supported by quotes from the participants.

Table 2

Themes and Subthemes Emerging from the Data

Themes and subtheme	No. of participants mentioning the subtheme
Pursuit of financial independence	
Financial counseling	11
Financial decisions	17
Education would improve participants' financial position	
Career choices	17
Contribution to Georgia economy	20
College debt is a burden	
Socioeconomic level	18

Theme 1: Pursuit of Financial Independence

The specific business problem was the management or mismanagement of education-based college debt of African Americans who graduated during the Great Recession and who reside in Georgia. Interview questions posed to all 20 participants included a focus on why they incurred college debt, how the debt may or may not have affected their choices in life, and their view of the debt in their lives. Financial independence is the cornerstone of why students pursue college degrees. I found no information in which researchers examined the experiences of African Americans who graduated from college between 2007 and 2009 who exhibited financial independence while managing their college debt. Due to this gap in existing literature, the purpose of this investigation was to examine the experiences of African American college graduates in Georgia who were managing their financial independence while managing their college debt. Two subthemes emerged from the transcripts: (a) financial counseling was not beneficial and (b) student loans did not affect financial decisions.

Subtheme 1: Financial counseling was not beneficial. Financial aid counseling and career counseling are important aspects of preparedness for incoming college students. Nine interviewees stated they received some financial aid advice prior to entering college.

> Participant 13 relayed that financial aid counseling was available as an online module, but she did not speak to anyone directly. Participant 19 received more detailed and thorough counseling, and said, "Prior to applying for admission and gaining acceptance into college for undergraduate and graduate coursework, I received counseling from the Office of Financial Aid regarding federal programs, work-study options, graduate assistantship opportunities, and scholarships offered through the institution's Foundation Office. I also completed entrance counseling through the Federal Loan program and attended several financial aid and workshops and seminars".

Eleven of the 20 interviewees stated that they received limited or no financial counseling to prepare them for the responsibility of repaying college debt.

- Participant 1 stated, "No one made the information available to me at the time.

- Participant 4 noted, “The financial counseling I received was from my parents.”
- Participant 6 replied, “I did not receive financial counseling to assist me with my options before college; I wasn’t aware it was available at the time.”
- Participant 11 responded, “I did not receive any counseling because I did not know to seek it at the time.”
- Participant 12 indicated, “Counseling was not given as an option. I was only presented with a pamphlet about payment options.”
- Participant 14 responded, “I did not receive pre-college financial aid coaching. I just filled out the FAFSA [Free Application for Federal Student Aid] with my mother when I was about to great ready to go to college.”
- Participant 19 noted, “I knew to submit the FAFSA to be considered for financial aid and I only wanted to take what I needed when the award letter was sent to me.”

Deciding to borrow funds to pay for college and completing applications is a common part of the collegiate experience. However, understanding the different options and long-term ramifications is more difficult. Adequate financial counseling can provide a person with the skills necessary to make responsible financial decisions.

Subtheme 2: Student loans did not affect financial decisions. Feedback from interviewees revealed the effect student loans had on their decisions to purchase a home, purchase a car, or start a family. Fourteen participants said that college debt did not affect their decision to purchase a home, 17 stated college debt did not affect their decision to purchase a car, and 15 revealed that college debt did not or will not affect their decision to start a family. Responses from participants shed light on the consensus that many adults consider purchasing a car, purchasing a home, and starting a family to be important milestones in life. Despite the responsibility of repaying debt, they felt that delaying these fundamental activities were not a priority.

> According to Participant 2, “College debt has not had an effect on me purchasing a car, because college debt seemed unavoidable.” Similarly, Participant 7 stated, “Having college debt did not impact my decision to purchase a home. I wanted to purchase a home for my family and I felt that my degrees would pay off in the long run and allow me to pay off my college loans and home with no issues”.

After graduation, individuals are responsible for financial management decisions that may include loan repayments for college debt, car loans, housing expenses and family obligations. The reality of pursuing financial independence can be challenging.

Theme 2: Education Would Improve Participants’ Financial Position

Education-based debt may consist of loans incurred by students who cannot afford to attend college based on their families’ socioeconomic circumstances, a wealth gap among races, and the effects of the Great Recession. The current literature includes information on college debt in the African American community, with mixed findings on why this population has a higher proportion of education-based debt than other races (Hiltonsmith, 2013). Despite the likelihood of incurring debt for an education, students foresaw potential future earnings that would allow them to pursue desired career paths and become contributing members of society. Two subthemes emerged from the transcripts: (a) college debt had a negative effect on career choices and (b) earning a degree resulted in a positive contribution to Georgia economy.

Subtheme 1: College debt had a negative effect on career choices. Eleven participants said college debt did not influence their career choices, whereas nine stated that it did.

> Participant 1 stated, "I selected a career that I knew would allow me to take care of myself and pay down debt." Similarly, Participant 6 replied, "College debt has influenced my career choices or the thought process behind being able to increase my earning potential to pay off the debt faster."

Subtheme 2: Earning a degree resulted in a positive contribution to Georgia economy. Nineteen of the 20 participants said that they contributed to the Georgia economy in multiple ways: (a) paying taxes, (b) buying products with disposable income, (c) donating to charities, (d) working in service-related industries, and (e) community involvement. Feedback from participants include the following statements:

> Participant 1 stated, "I buy products, shop and donate money which helps others stay employed."
>
> Participant 5 replied,
>
> I think I primarily contribute to the overall economy of Georgia via my state taxes that I pay based on my taxable income. Also, because I make a certain amount of many where I'm able to purchase items like clothing that contribute to sales revenue.
>
> Participant 15 responded, "I believe so by paying the state taxes which employ state workers and contributing toward state improvements."

Individuals pursue a college degree with the expectation of earning competitive wages in their desired career paths, which may lead to economic growth and prosperity.

Theme 3: College Debt Is a Burden

Student-loan debt has become a significant financial burden for many students in the United States (Lorin, 2015). Researchers have addressed how colleges and the federal government contribute to the causes of escalating college debt and the financial burdens that affect African Americans. Through the conceptual framework lens, I gathered data from interview transcripts to analyze the management of debt after graduation, economic consequences of education-based debt, and the disproportionate amount of college debt among African Americans. The one subtheme that emerged is securing student loans was necessary out of a belief that it would improve one's socioeconomic level.

Subtheme 1: Securing student loans was necessitated out of a belief that it would improve the student's socioeconomic level. Socioeconomic status contributes to the decisions African American students make about applying for student loans and other forms of financial assistance (Boschma, 2014; Brachman, 2012). Fifteen of the 20 interviewees stated they incurred debt out of necessity due to their family's socioeconomic level:

> Participant 2 indicated, "Socioeconomic status played a role because there was a financial need."
>
> Participant 10 stated, "I incurred debt out of necessity. I didn't come from a wealthy family, so getting student loans and any form of education assistance was a necessity."

Participant 15 replied, "I incurred college debt due to my own financial necessity, and my family wasn't able to assist with my tuition."

Participants 3 and 20 provided a detailed response that yielded a clearer understanding of the complex decision-making process some students endure when attempting to cover costs for tuition and financially taking care of themselves and, in some cases, their families. Participant 3 stated,

> When I got my loans as an undergrad, I had a unique family situation. Even though I had a full scholarship to cover tuition and fees, I took out loans to help my family. When I was in graduate school, I was married with kids, so I had to take out more loans to afford being a full-time student.

Participant 20 responded,

> I incurred college debt out of necessity due to my family's socioeconomic level. It was quite difficult to maintain a full-time job and receive satisfactory grades to matriculate through my program, so I worked as much as I could part-time but allowed student loans to be a safety net, semester after semester, to keep the lights on at home.

Graduates communicated varying reasons for incurring college debt, but the overwhelming reason was due to necessity because of their socioeconomic levels.

Summary

This investigation involved exploring factors that contributed to college debt incurred by African Americans who graduated during the Great Recession and reside in Georgia. Participants stated that although debt can be burdensome, they felt it was necessary to pursue and obtain college degrees to progress in society. The lived experiences illustrated that they believed college debt could affect the decision-making process after graduation, specifically when purchasing a home and pursuing additional degrees and certifications. However, many purchased items they deemed necessary, started families, and earned higher degrees despite the debt. By receiving inadequate financial counseling before college and experiencing familial socioeconomic challenges, they had few choices when determining how to pay for school other than incurring loans.

The chapter included the research setting, demographics, data collection, data analysis, evidence of trustworthiness, study results, and summary. Chapter 5 consists of a discussion about the interpretation of the findings, limitations to the study, recommendations for further research, implications, and conclusions.

Chapter 5: Discussion, Conclusions, and Recommendations

The purpose of this study was to examine the experiences of African American college graduates in Georgia who were managing their financial independence while managing their college debt. I sought to analyze and understand how college debt affected African American graduates' decisions to purchase homes and cars, as well as pursue additional degrees and other career aspirations while repaying education-based loans. The intent was to identify, and expand knowledge regarding the reasons why graduates incurred debt to pay for college and to teach students and graduates how to avoid making some of the same choices. Twenty African American college graduates participated and reported that they took out loans to pay for college, graduated during the Great Recession, and lived in Georgia. Semistructured interviews were documented through e-mail and audio recordings.

Qualitative data analysis indicated motivating factors that led to loans were (a) lack of adequate financial counseling, (b) financial need based on family circumstances, and (c) financial need based on socioeconomic level. Additionally, the study involved collecting qualitative data to analyze how college debt may have or may not have affected decisions to do the following: (a) purchase cars and homes, (b) pursue additional degrees and professional licenses, and (c) contribute to the Georgia economy. In this chapter, I present the interpretation of the findings and compare the outcomes to literature reviewed in Chapter 2. I include the interpretation of findings, limitations to the study, recommendations for further research, implications, and conclusions. Finally, I present findings based on my reflections as a researcher.

Interpretation of Findings

The results clarified my understanding of the lived experience of African American college graduates attempting to manage their debt. I acquired the information needed to understand this experience by conducting semistructured interviews with 20 participants who met the criteria. The participants' experiences concerning reasons for incurring college debt and the ways the debt affected financial independence were examined. Evaluating the transcripts of each graduate's interviews through phenomenological review led to the identification of themes. Throughout Chapter 4, I include data samples as evidence of the themes to help the reader understand the participants' thoughts about their experiences. The following sections address the three themes that emerged from data analysis: (a) pursuit of financial independence, (b) education would improve participants' financial position, and (c) college debt is a burden.

Theme 1: Pursuit of Financial Independence

RQ1. Eleven participants said they received limited or no financial counseling to prepare them for the responsibility of repaying college debt. Participant 2 stated, "Did not receive financial counseling, was taught if they approve the loan, take the money." This type of thinking can affect financial planning and budgeting in adulthood and result in long-term consequences.

RQ2. Participant 4 stated, "Straight out of college the debt impacted my life because I had quite a bit of debt to pay off, so I had to put myself on a pretty strict budget to get rid of that debt." According to a recent survey by TD Ameritrade (Shell, 2017), the burden of college debt continues to weigh on the finances and life choices of young people between the ages of 20 and 26, and 32% say they owe anywhere from $10,000 to more than $50,000 on student loans. The participants graduated between 2007 and 2009, but graduates in 2017 are still experiencing the challenges of managing education-based debt. A lack of adequate financial counseling and planning resulted in unpreparedness for managing debt after graduation.

Theme 2: Education Would Improve Participants' Financial Position

RQ1. Nineteen of the 20 participants responded that they contributed to the Georgia economy in multiple ways, including (a) paying taxes, (b) buying products with disposable income, (c) donating to charities, (d) working in service-related industries, and (e) community involvement. As leaders in student-loan debt accrual, Georgians must manage a higher amount of college debt than college students in most states do (Otani, 2015). Participant 6 stated,

> I've contributed to the economy of Georgia through my state employment taxes and because of the disposable income that I have due to my earnings, I'm able to eat out more, go out with my friends, and spend money contributing to the economy.

RQ2. Participants overwhelmingly reported that college debt did not change their decision to purchase a home, purchase a car, or start a family. Fourteen stated college debt did not affect their decision to purchase a home, 17 stated college debt did not affect their decision to buy a car, and 15 indicated college debt did not or will not influence their decision to start a family. Participant 2 replied, "College debt has not had an impact on my purchasing a car because college debt seems unavoidable." Participant 6 noted, "College debt influenced my career choices of the thought process behind being able to increase my earning potential to pay off the debt faster." Participant 1 said, "I selected a career that I knew would allow me to take care of myself and pay down debt." Participant 1 confirmed that graduates pursue jobs that lead to careers in which they may reap earnings that will allow them to seek financial independence by paying off college debt.

Many students have been conditioned to believe that college debt is inevitable. This idea might not be true for those who seek and obtain professional financial counseling to assist with alternative ways to pay for college and choose institutions that offer a quality education in their desired field at a lower cost. It is beneficial to the economy when students graduate with less debt and can immediately contribute spending power toward goods, services, and homeownership in their local communities.

Theme 3: College Debt Is a Burden

RQ1. Fifteen participants said they incurred debt out of necessity due to their family's socioeconomic level. Socioeconomic status plays a significant role in determining the lived experiences of individuals relating to economic growth and decline. Researchers can ascertain dependent students according to their parents' income levels (Baum & Johnson, 2015). Participant 1 stated, "I viewed college debt as something common." Participant 3 noted, "College debt has been weighing on me."

Participant 7 responded, "Student-loan debt has definitely been a burden on the path to pursuing financial prosperity and independence. It feels like a never-ending debt."

Fifty-seven percent of people with student loans have concerns about the possibility of being unable to repay their debt (Ratcliffe & McKernan, 2013). People of multiple races have these concerns, but they are more prevalent in some socioeconomic and racial groups, such as African Americans (Addo, Houle, & Simon, 2016).

RQ2. Regarding the role of college debt in the career and financial choices of African American college graduates who reside in Georgia, Participant 20 stated,

> It has impacted my life the most because the interest is continuing to pile up. I have been unable to make any loan payments and have had the loans in forbearance for quite some time. I fear that soon they will begin garnishing my employment checks and that will impact my monthly spending on necessities.

The financial burden Participant 20 described relates to Chan et al.'s (2012) discussion of the spending habits and financial management of students' high debt levels that link to negative consequences such as damaged credit and stress-related health problems. In research that involved exploring career management for low-income African American college students, Parks-Yancy (2012) noted that lack of adequate financial and career counseling affects financial management decisions. The commonalities experienced by the participants confirmed the literature reviewed in Chapter 2 that directly related to a lack of financial counseling, disparities in the wealth gap between African Americans and European Americans, and socioeconomic levels of the graduates' familial incomes having a direct and significant effect on how successfully these graduates can manage their debt and aspire to financial prosperity (Addo et al., 2016).

In summary, a college education has been viewed as the way to improve socioeconomic standing, especially in the African American community. However, the cost of this education can result in student loan debt that burdens graduates' ability to acquire financial growth, thereby reducing the effect of achieving a college education.

Limitations of the Study

I used a qualitative phenomenological approach to capture the lived experiences of the participants. Twenty African Americans who graduated college during the Great Recession, incurred debt to pay for college, and resided in the state of Georgia were interviewed. No other ethnic groups were included. The first limitation was due to the qualitative nature and design. The findings are not generalizable beyond the specific population. Qualitative procedures were most suitable; however, seeking qualified participants, coordinating interview times, and acquiring signed consent was time consuming and required an extensive review of the findings to discover meaningful results. I used purposeful sampling to recruit individuals to participate voluntarily. The sampling strategy and participation size were intentional and acceptable to generate data in qualitative research. Participants reviewed their transcripts to validate their feedback, which served to encourage participants to think critically about their lived experiences and the feedback provided.

The second limitation was that, of the 20 participants, only five interviews took place face-to-face due to the demanding schedules of the remaining participants. Although more face-to-face interviews would have been preferred, the quality of interviews with remaining participants was not jeopardized as evidenced by meaningful and substantive responses they provided via e-mail. Using e-mail communication to collect qualitative data conforms to the lifestyles of many professionals, and e-mail has become a normal and responsible mode of qualitative data collection (Bowden & Galindo-Gonzalez, 2015). The third limitation was the uneven gender pool of the participants. Of the twenty individuals interviewed, 15 were women and five were men.

The male-female demographic of this study's participant pool was a reflection of the population of African American college students. Black women currently earn about two thirds of all bachelor's degrees, 70% of master's degrees, and more than 60% of doctorates earned by African Americans ("Black Women Students Far Outnumber Black Men," 2017). All of the participants' experiences benefit to the findings of the research.

Recommendations

There are several opportunities for conducting future studies on subject matter related to this study. Several recommendations arose from this research. High school counselors, college admission officers, and financial aid officers should be more proactive about communicating with prospective and new college students regarding options for funding their education. Based on the results, I recommend two potential areas of improvement that could benefit from further research: mandatory financial aid counseling for students before high school graduation, and an expansion of the exit interview process for prospective graduates from colleges and universities.

Mandatory Financial Aid Counseling for Students Prior to High School Graduation

Students anticipating high school graduation may feel excited about their desired future as college students, but they may not seek adequate counseling to determine the best options to cover the costs of their education. African Americans whose families may possess low or moderate socioeconomic levels might not research or seek assistance from high school counselors, debt management programs, or third-party advisors who assist with planning for the economic responsibility of attending college. Whether students intend to enroll in college within 1 year of graduation or not, financial counseling should be a requirement so that students and family members can gain the knowledge and strategies necessary to become financially responsible in case they decide to pursue a college education. When recruiters at colleges and universities solicit interest among high school students by setting up booths and stands at college fairs, they should have to include an extensive guide that reveals all anticipated costs and fees, with information detailing repayment options such as installment plans, loans, grants, and scholarships.

Expanding the Exit Interview Process for Prospective Graduates at Colleges and Universities

Other than offering exit interview sessions, colleges should provide an extensive graduation plan of action that includes the following: (a) choosing the right repayment plan; (b) understanding the benefits of refinancing loans, loan consolidation, and loan forgiveness; and (3) budgeting skills. The federal government websites for financial aid provide a wealth of information on various repayment plans, such as the Standard Plan, Extended Plan, Graduated Plan, Income-Drive Plan, and Income-Sensitive Plan (U.S. Department of Education, Federal Student Aid, n.d.-c). I recommend trained financial aid counselors at colleges and universities explain the advantages and disadvantages of each repayment plan to new college graduates, so they have the information necessary to move forward into the workforce as responsible contributing parties to society.

In addition to multiple repayment plan options, graduates may also be able to refinance existing loans to lower the interest rates or contact the servicing provider of their loans and request a consolidation of multiple loans into one large loan to manage one monthly payment rather than multiple smaller increment loans (U.S. Department of Education, Federal Student Aid, n.d.-a). Knowing how to budget properly is a valuable skill that can assist graduates with managing the responsibility of repaying debt, regardless of their income level.

Future researchers can expound on how to assist African American students in minimizing the amount of debt they must repay after graduation, which might also present an opportunity for further research to address the challenges experienced by other ethnic groups in the United States. Hispanic Americans and Asian Americans constitute a significant amount of the population. According to 2015 census data (Ryan & Bauman, 2016), 36% of Asian Americans, 22% of African Americans, and 15% of Hispanic Americans had a bachelor's degree or higher. It is important to explore the reasons for increased college costs, the populations burdened with repaying this debt, and the ways to reduce the amount of debt graduates incur so they can enter the workforce without overwhelming amounts of debt that can impede lifelong decisions such as purchasing a home, starting a family, or pursuing additional degrees and certifications.

Additionally, in-depth exploration of how the budgetary habits of female graduates and male graduates differ can potentially yield compelling results that could assist families of potential college graduates. More methodological work might divulge how to robustly capture the impact student loan debt has on communities within the United States. Further research exploring quantitative analysis might reveal statistical data to assist researchers in determining patterns of student loan debt over decades within generations of families.

Implications

This study has the potential to affect positive social change at individual and collegiate levels. The results may help leaders implement new procedures to benefit prospective college students, current students, and graduates. Previous researchers (Houle, 2013; Robb, Moody, & Abdel-Ghany, 2016) assumed that students and their families understood the ramifications of debt and therefore made financial choices to incur debt to pay for their education. The results of this study contradict these assumptions and identify the need for better financial counseling on the high school and college level.

The research demonstrated the challenges experienced by the participants. A gap exists between the rising cost of tuition and the socioeconomic levels of graduates and their capabilities to repay the debt. Higher college costs mean fewer families can gain the education and training they need to grow and prosper in their communities (Mulhern, Spies & Wu, 2015). As state and federal financial aid continues to fail to meet the growing need, more students face higher debt levels (Mulhern et al., 2015). The State Council of Higher Education for Virginia conducted a study in 2014 on increasing tuition, and the effects on socioeconomic levels. They revealed that the higher education system has not been able to produce enough college graduates to satisfy regional and national needs for a better educated workforce or to function efficiently to achieve economic mobility since the recession (Mulhern et al., 2015). The state of Georgia might benefit from similar research. All the participants for this study resided in Georgia and attempted to contribute productively to the state's economy. Researching and evaluating how to reduce student debt and improve graduates' earning potential might improve the economy on a state and federal level.

College debt is not a new occurrence. College fees have a significant basis in the debt ceiling of the United States (Ahuja, 2013). The gap between the haves and the havenots is continuing to widen (Boschma, 2014). Although individuals of all races may incur debt to pay for college, minorities, specifically African Americans, continue to lead the population of debtors (A. Johnson etal., 2012).

The relationship between the conceptual framework and theories of human capital theory and critical race theory are as follows. Using a conceptual framework clarified why African American students incur college debt. In support of the human capital theory, many participants expressed that they attended college to earn degrees that would benefit them long term and enable them to secure careers that resulted in financial growth. The basis of human capital theory is the premise that future incomes may increase by investing time and money to improve knowledge and skills (Becker, 2008). Becker (1994) asserted that human capital is the study of how the productivity of people changes through investments in education, skills, and knowledge. As the job market becomes more competitive, the cost of a college education becomes more expensive. The implication of this reality is the possibility that students may decide that the cost of a degree is not worth the possible long-term financial burden (Engwall &Scott, 2013). Investing in human capital, particularly in education is essential for economic development (Krasniqi & Topxhiu, 2016).

The importance of the critical race theory in this study is that collegiate leaders need to be cognizant that students should understand the repercussions of incurring debt to cover increasing educational costs (Delgado & Stefancic, 2001). The issue of educational inequity appeared in the responses of participants when sharing experiences relative to the need to incur debt due to a lack of financial counseling and due to the financial need of their families. The results of this study align with the findings of researchers for the Center on Budget and Policy Priorities (Mitchell et al., 2016), who determined that students anticipate great earnings upon graduation and do not consider the immediate debt that they must repay. Years of cuts have made college less affordable and less accessible for students (Mitchell et al., 2016). For many students and graduates, the increased costs, decreased state, and federal funding have jeopardized the ability to afford a college education, which is pivotal to long-term financial success (Mitchell et al., 2016). The theoretical implication for human capital and critical race theories is the potential decline in African American students pursuing bachelor degrees based on the conceivable long-term financial consequences of debt repayment and the possibility that they will be unemployed or underemployed after graduation (Mong-Naranjo, 2016).

The contribution of this study could be of interest to counselors, advisors and parents of students planning to enroll in college who contemplate loans as an option to cover the costs. The knowledge gained from this study offers secondary and post-secondary administrators, parents, and policy makers an opportunity to help students develop financial action plans that may result in less debt for repayment.

Conclusions

This study involved exploring the experiences of African Americans who graduated college during the Great Recession, incurred debt to pay for their education, and resided in Georgia. With college costs increasing, it was important to explore the experiences of African Americans because they comprise the largest ethnic group with college debt (Houle, 2013). The descriptions of experiences each participant provided through the interview process answered the two research questions. The first question addressed how African American college graduates managed their debt, and the second question pertained to the way debt affected the career and financial choices of African American graduates. Several graduates identified similar views on student loan use and saw incurring debt as necessary when pursuing a college education.

This study contributes to the existing body of literature on college debt among ethnic minorities; on the decision-making process of this population; and on the ways their choices affect long-term financial prosperity. Methodological implications of the research included the need to consider other ethnic groups at various socioeconomic levels. Additional research is necessary to broaden the participant population.

This study suggests that African Americans believe that a college degree will benefit them to achieve professional success. Nevertheless, they require continued support and guidance. This support and guidance can come from administrators and policy makers in the form of ways to reduce repayment costs and by providing financial planning and management skills. Without a doubt, the implementation of this study's findings will lead to both micro and macroeconomic improvements within the state of Georgia.

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Appendix A: Sample Flyer Invitation to Participants

Participants Needed

Research Study

Seeking African Americans who used student loans to pay for their bachelor degree (and higher degrees)

Purpose of Study: The purpose of this research is to examine the debt management experiences of African American graduates who earned a bachelor's degree or higher during the Great Recession and used loans to pay for the cost.

To participate you must meet the following criteria:

- **Must be at least 18 years old**
- **Reside in Georgia**
- **Be African American (male or female)**
- **Have graduated with a bachelor's degree or higher between 2007 to 2009**
- **Used student loans to pay tuition, housing and fees while pursuing your degree.**

If you are interested in participating in this study, please contact:
Christal Blalock, MBA, at Christal.Blalock@waldenu.edu

Appendix B: Letter of Confidentiality

CONFIDENTIALITY AGREEMENT

Name of Signer: ___________________________________

During the course of my activity in collecting data for this research: "African American Graduates' Experiences of Managing College Debt," I will have access to information that is confidential and should not be disclosed. I acknowledge that the information must remain confidential, and that improper disclosure of confidential information can be damaging to the participant.

By signing this Confidentiality Agreement I acknowledge and agree that:

1. I will not disclose or discuss any confidential information with others, including friends or family.

2. I will not in any way divulge, copy, release, sell, loan, alter or destroy any confidential information except as properly authorized.

3. I will not discuss confidential information where others can overhear the conversation. I understand that it is not acceptable to discuss confidential information even if the participant's name is not used.

4. I will not make any unauthorized transmissions, inquiries, modification or purging of confidential information.

5. I agree that my obligations under this agreement will continue after termination of the job that I will perform.

6. I understand that violation of this agreement will have legal implications.

7. I will only access or use systems or devices I'm officially authorized to access and I will not demonstrate the operation or function of systems or devices to unauthorized individuals.

Signing this document, I acknowledge that I have read the agreement and I agree to comply with all the terms and conditions stated above.

Signature: ______________________ **Date:** ____________

Researcher: Christal Blalock, Walden University **Date** ________

Appendix C: Initial Participant Qualification Form

Participant Identifier ____________
Date _________________________

Participant Qualification Form

1. What is your race? ____
2. What is your gender? ____
3. What years did you attend undergraduate school? _______________________
4. What year did you graduate with a bachelor's degree? ___________________
5. Did you pursue a graduate level degree? If not, why?

____
____
____

If so, what type of degree? ____

6. Did you incur loans to pay for your undergraduate degree? _______________

If so, what type (federal loans, private loans, etc.)? ______________________
____

7. In your opinion, do you consider the amount of your college debt to be low, moderate, or high? ____
____
____

8. Do you reside in the State of Georgia? ________________________________

Appendix D: Interview Questions and Protocol

1. Did you receive financial counseling to assist you with options for paying for a college education before applying for college? If not, why didn't you receive this type of counseling?

Response from Interviewee:

If you received this type of financial counseling, did it help you with the decision-making process regarding loans, grants, scholarships, and paying out of pocket?

Response from Interviewee:

Reflection by Interviewer:

2. To your knowledge, did you incur more college debt than your college classmates or your colleagues who are Hispanic Americans?

Response from Interviewee:

Reflection by Interviewer:

3. Did you incur college debt out of necessity due to your family's socioeconomic level or did you pursue college debt for another reason? Please explain.

Response from Interviewee:

Reflection by Interviewer:

4. Has the college debt impacted your decision to purchase a home? If not, why? If so, why?

Response from Interviewee:

Reflection by Interviewer:

5. Has the college debt impacted your decision to purchase a car? If not, why? If so, why?

Response from Interviewee:

Reflection by Interviewer:

6. Has the college debt impacted your decision to start a family? If not, why? If so, why?

Response from Interviewee:

Reflection by Interviewer:

7. Has the college debt influenced your decision to pursue higher degrees or professional certifications/licenses? If not, why? If so, why?

Response from Interviewee:

Reflection by Interviewer:

8. Has the college debt influenced your career choices? If not, why? If so, why?

Response from Interviewee:

Reflection by Interviewer:

9. Within 5 years of earning your bachelor's degree, were you employed in your field of study or another field? Were you underemployed in your field or another field?

Response from Interviewee:

Reflection by Interviewer:

10. Based on your college education, college debts, and employment status, how have you contributed to the overall economy of Georgia?

Response from Interviewee:

Reflection by Interviewer:

11. Briefly describe how your student-loan debt has impacted your life the most when pursuing financial prosperity and independence?

Response from Interviewee:

Reflection by Interviewer:

Closure

- ✓ Thank interviewee for participating
- ✓ Reassure confidentiality
- ✓ Ask permission to follow-up ______

Interview Protocol

Project	Management of College Debt: African American graduates in Georgia
Date	
Time	
Location	
Interviewer	
Interviewee	
Release form signed?	