



SCHOOL OF BUSINESS RESEARCH SEMINAR SERIES

RESEARCH WITH IMPACT

Security versus Freedom – Do young adults still aspire to home ownership?

DATE: Friday 7 February 2025

TIME: 11:00am – 12:00pm

MEETING DETAILS: Learning Studio 78 Level 7, IPSQ
& Zoom Online (Meeting ID: 881 5137 1300,
Password: 215264)

RSVP: COB, Friday 31 January 2025

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PRESENTER:

Professor Elizabeth Sheedy

Department of Applied Finance of Macquarie Business School

ABSTRACT:

This mixed methods study identifies heterogeneous attitudes and intentions towards home ownership in Australia. Ownership remains an important life goal for most, although some doubt they will ever achieve it. We identify a significant minority of young adults who are now rejecting ownership as a goal, who display ambivalence towards it, or who are intentionally putting home ownership on hold to pursue other goals. The desire for freedom, flexibility and quality of life is a key driver of less favourable attitudes to ownership, along with debt aversion. We find no evidence that either financial literacy or life satisfaction varies significantly

between the groups we identified. Financial wellbeing is significantly lower for homeowners than for most other groups we investigated, highlighting the sacrifices that are necessary for achieving ownership in the current era of declining affordability. We also find that financial self-efficacy, mastery and conscientiousness are relevant for explaining ownership intentions. We explore implications for policymakers, potential design of interventions and future research.

BIOGRAPHY:

Professor Elizabeth Sheedy is an expert in household finance and risk management based in the Department of Applied Finance of Macquarie Business School. In 2021 she published her first sole-authored book entitled 'Risk Governance: Biases, Blindspots and Bonuses' with Routledge. She is an Associate Editor for the Journal of Banking and Finance - rated A* by the Australian Business Deans' Council.

Her current research focus is in household finance, with a particular focus on the financial decision making of young adults (housing, use of debt, financial resilience and wellbeing). Elizabeth uses a range of research methods to build understanding of behaviour in financial services including: surveys, experiments, interviews as well as the econometric methods traditionally used by finance scholars. She has collaborated with scholars in other disciplines, including organisational psychology and experimental economics. This multi-methods, multi-disciplinary approach has produced a number of ground-breaking findings in the field, including development of the Macquarie University Risk Culture Scale. This psychometrically-validated survey instrument has been found to predict a range of behaviours important in the finance industry.