A COMPARATIVE STUDY OF FINANCIAL MANAGEMENT PRACTICES OF MARRIED HOME ECONOMICS STUDENTS

By

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PRACTICES OF MARRIED HOME ECONOMICS

STUDENTS

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TABLE OF CONTENTS

Chapter | Page

LIST OF TABLES

Table		Page

CHAPTER I

INTRODUCTION

In today's society money has become an important factor in attaining goals, decreasing wants, and bringing a certain amount of satisfaction to the family. The ability to manage as well as earn money determines to a large extent the well-being of the family. During the twentieth century the United States changed from an agricultural to an industrial nation. As a result of this change the family moved from an independent producing-consuming unit to a consuming unit that depends primarily on purchasing goods and services produced by others. This societal change has put a great emphasis upon money and financial management. Feldman, who directed the research of the Money Management Project of the Welfare Planning Council of the Los Angeles Region, made the following statement about money (Feldman, 1957, p. 267):

> Never before in the history of western civilization has the word money meant so much to so many. Money is the medium of exchange, a means for distributing the vast and increasing outpouring of the goods and services of our economic system. Money is a symbol of status and achievement, often the measure for human values and dignity. This is truly the age of the economic man.

Home Economists have been aware of the importance of financial management and have placed a great deal of emphasis on this area. This can be seen by the fact that in 1959 the American Home Economics Association stated twelve competencies concerning philosophy and objectives for Home Economics. Of the twelve, five pertained to financial management and consumer education.

Home Management literature emphasizes the idea that values and goals direct the use of resources to achieve family satisfactions. Values and goals are recognized as underlying forces which direct and guide the family in making managerial decisions. Gross (1963, p. 9) stated that "one of the important shifts in home management as a field of study has been from the emphasis upon skill in using resources to stress upon people and their goals as the focal point of management." An individual's and family's values vary in importance and change over time. Clearly defined values and well established goals give meaning to life and contribute to economic competence.

McKee, in a talk presented to home economists at a conference on values and decision making in home management, July 4-6, 1955, explained values as being expressed choices man is making through life. He goes on to say that:

> There is no area of life in which values are not operative. They are all-pervasive in the sense that wherever human beings are involved their choices are being made and values expressed. These values may not always be explicitly stated, but value assumptions and implicit values are always present (McKee, 1955, p. 8).

From this we can conclude that values are the underlying forces which direct choices. Values change along with societal changes.

In recent years there has been an increase in the number of married students attending colleges and universities around the country (Clark, 1969). Married students are faced with a variety of problems such as: personal vocations, communication and incompatibility, and financial concerns. According to Graff (1973) undergraduates who are married had their greatest concerns in the financial area, while fewer graduate married students were concerned about finances. Minimizing dissatisfaction and maximizing satisfaction is the primary goal for which married students are striving (Ibsen, 1967). The concern to maximize satisfaction of financial management problems led to the origin of this study.

Family economists have gained a tremendous amount of knowledge through researching basic principles in financial management. However, there is often a gap between knowledge level and practical application in every day life. Ways to bridge the gap may include financial management courses at lower levels (high school and junior high) which relate to practical problems which students must solve. A basic course required for all college freshmen is another suggestion. It is important that all students be educated in financial management procedures as efficient management will help students to achieve their goals.

Statement of the Problem

The problem selected for the study was to examine and compare financial management procedures of married home economics college students who had taken Resource Management for Individuals and Families through the Housing, Design and Consumer Resources department with the practices of married students in home economics who had not taken the resource management course. Background characteristics that affect financial management of married students were also studied, as well as problems encountered with financial management and satisfaction gained from completion of the course.

Rationale for the Study

The Division of Home Economics at Oklahoma State University has a required course entitled Resource Management for Individuals and Families. The course is offered through the Housing, Design and Consumer Resources Department, number 2413. The course can be divided into the following sections: 1) the Consumer, 2) Family financial management, 3) Time and energy management (Bird, 1975). The second section, Family financial management, is the major area of concern and the specific content of this area is as follows:

I. Money, Its Influence

II. Money Management

III. Record Keeping

IV. Credit

V. Protections - life insurance, health insurance, auto insurance and property insurance

VI. Social Security

VII. Savings and Investments

VIII. Wills and Estates

Requiring all home economics students to take a basic family economics course shows the importance which faculty place on financial management (Oklahoma State University, 1975-76).

Results of this study determine the effectiveness of the basic family economics course offered through the Housing, Design and Consumer Resources department and hopefully discover how this course can more effectively increase satisfaction with financial management practices employed by students. This information benefits college teachers concerned with the well-being of the family as well as those teaching financial management. Hopefully other educators and counselors who work with families can benefit from the results. This information gives some indication of the effectiveness of the course offered as well as offer guidance in planning future programs in financial management.

In a recent article in the Journal of Home Economics, the importance of evaluating existing courses was stressed. Bivans et al., 1975, p. 27 states:

> These priorities are only viable when home economists critically examine the profession in relation to existing programs to ensure that they are justifiable; as changes are effected, do the existing programs require different structures and emphases or mere additions to present situations? The home economist must be creative and innovative in accepting the challenges that new priorities require new structures, programs, and responsibilities.

As was previously mentioned, increasing satisfaction is an extremely important part of this study. Can we, through financial management courses, increase the level of satisfaction one has with his or her present financial situation. One of the major goals of research in home economics was stated in National Goals and Guidelines (Schlater, 1970, p. 15):

> The ultimate goal of research in home economics is to maximize the satisfaction and well-being of individuals and families through increasing knowledge, and understanding of man and his immediate environment--his physical, cultural, and social milieu.

The fourth goal stated by Schlater in National Goals and Guidelines is centered around consumer competence and family resource use. It is important to study how individuals and families use resources and ways in which families can reach goals more effectively through the use of resources because it is the attainment of goals that contributes to satisfaction with living.

> The abilities of families and individuals to identify values, formulate goals and effectively use their total resource pool affects not only consumer satisfaction, but satisfaction in all other aspects of living as well (Schlater, 1970, pp. 42-43).

Research done recently has shown a continued need for financial management education at the high school level and for adults either through extension programs or college classes.

Recommendations made by Schomp (1961, p. 82) include the following:

> All educators working with young women as well as men need to appraise their own teaching in the areas of financial management in order to make it as functional as possible. This means appraising all aspects of the educational program, its goals, content, learning experiences, and the time when certain problems or subject matter areas are offered. Moreover, educators need adequate, reliable information about the students they serve so that they may meet the needs and interests of these students.
>
> In order to meet the needs in financial management of married students in institutions of higher education, preparation for financial management for most of them must be offered in high school or during the freshman year of college because some are married as freshmen and others marry soon after their freshman year. Since financial management is a cooperative affair between husband and wife, both need preparation for solving their financial problems effectively.

Questions

1. What background characteristics influence financial management of married students?
2. Do married students in Home Economics more fully utilize financial management procedures after taking Resource Management for Individuals and Families (HDCR 2413), than married students in Home Economics who have not taken the resource management course?

(a) How do the financial management practices of married home economics students who have taken the resource management course compare to those of married home economics students who have not taken the course?

(b) How do knowledge scores in financial management for those students who have taken the resource management course compare to the scores of students who have not taken the course?

(c) What relationships exist between financial management practices and knowledge scores in financial management for both groups?

3. Are there specific problems encountered but not now being discussed in the resource management course?

4. Do the students experience greater satisfaction with financial management after completing the resource management course?

Assumptions

1. Financial management practices are not to be equated to financial problems, as poor financial management practices do not mean the family has financial problems.
2. The questionnaire is accurate and will measure success and satisfaction in financial procedures.
3. Participants will record information fairly and accurately as the questionnaire will be anonymous.

Limitations

The conclusions are valid for the population from which the sample was taken.

More junior and senior undergraduate students were married than freshmen and sophomore undergraduate students.

More respondents will be women since 985 women compared to 141 men were enrolled in Home Economics at the time the questionnaire was in use.

Definitions

Married Home Economics Student - An undergraduate student who is currently working towards a Bachelor's degree in any department of home economics.

Financial Management - The solution of family financial problems, primarily money use, for the purposes of attaining family goals. Financial management involves financial planning, record keeping, savings, insurance, investments, social welfare, security and consumer credit, as well as major financial decisions (Troelstrup, 1974, p. 128).

Real Income - The total goods and services that actually come into the possession of a family (Fitzsimmons and Williams, 1973, p. 162).

Resources - Means which can be used to satisfy wants and achieve family goals; human resources consist of time, energy, health, knowledge, experience, interest, attitudes, and abilities; while non-human resources consist of wealth, income, and space (Fitzsimmons and Williams, 1973, p. 201).

Budgeting - Estimating the amount of money that can be spent for various purposes in a given time (Donaldson and Pfahl, 1971, p. 38).

Records - A written account or written proof kept in some permanent form (Fitzsimmons and Williams, 1973, p. 451).

Credit - The ability to obtain the immediate use of goods and services or money with a promise to pay at some future date (Donaldson and Pfahl, 1971, p. 284).

Investments - Putting money into something that is expected to yield money as income or profit or both (Donaldson and Pfahl, 1971, p. 284).

Insurance - A large group of people undertaking similar risk contributing to a common cause to compensate for those who suffer loss (Donaldson and Pfahl, 1971, p. 233).

Liabilities - Obligations which the family is legally committed to pay some time in the future (Donaldson and Pfahl, 1971, p. 606).

Procedure

In order to carry out the study determining the effectiveness of the resource management course on financial practices of married students enrolled in the Division of Home Economics the following procedure was used:

1. Review pertinent literature and research to gain a better understanding of financial management. It is summarized under the following sub-headings:

(a) Societal Changes

(b) Attitudes Toward Financial Planning

(c) Need for Financial Management

(d) Components of Financial Management

(e) Educational Implications

2. During the spring semester of 1976 approximately 1,126 undergraduate students are enrolled in the Division of Home Economics. Of this number 218 are married, 24 are male. The number of married students majoring in home economics as well as their names, addresses, major, and classification in college were obtained from the Office of the Dean of the Division of Home Economics. Since the financial situation of graduate students is often different from that of undergraduates, many of them having already earned and saved for further schooling only the undergraduates were included. The population of married students majoring in home economics was limited to undergraduate students. The sample was divided into those who had taken HDCR 2413 and those students who had not.

3. The instrument to gather data was a questionnaire. The questionnaire was pretested in order to analyze questions, format, and construction.

4. The introductory letter, questionnaire, directions and return envelopes were placed in envelopes, sealed and distributed by teachers in classes in which they are enrolled.

5. Questionnaires were numbered and returned to the department secretary in sealed envelopes, so that a record could be kept of the students who returned the questionnaires without relating their identities to the answers.
6. Information from the questionnaire was key punched onto IBM cards. The computer print-out material was analyzed and tabulated in order to compare the financial management practices of the two different groups.
7. Findings of the study were then discussed. Conclusions were made and recommendations presented as to the implications for program development and further research.

CHAPTER II

REVIEW OF LITERATURE

Many sources of information designed to help individuals and families manage their finances are available. The United States government through its many agencies has done much research in this area of family economics and has published many bulletins. Recent examples include: Employment and Earnings (United States Department of Labor, Bureau of Labor Statistics, 1975), Monthly Labor Review (United States Department of Labor, Bureau of Labor Statistics, 1975), and Survey of Current Business (United States Department of Commerce, Bureau of Economic Analysis, 1975). Yet the question remains, has this research helped the individual family develop more efficient ways to manage their financial situation.

One type of family that can utilize results of such research are married college students. In view of the married college student's situation the following will be discussed: societal changes, attitudes toward financial management, need for financial management, components of financial management, and educational implications.

Societal Changes

The pressure of increased technology and changes in informational needs and living habits of people have created a need for adjustments in scope, content and procedures in financial management courses. One influential factor is the increasing number of women working outside the home. The proportion of women who are employed has been steadily increasing. At the beginning of 1975, some 36.5 million women were in the labor force. This is about 40 per cent of the country's entire labor force and almost 46 per cent of all women 16 years of age and over (United States Working Women, 1975, p. 2). This figure exceeds by nearly 16.1 million the World War II peak in July, 1944, when there were 20.4 million women workers. As the proportion of the female population in the labor force rose sharply from 1950 to 1974 the labor force participation rate for men moved downward (United States Working Women, 1975, p. 3).

The increasing tendency of married women to go to work has been the most important factor in the growth of the women labor force. Single women no longer predominate in the female labor force as they did before World War II and in the 1950's. Married women living with their husbands account for nearly 21 million workers in 1974. This is almost three-fifths of all women workers. The proportion of female workers who are widowed, divorced, or separated is comparatively small but on the rise (United States Working Women, 1975, pp. 24-28). Educational attainment directly influences the wife's participation in the labor force; the higher the education, the higher the employment rate (Deacon and Firebaugh, 1975, p. 84).

The trend toward smaller families has contributed to the consistent increases in women's overall labor force participation rate. Where young children are in the family, the likelihood of a mother's working outside the home is considerably reduced. Even so the labor force participation rate of working mothers has risen steadily for more than a decade. With divorce and separation on the increase in the 1970's, the number of families headed by working women is rising (United States Working Women, 1975, pp. 28-32).

An article which appeared in the U. S. News and World Report estimated that about 20 per cent of all students--graduate and undergraduates are married (February 1964, p. 70). In 1972 one out of every four college students was married (Family Economic Review, 1964, p. 18). The fact that married students are attending college is recognized by DeLisle (1965, pp. 133-134) when she says: "Married women undergraduates are in attendance at colleges and universities in ever-increasing numbers. All indications are that this trend will continue unabated."

Personal income is the total amount received over a given time by individuals. Per capital personal incomes were in actuality three times as high in 1972 as in 1950, increasing 200 per cent from $1496 to $4,920 (Deacon and Firebaugh, 1975, p. 245). In studies conducted with college students inadequate income is often a serious problem. Shomp found over one-half of the respondents involved in her research had inadequate incomes (Schomp, 1961).

Societal factors affect the attitudes held by people during specific periods of time. Other factors which affect attitudes toward financial management are economic conditions, the political situation, and the over-all sense of well-being in the country.

Attitudes Toward Financial Planning

Unless there is the belief or attitude that financial planning is necessary and worthwhile, no progress in planning can be made. The family needs to have the desire to improve its financial condition, or if it is satisfactory, to maintain the same condition (Blackwell, 1967, p. 23). In either case, the family's attitude plays a major role in financial planning.

In a study of financial planning among rural families in a central Pennsylvania community, Honey and Britton (1956, pp. 4-7) noted that only nine per cent of the husbands and wives interviewed replied that they would like any information or help in making their financial plans. Yet the same study, viewed in its over-all content, indicated the great need for skill in making cooperative financial plans based on clarity of family values and goals.

Schomp (1961, p. 79) found in her study of married women majoring in Home Economics that a majority of the women appeared satisfied with their financial situation, their ability to manage their finances, and their financial practices. Very few of them reported any financial problems or expressed the need for any help with any aspects of financial management. Moreover, they seemed competent to meet financial reverses such as a decrease in income (Schomp, 1961, p. 80).

Blackwell (1966, p. 66) found that respondents had not formulated nor accepted a well-defined set of values. Yet, respondents did not indicate the need for receiving information on financial management.

When individuals and families realize their values, goals, and attitudes toward financial management, then the components of financial management can be applied on an individual basis.

Need for Financial Management

Many sociologists and home economists believe money to be the most common source of friction in the home (Blood and Wolf, 1962, p. 72). If it is not the level of income itself which creates the problem, it is how to spend the money after it is earned. The wife and husband frequently are unaware of potential differences over the use of money before they are married (Klemer, 1970, p. 70). This calls for a period of adjustment.

In 1973 the median age at first marriage was 21.0 years for women and 23.2 years for men (Family Economic Review, (1), 1974, p. 17). Often one or both of these young married couples are working toward college degrees. This means they face not only the regular expenses of married life but also the added expenses of college learning (Klemer, 1970, p. 262). Few are able to have an income of a full-time vocation or regular employment. These factors make the financial situation of the married college student precarious.

Problems encountered by married students are childrearing, personal and vocational concerns, communication, and financial concerns (Graff and Horne, 1973, p. 438). Counseling centers have been formed on college campuses but according to a recent study done on the Oklahoma State University campus (Blackwell, 1967) few respondents had financial problems which they considered very serious; and only a small number indicated that they needed help.

From studies and surveys (Troelstrup, 1974) it is evident that economic variables are more important in marital adjustment than has generally been recognized. The economic situation is very complex, due to the variables involved such as intelligence, education, income, socio-economic background, values, goals, and standards of the partners.

Schomp (1961) found that married college students had the same financial problems as other members of the population but to a more serious degree. She found the average family income of married students is much lower than the average family income in the United States. She also found that a large number of respondents appeared to use reasonable financial practices, such as setting definite goals, and planning ahead for large purchases. A majority of respondents appeared satisfied with their financial situation and their ability to manage finances. Reasons for this were suggested in the study. The main reason given implied that the married students considered this situation as temporary. Respondents seemed to rely on the counsel of their parents to solve financial problems but the trial and error approach was used by more respondents than any other method. Recommendations from the study suggested research should be more extensive and intensive to include other students and other institutions.

Research done at Tennessee State University (Wright, 1971) studied the financial and social problems of married college students. The sample was limited to college students where both partners were in college. Factors considered were educational background, marital background, family financial status, and family social participation. Several recommendations were made. The first stated a need for more information on financial management to be made available to students who are contemplating marriage before graduating from college. The second suggested that a comparative study be made of married women students who are majoring in home economics and those who are not in order to determine if practices differ.

Nall (1972) studied relationships of selected factors to financial problems. She found that Black and Spanish minority groups experienced more financial problems than white families. She also found that problems were a result of priorities set and income limitations.

Problems in money management, disagreements over the use of money, and the feeling of financial insecurity have been shown to contribute significantly to severe tension and conflicts which frequently end in divorce (Klemer, 1970). Resolving these problems should begin before they start.

Components of Financial Management

Financial management operates as a system including inputs or demands and resources; throughputs of planning and implementing and the long-run outputs of financial activity which includes changes in standards and levels of living (Deacon and Firebaugh, 1975, p. 241).

From the input perspective one begins to understand the relationship between demand and resources. Feedback from one's activities, experiences, and satisfactions affects the demand input over time by reaffirming goals or promoting goal changes. An individual's or family's economic aspirations may be relatively high or low for many reasons. At any aspiration level, the sense of economic well-being varies widely, due to the reaction of resources or living levels to aspirations (Deacon and Firebaugh, 1975, p. 264). Younger families may have a wider gap and a lower sense of economic welfare than other age groups, but other factors will increase the width of the tolerable gap. A young husband with few resources but with high skills, a promising job, and available family support may more realistically accept a wider difference between his long range expectations and his current economic situation than a young man with limited skills, no job, and no available source of emergency support (Deacon and Firebaugh, 1975).

Financial goals vary by family life cycle although resources are often inconsistent with the goals in the early years of family formation. Young families who are disadvantaged financially are those who have children soon after marriage and who have them close together (Deacon and Firebaugh, 1975, p. 264).

Expectations, economic capacities, and performance all converge to define the degree of assurance that resources will be available to meet future needs. The degree of financial security felt may not be shared to the same extent between family members. Personal economic risks of ill health, property losses, premature retirement or death may be shared through private and social means. Consumer credit can be a useful resource to alter timing at a price.

Assets contribute to overall financial security by alloting consumption over the life cycle or by increasing the family's financial resources through investment (Deacon and Firebaugh, 1975, p. 265).

Most people develop a life cycle consistent with their means, whether by trial and error or by design. Methods used may be unconscious and supplemental to more formal planning activities, striving to facilitate resource use to achieve desired ends. Throughputs begin with planning activities.

In financial management a budget is a plan. It can be mental or written, general or specific. The plan will indicate how and when to allocate financial resources among various needs and wants (Deacon and Firebaugh, 1975, p. 265). If goals and resources are anticipated in a general way they can serve as realistic guidelines for planning (Deacon and Firebaugh, 1975). The purposes to be served will dictate the form and amount of budgeting detail most likely to facilitate financial management.

Income is one factor that can influence planning and controlling expenditures. Compared with middle-income earners, persons with low incomes may have difficulty in planning expenditures because they are having to adjust expenditures to make ends meet. High income families may function well with a very generalized plan for expenditures (Deacon and Firebaugh, 1975, p. 167).

Many people record information they otherwise might not retain in order to make tax deductions. Useful records for overall planning include: asset acquisition, income and current consumption, expenditures, interest payments, health expenditures and charitable contributions. Record keeping is a tool to check the allocation of expenditures according to the plan.

Implementing the plan includes controlling and facilitating actions, readjusting due dates, allocations, and commitments throughout the year. Record keeping facilitates controlling. Flow of income and price fluctuations affect planning and implementing.

The expected outcomes of financial planning is to meet demands (long or short term goals) by effective use of resources available. Major outputs achieved in financial management are level of living, and a related sense of fulfillment of goals. The components of net worth reflect decisions affected by other systems, especially the economic system (Deacon and Firebaugh, 1975).

Evaluating effects of financial management must be done by viewing the values and goals of the family. Values and goals held by the family determine financial management practices and also create attitudes held toward financial management procedures.

Young adults value most of the same goals their parents value, education, career, marriage, children, home purchase, education of children, financial security, and time for leisure activities (Family Economic Review, 1974, p. 16). However, these goals are often not pursued in the same sequence as their parents; they are reordering the priorities among these goals over the life cycle.

Material goals are important to many adults. They consider basic to their life style many items which were unknown or unavailable a few years ago. A list of essentials for a young adult might include such things as a color television set, stereo, and tape recorder. The life style of these young adults represents the desire to participate immediately in the higher level of living achieved by their parents later in their life (Family Economic Review, 1974, p. 16).

Young adults tend to invest in themselves and this is evident by the fact that young adults are staying in school longer. Among persons 25-29 years old 80 per cent were at least high school graduates in 1972, compared with about 61 per cent in 1960. Nineteen per cent had completed four years of college or more in 1972, compared to 11 per cent in 1960 (Family Economic Review, 1974).

The total number of students enrolled in college in October, 1972 was about 8.3 million (7.0 million at the undergraduate level and 1.3 million in graduate school). Most of the students who were married and living with a spouse lived in their own households rather than with parents (Family Economic Review, 1974, p. 18).

College students today are receiving more education than their parents. Among students enrolled in college in 1971, who were living with their families, 59 per cent of the students were from families in which the head had not attended college (Family Economic Review, 1974, p. 18).

The median income in 1972 of young families (husband and wife only) with a head under 25 years of age was approximately $8,500. For these persons with head under 25, the median income was about $7,900. Many young wives work and contribute to the family income.

The values held by young adults are reflected by the following statistics. Dr. Paul Glick, commented that young people are continuing a tendency to post-pone marriage. In 1975, 40 per cent of women between the ages of 20 and 24 were single, compared with 28 per cent in 1960. Almost 60 per cent of males the same age were single, compared with 53 per cent in 1960. Only four per cent of women in their late 40's are single, but we may have as many as eight per cent of women who do not marry later in life (Tulsa Tribune, 1976).

Statistics on the American people relate what Americans are doing in specific areas such as credit, insurance, budgeting, social security, savings and investments and wills and estate planning.

Credit

According to a recent study done by Yankelovich, Skelly and White (1975) 66 per cent of families use credit for many everyday expenses such as gasoline, clothing, and gifts, 11 per cent used credit for food. Credit was used chiefly for convenience and emergencies.

Use of credit increases with income. Consumers increased their use of short intermediate term credit by $9.6 billion in 1974, well below the record increase of $22.9 billion in 1972. At the end of 1974, consumer credit outstanding totaled $190.1 billion (Booth, 1975, p. 43).

Insurance

A broad picture of life insurance coverage of adults and families shows men were most frequently insured in 1974, with 86 per cent having some type of life insurance protection compared to 74 per cent of women (Life Insurance Fact Book, 1975, p. 11). The survey showed that by age of household head the incidence of ownership was highest in households where the head was in the age group 45-54, where 92 per cent were insured. It was also clear that the use of life insurance continues after retirement: 67 per cent of American families with heads of households age 65 or over had one or more policies. The study also showed little difference of ownership among the Northeast, North Central or Southern regions. However, the West did have a lower incidence of life insurance ownership. Using income as a base, families having $10,000 to $20,000 were the most frequently insured with 95 per cent having life insurance. In families with incomes of $20,000 and over, 93 per cent had some life insurance coverage. Under the $5,000 income level, 70 per cent had at least one family member insured.

Americans purchased $297.9 billion of life insurance in 1974. This amount increased by 27 per cent of $63.7 billion during 1974.

If total life insurance were divided equally among all United States families each would have had $26,500 of protection at year end. Excluding families with no life insurance, the average for insured families was about $31,000.

The importance of the women's market has become increasingly clear. Women are more likely than men to feel that life insurance is a necessity, and an increasing proportion of men and women feel that women should carry as much life insurance as men (Life Insurance Fact Book, 1975, p. 18). Two-thirds of the public believe that it makes sense to insure the life of the wife even if the husband is the major earner in the family. The proportion of ordinary policies purchased annually by women has gone up from total ordinary purchases in 1955. The amount purchased annually by women has been increasing at a faster rate than the amount bought by men.

Budgeting

In the Yankelovich survey families were asked if they used a budget and what their views of budgeting were. Forty-nine per cent of the families budgeted income using formal or informal means; forty-nine did not budget. Views of budgeting included a way to keep tract of money, that it is hard with inflation, that it keeps families from overspending, that it is the only way to get ahead. Negative comments toward budgeting included the following: it is more trouble than it is worth, it requires too much willpower, and budgeting creates arguments.

Social Security

Although almost every employee pays a social security withholding tax, it is doubtful whether many taxpayers have a clear idea of the protection they are getting for their money (Life Insurance, Consumers Union, p. 39). The life insurance and disability plans have been poorly publicized.

Knowledge of social security is needed so the family can plan for its life insurance or retirement which is impossible without first figuring out the size of its social security benefits.

Savings-Investments

Saving money is a deeply ingrained value in American people. The importance of saving can be seen in the fact that the gross savings by households is estimated at $232.8 billion in 1974, 1.4 per cent above 1973 (Booth, 1975, p. 37). Gross investment of households in 1974 is preliminarily estimated at $247.4 billion (Booth, 1975, p. 37).

Consumers' decisions to spend all of their income, or to save are not only influenced by income but also expenditure needs. The decisions made reflect to a great degree the age and make-up of the family.

For young families (head under 35 years of age) current expenditures averaged slightly more than current income. Debt including home mortgages averaged 81 per cent of current annual income while liquid assets and investments averaged 39 per cent of debt owed.

Changes in family needs, on the average, as the age of family head increases are reflected in the following example. The ratio of debt to income declines from the young family to the retired family. Major reasons for saving include: emergencies, bad times, old age, something special, and college education (Yankelovich, 1975).

This information related to components of financial management demands consideration by educators. There are implications for the need to impart knowledge about credit, insurance, budgeting, and savings and investments into school curriculum at a variety of levels.

Educational Implications

Many studies of financial management in their varied aspects point to the need for more emphasis on education in this area. The need is present from early childhood through the adult stages. The concern lies with adjustments in program content and teaching methods so financial management courses will more effectively serve all segments of the population (Schomp, 1961, p. 18).

Honey and Britton (1955, p. 8) studied 252 Pennsylvania rural families and suggested:

> An effective educational program to meet the needs of these families will not be one in family finance alone. The program will need to include family relationships, business methods, development of personal and family resources not yet put into use, and a genuine understanding and appreciation of the democratic process as applied in the lives of those in each family unit.

Dickens and Ferguson (1957, pp. 30-31) studied the practices and attitudes of 522 rural white children and 473 parents from five counties in the Lower Coastal Plains Area of Mississippi concerning money; they determined several implications for education. They believed help was needed in seven distinct areas:

(1) In planning use of family income

(2) In shopping for consumer credit

(3) In decision-making and buying

(4) In techniques of getting families to look objectively at their own money practices and make changes they think desirable

(5) In use of cancelled checks and records for family financial planning

(6) In bringing fathers as well as mothers into programs of family finance and consumer education

(7) In helping families improve their socio-economic status

Several previous studies attempted to identify some of the financial management problems encountered by different segments of its population. Purposes of the studies were to develop better educational programs in financial management.

Schomp's (1961) study done in 1961 dealt with financial opinions and practices of married women majoring in Home Economics. Another study done by Hall (1965) investigated financial management practices of selected low income families in an urban community in Oklahoma. A third study explored financial management practices and values held by wives of college students during the fall of 1966 (Blackwell, 1966).

Studies conducted by Schomp and Blackwell are similar to this study in that they all involved a segment of the population who considered themselves in a temporary situation as well as one that would aid them in making a higher income later. Although some differences exist in the samples involved in the three studies it was found that there were some similarities in their problems, needs, and interests.

Some families in all studies had credit outstanding at the time each study was being made. This ranged from slightly under 95 per cent in Hall's study to slightly over 60 per cent in Schomp's study and to at least one-fifth in the Blackwell study.

Inadequate income was considered as a serious problem by over one-half of the respondents in the two studies involving college students. While not ascertained in Hall's study it seems safe to assume that at least some of the participants would consider inadequate income a problem.

Unexpected expenses were considered a problem for over one-half of the participants in the Schomp (1961) study and the Blackwell (1966) study. Blackwell's research reported that 48 per cent of the respondents considered lack of savings a problem. Unexpected expenses could be a problem due to lack of savings.

Slightly less than one-third of the respondents in the Schomp and Blackwell studies indicated that insurance was a problem. A large proportion of the families in Hall's study carried insurance--automobile, life, health, and property.

More than four-fifths of the respondents in Hall's study thought that budgeting or planning the use of money was beneficial and a majority of them did some planning even though it was not systematic. Slightly more than two-fifths of those in Schomp's study considered this a problem as did approximately one-third of the respondents in the Blackwell study.

It seems that some families in all studies could benefit from programs dealing with such topics as planning the use of money or budgeting, use of credit, shopping for credit, credit costs, amount of credit in relation to ability to pay, and kinds and amounts of insurance to buy. While it is very unlikely that programs could be planned that would help the respondents eliminate inadequate incomes, programs could be planned that would help them with their shopping ability and also with the use of the consumer goods which they have or which they purchase.

Limited material with information on financial management is available for use with people who have financial management problems and this is especially true for those who have a low educational attainment. Educational materials need to be developed and adapted to the level of learning of the individuals involved.

Existing programs must be analyzed to insure that they are justifiable as changes are effected in society. It is also important to study individuals and families as to use of resources and attainment of goals that contribute to satisfaction with living.

CHAPTER III

PROCEDURE

The current problem was to examine financial management procedures of married home economics students that had taken the course Resource Management for Families and Individuals and compare their financial management practices to those of married students who had not taken the course.

Background characteristics which influence financial management procedures were determined for both groups. This was obtained through a series of questions on background information which include the following major areas: major area of study, age, length of marriage, spouses major, number and age of children, income, and sources of income. These factors will directly affect financial management procedures as they determine spending patterns, affect amount of insurance coverage purchased, affect the amount and type of credit used, and will determine to some degree the amount of money available for saving and investing.

One question that was posed is simply "Do students apply material learned, or does course work facilitate actual practices and problems encountered?" Major areas covered in the financial management unit in this course, Resource Management for Families and Individuals, are: Money and Money management, Record keeping and financial planning, Credit, Protections--Life Insurance, health insurance, auto insurance and property insurance, Social security, Savings and Investments, Wills and Estates. Each area is covered individually as part of the financial management unit. In order to learn what students know, factual questions were asked. These questions resemble questions asked on the unit examination. Following these questions were specific questions as to how home economics married students use credit, types of credit used; what type of insurance coverage the family has as well as which family members are insured; investments the family has made; and who does the financial planning. From this data results showed the relationships between knowledge and practices, as well as differences which exist between those who have had the course and those who have not.

Another question being pursued is that of satisfaction. "Has the course increased satisfaction in handling financial management affairs of the family?" In this part of the study the course was looked at in terms of who taught the course, specific course taken, and problems encountered but not covered in the course. From this data one can see course effectiveness and strengths and weaknesses which exist.

Following the analysis, conclusions were drawn relating to knowledge students retained from course work and what they apply in their daily lives. Comparisons revealed differences that exist before and after coursework and offer a check on financial management procedures before the course with those of students who have had the class. Results will answer the question "Does the course make a difference in financial management procedures?", and offer suggestions for course improvement.

The Sample

The sample consisted of married undergraduate students majoring in Home Economics. There were a total of 218 married undergraduate students enrolled in the Division of Home Economics. The names of the students were obtained through the Dean's Office. Those students currently enrolled in the course served as the pretest group.

Development of the Questionnaire

The instrument designed to collect the data was a 4-part questionnaire. The instrument needed to be reliable, valid, and easy for the participant to check in a short period of time.

The first part of the instrument collected background information pertaining to sex, major of husband and wife, college classification of husband and wife, length of marriage, number of children, yearly income and sources of income.

The second part of the instrument determined money use practices or spending patterns of the family. Information asked included: amount of money spent each month, itemized expenditures for food, education, housing, transportation, clothing, medicine, recreation, short term and long term debts, use of credit, knowledge of costs of credit, credit legislation, use of insurance, knowledge and practices of different types of life, health, property and auto insurance, use of a checking account, knowledge of savings and investments, wills and estate planning.

The third part of the instrument examined financial planning practices. Questions pertained to the amount of budgeting used, the type of plans made, the record keeping system used, reasons for keeping records, and long-range planning used.

The final section of Part IV of the instrument pertained to the Resource Management course for families and individuals offered through the Housing, Design and Consumer Resources department. Questions pertained to previous enrollment in a financial management course, where it was taken, if problems occurred that were not covered in the course content, the exact course number taken at Oklahoma State University, the name of the instructor and lastly, if more satisfaction was experienced in financial management after completing the course.

The format of the questionnaire consisted of completion questions which pertained to actual financial management practices used by married home economics students. Multiple choice exam questions were also included to test specific subject matter covered in the course.

The instrument therefore, was designed to discover actual financial management practices in operation as well as the knowledge level of financial management principles taught in Resource Management of Individuals and Families, HDCR 2413.

The questionnaire was pretested in order to analyze questions, format, and construction. The pretest group consisted of 12 students, currently enrolled in the resource managment course. Ten of these students were currently enrolled in the Division of Home Economics, and were eliminated from the sample included in the study.

Major results of this pretest included making structural changes on specific questionnaires; as well as word changes of certain sentences. From the pretest it was decided to keep the questionnaire the same length without omitting or adding any questions.

The format of the questionnaire was found to be smooth and easy to follow. Directions were found to be clearly stated without confusing the reader. The questionnaire used by the sample is the Appendix.

Distribution and Collection

An introductory letter and the questionnaire were sealed in an envelope and distributed by home economics teachers in some of the classes in which home economics students were enrolled. If this was impossible, questionnaires were mailed directly to the names of the students. Approximately 34 questionnaires were sent through the mail.

In the cover letter instructions were to return questionnaires to the department secretary in envelopes. Questionnaires were numbered so a record could be kept of students who returned the questionnaires without relating names to specific answers. In this way follow-up letters and questionnaires could be sent to students who did not respond on the first delivery.

Approximately 80 questionnaires were returned by the first distribution date deadline. A follow-up was conducted through the original contact professors and another 25 questionnaires were received making a total of 105 questionnaires.

Analysis of the Data

Questionnaires were coded in order to be key punched onto IBM cards. In order to provide more uniform responses the majority of questions were closed end.

In the preliminary analysis frequency distribution and percentages were computed for all the items included in the questionnaire. The sample was divided into two groups: those who had completed the resource management course and those students who had not taken the course.

Mean scores were computed for background questions which included the following information: major, class, age, number of children, length of marriage, spouses major, spouses class, and sources of income in percentages. Mean scores were then obtained for knowledge levels in each of the following areas: credit, insurance, savings-investments, social security, wills-estate planning and financial planning. These scores were treated as test scores in financial management. Mean scores were obtained for financial management practices of married undergraduate students in home economics. Scores showed means in spending patterns, use of credit, insurance, savings and investments, wills and estate planning, and use of financial planning.

Chi square analysis analyzed relationships between background characteristics and completion of the resource management course. Chi square analysis was again used to analyze relationships between financial management practices according to completion of the resource management course. Analysis of variance was used to determine if the course was a significant factor influencing knowledge scores of the respondents.

Chi square analysis analyzed relationships between knowledge scores and actual management practices. The analysis also examined factors which affect financial management such as income, experience, age, and educational background. Frequency tables were obtained to discover if satisfaction in financial management increased after taking the resources management course. Comparisons were then made as to the instructor the student had, where they took the class, problems encountered in the course, and how long ago they took the course.

The findings of the investigation will be summarized in the following chapter.

CHAPTER IV

ANALYSIS OF THE DATA

Introduction

This study was designed to investigate current financial management practices of married students majoring in home economics and to determine if a current course entitled Resource Management for Families and Individuals offered through the Housing, Design and Consumer Resources Department enables students to more fully utilize financial management procedures. Currently the course includes a six to eight week unit in financial management. The data presented in this chapter will compare those married students who have completed the course with married students who have not taken the course as to:

(1) background characteristics,

(2) financial management practices,

(3) knowledge of financial management procedures, and

(4) the effect of the knowledge level in financial management on financial management practices.

Other factors such as problems encountered with financial management, satisfaction gained from taking the course, instructor under whom the course was taken, and time lapse since completion of the course will be analysed. Each section in Chapter IV contributes to the investigation of financial management practices of married home economics students in relation to the above variables.

Characteristics of the Subjects

During the spring semester of 1976 the total undergraduate enrollment in the Division of Home Economics, including both married and single men and women was 1,126. Of this number 141 were men and 985 were women.

In conducting this study the total number of 208 married undergraduates majoring in home economics was selected as the sample. One hundred and five students responded which represented 50.4 per cent of the original group. Two returned questionnaires were not completed so calculations were made using 103 as a base. This information is summarized in Table I.

TABLE I

ENROLLMENT OF HOME ECONOMICS STUDENTS
BY SEX AND MARITAL STATUS,
SPRING, 1976

Home Economics Majors	No.	Per Cent
All students	1,126	100.0
Male	141	12.5
Female	985	87.5
Married Students	208	17.0
Male	24	2.0
Female	184	16.3
Respondents	103	100.0
Male	6	5.8
Female	97	94.2

Information About Respondents

Table I presents a detailed description of the 103 persons who served as subjects for this study. The largest portion of the sample was female (94.2%), while the males represented 5.8 per cent of the sample.

There were five categories for the respondents age. The greatest proportion of the respondents were in the 18-25 age category (63.0%). The 31 and over age category made up the next largest portion of the sample being 18.5 per cent. This is followed closely by the 13.7 per cent in the 24-27 age category. Three respondents were 19 years of age or younger (2.9%), while two respondents fell into the 28-30 age group (1.99%) (See Table II).

All respondents were enrolled in the Division of Home Economics. Thirty-one per cent of the respondents were majoring in Home Economics Education. Twenty-two of the respondents were majoring in Family Relations and Child Development (21.4%), while seventeen were enrolled in Housing, Design and Consumer Resources (16.5%). The next largest portion of respondents were majoring in Food, Nutrition and Institutional Administration (10.7%). Eight persons were enrolled in Clothing, Textiles, and Merchandising and six respondents fell into the "other" category which included undecided majors. One respondent is a double major and two respondents failed to indicate major.

Fifty-eight of the respondents were seniors (56.5%). The next largest classification were juniors which accounted for 26.2 per cent of all respondents. Ten respondents were sophomores (9.7%) while seven respondents were freshmen (6.7%). One student was classified as a special student.

TABLE II

GENERAL CHARACTERISTICS OF THE SAMPLE

Variable	Classification	Number Responding	Per Cent
		(N=103)	
Age	Under 19	3	2.9
	20-23 years	65	63.0
	24-27 years	14	13.7
	28-30 years	2	1.9
	31 years or more	19	18.5
		(N-103)	
Department	CTM	8	7.8
	FNIA	11	10.7
	FRCD	22	21.4
	HDCR	17	16.5
	HEED	32	31.0
	HRAD	6	5.8
	Other	4	4.0
	Double Major	1	.9
	No Response	2	1.9
		(N=103)	
College Classification	Freshman	7	6.7
	Sophomore	10	9.7
	Junior	27	26.2
	Senior	58	56.5
	Special	1	.9
		(N=103)	
Resource Management Course	Have completed	71	69.0
	Have not completed	32	31.0

Respondents were divided as to completing or not completing a basic resource management course offered through the Housing, Design and Consumer Resources Department. Seventy-one respondents have completed the course (69.0%), while 31 per cent had not taken the course. Further data will be analyzed according to completion of the Resource Management course.

The first 10 questions of the instrument dealt with personal information about the respondents with regard to sex, departmental majors, college classification of spouses, length of marriage, number and age of children, income and sources of income.

Table III presents the findings concerning respondents characteristics in regard to completion of Resource Management. Ninety-seven per cent of the respondents who had completed the course were female while 87 per cent of those who had not completed the course were female. A larger portion of males had not taken the course (12.5%).

The largest number of respondents from both groups were majoring in Home Economics Education. The next largest category were students majoring in Family Relations and Child Development; one-fourth of these respondents had not taken the course. There were six Hotel and Restaurant Administration majors and only one had completed the course. Only two of the Food, Nutrition and Institutional Administration majors had not had the class.

Again the largest portion of respondents in both categories were seniors; 61.9 per cent who completed the course were seniors compared to 43.8 per cent who had not taken the class were seniors. Approximately one-fourth of both groups were juniors. Ten per cent of both groups were sophomores and none of the seven freshmen respondents

TABLE III

CHARACTERISTICS OF RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable	Classification	Have Completed		Have Not Completed	
		No.	Per Cent	No.	Per Cent
		(N=71)		(N=32)	
Sex	Male	2	2.8	4	12.5
	Female	69	97.2	28	87.5
Age	Under 19	2	2.8	1	3.1
	20-23 years	53	74.6	12	37.5
	24-27 years	10	14.1	4	12.5
	28-30 years	1	1.4	1	3.1
	31 years or more	5	7.1	14	43.8
		(N=71)		(N=32)	
Department	CTM	6	8.5	2	6.3
	FNIA	9	12.7	2	6.3
	FRCD	14	19.7	8	25.0
	HDCR	12	16.9	5	15.6
	HEED	24	33.8	8	25.0
	HRAD	1	1.4	5	15.6
	Other	3	4.2	1	3.1
	Double Major	1	1.4	0	0.0
	No Response	1	1.4	1	3.1
		(N=71)		(N=32)	
College Classification					
	Freshman	0	0.0	7	21.8
	Sophomore	7	9.9	3	9.5
	Junior	20	28.2	7	21.8
	Senior	44	61.9	14	43.8
	Special student	0	0.0	1	3.1

TABLE III (Continued)

Variable	Classification	Have Completed No.	Have Completed Per Cent	Have Not Completed No.	Have Not Completed Per Cent
		(N=71)		(N=32)	
Spouses of Respondents					
Enrolled:					
	Freshman	0	0.0	1	3.1
	Sophomore	3	4.3	0	0.0
	Junior	9	12.7	0	0.0
	Senior	15	21.1	5	15.6
	Graduate	11	15.5	3	9.4
Not Enrolled		32	45.0	23	71.9
No Reply		1	1.4	0	0.0
		(N=71)		(N=32)	
Spouses Major					
	Biological Science	9	12.7	2	6.3
	Humanities	2	2.8	0	0
	Physical Science	11	15.5	1	3.1
	Social Sciences	20	28.1	8	25.0
	Teacher Education	8	11.4	2	6.3
	Did not apply	21	29.5	19	59.3

had completed the course.

A large percentage of respondents from both groups have spouses who are not currently enrolled in courses (45 per cent who had completed the course and 72 per cent who had not completed the course). The largest portion of spouses enrolled were classified as seniors and graduate students. Approximately one-fourth of both groups had spouses majoring in the social sciences. A larger number of the spouses of those students who had taken the course are majoring in biological sciences, physical sciences and teacher education than the spouses who have not taken the course. However, the majority of spouses of respondents who have not taken the course are not enrolled in classes.

Table III indicates that three-fourths of the students who had completed the course were 20-23 years of age, while fewer respondents who had not taken the course were in this age group. Of particular interest is the fact that a large portion of respondents who had not taken the class were 31 years and over (43.8%).

Sixty respondents who had completed the course had been married less than six years. The distribution is slightly different for respondents not having the course as 37.5 per cent had been married eight years or more; and 46.9 per cent were married five years or less. This is shown in Table IV.

Few respondents who had completed the course had children under six years of age (16.9%). For respondents who had not taken the course 18.8 per cent had one child in this age group and one respondent had two children in this age group. As the ages of children increased fewer children were reported by the respondents who had completed the course. This is evident by the fact that 95.8 per cent had no children in the 6-12 year category and 98.6 per cent had no children in the 13-18 year age group. As the respondents who had not completed the course were older in age they tended to have more children in the older categories. In the 6-12 year age category one-fourth of the respondents who had not taken the course had one to three children at these ages. Over one-fourth of the same group had children in the 13-18 year category.

TABLE IV

FAMILY CHARACTERISTICS OF RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable	Classification	Resource Management Course: Have Completed		Resource Management Course: Have Not Completed	
		No.	Per Cent	No.	Per Cent
Years of Marriage		(N=71)		(N=32)	
	Less than 1 year	21	29.5	5	15.6
	1-3 years	38	53.5	6	18.8
	4-5 years	1	1.4	4	12.5
	6-7 years	4	5.6	1	3.1
	8-9 years	1	1.4	11	34.4
	10 years and over	3	4.2	1	3.1
	Widowed	0	0.0	0	0.0
	Divorced	3	4.2	4	12.5
	Separated	0	0.0	0	0.0
Number of Respondents With Children		(N=71)		(N=32)	
Under 6 years of age:					
	0 children	59	83.1	25	78.1
	1 child	12	16.9	6	18.8
	2 children	0	0.0	1	3.1
6-12 years of age:					
	0 children	68	95.7	24	75.0
	1 child	2	2.9	5	15.6
	2 children	1	1.4	2	6.3
	3 children	0	0.0	1	3.1
13-18 years of age:					
	0 children	70	98.6	23	71.9
	1 child	1	1.4	5	15.6
	2 children	0	0.0	3	9.4
	4 children	0	0.0	1	3.1
Income		(N=71)		(N=32)	
	Less than 1,999	1	1.4	0	0.0
	2,000 to 2,999	3	4.2	1	3.1
	3,000 to 3,999	7	9.6	1	3.1
	4,000 to 5,999	16	22.5	6	18.8
	6,000 to 6,999	8	11.3	5	15.6
	7,000 to 8,999	13	18.3	4	12.5
	9,000 to 10,000	7	9.9	3	9.4
	10,000 and over	15	21.1	12	37.5
	No response	1	1.4	0	0.0

TABLE IV (Continued)

Variable	Classification	Resource Management Course: Have Completed — Mean Per Cent	Resource Management Course: Have Not Completed — Mean Per Cent
		(N=71)	(N=32)
Sources of Income			
	Friends	0.0	0.0
	Husband's parents	5.8	2.9
	Wife's parents	3.3	4.7
	Other relatives	0.0	0.0
	Husband's wages	59.1	67.9
	Wife's wages	11.6	5.7
	GI Bill	3.1	5.6
	Scholarships	3.2	1.8
	Loans	6.1	1.8
	Other	6.1	5.2

The size of incomes of the families was of interest to the researcher because the amount of money available often affects financial management practices. Incomes ranged from less then $1,999 to over $10,000. Slightly over one-fourth of respondents (26.2%) fell into the $10,000 and above group. The next largest category for both groups was the $4,000-5,999 group of which 22.5 per cent of the respondents had completed the course and 18.8 per cent had not. Other income levels received a rather even distribution of respondents. Of those respondents having completed the course slightly over one-third make under $6,000 annual income, and almost two-thirds make over $6,000 annual income. For students who had not completed the course one-fourth made less than $6,000 annual income while three-fourths made over $6,000 annual income. This indicates that those who have not taken the course are in the higher income groups presented in Table IV.

Mean percentage scores show the average amount of income received from specific sources. For both groups the majority of income comes from the husband's wages; 59.1 was the average per cent of income coming from the husband's wages for those who had completed the course and 67.9 per cent was the average amount of income from the husband's wages for those who had not taken the class. Relatively small percentages of income were received through the wife's wages for both groups. Few respondents in either group indicated parents, relatives, scholarships, or loans as major sources of income. No respondents received income from friends or other relatives. Several had incomes from more than one source.

An important area of the investigation is to suggest background characteristics that influence financial management practices of married undergraduate students. So it is important to determine if differences exist between background characteristics of respondents and completion of the Resource Management Course. Chi square analysis identified association between background characteristics of respondents and whether or not they had completed the course. This information is reported in Table V. A significance level of $P < 0.05$ was used as the criteria for a significant association between variables. No significant relationships were found for major and income.

TABLE V

CHI SQUARE VALUES FOR ASSOCIATION BETWEEN COMPLETION OF RESOURCE MANAGEMENT AND SELECTED CHARACTERISTICS OF MARRIED STUDENTS IN HOME ECONOMICS

Variable	Chi Square	Level of Significance
Sex	3.77	0.049*
Major	10.08	0.182
Classification	19.38	0.0008*
Spouse Enrolled at the University	7.08	0.028*
Spouses' classification	11.48	0.042*
Age	24.43	0.0002*
Length Married	29.26	0.0002*
Income	4.96	0.665

* $P < .05$

A significant relationship was found for classification of the respondent and completion of the course with a significant level of 0.0008. Closer analysis shows an increase in respondents who have taken the course as classification increases from freshman to senior level. Of the respondents who had completed the course more were seniors than freshmen or sophomores. This was the anticipated response. For the respondents who had not completed the course fourteen or 43.8 per cent were seniors. This was not the expected response as the course is a sophomore level course. One would expect more freshmen and sophomores not to have completed the course and more seniors to have completed the course. Suggested reasons for a majority of respondents being classified as seniors include the following: (1) seniors were more responsible in returning questionnaires than were the freshmen and sophomores who had not taken the class; (2) seniors have put off taking a core course not in their major area of interest.

Another significant relationship exists between the course and the "spouses enrollment in courses at the university." The level of significance was 0.028. Of the 103 respondents a majority reported that their spouses were not enrolled in course work. A higher percentage of respondents who have not taken the class do not have spouses enrolled at the university. As respondents in this group were older, it is expected that spouses would be through school and be full-time employees. This attempts to explain why more spouses of respondents who had completed the course were enrolled (55%) in courses at the university than spouses of respondents who had not completed the course (28.1%).

The relationship between the respondents' spouses' classification and completion of the course was significant at the .042 level. The trend for both groups is a larger number of spouses are classified as seniors and graduate students than freshmen and sophomores.

The age of the respondent also proved to be significantly related to completion of the resource management course. The level of significance was found to be 0.0002. Unexpected responses were found in the 31 and over age group. A large percentage of respondents who have not taken the class were in this category. This shows a large number of the respondents in this group are older women coming back to school, who perhaps have had practical experience in financial management and found filling out the questionnaire easier than someone with no background in the area.

The last relationship found to be significant was the length of marriage of the respondents. The level of significance was 0.0002. Indications are that those respondents who have not taken the course have been married longer than those students who had taken the course. Knowing that this group consists of older persons it could be expected that the length of their marriage would be longer.

Financial Management Practices of the Respondents

Financial management practices of married students enrolled in the Division of Home Economics were organized into the following major areas: spending patterns, short and long term debts outstanding, credit, checking accounts, insurance, savings, investments, wills and estate planning, and financial planning.

Spending Practices

To help determine the married college students spending practices, each respondent was asked to give the approximate total amount the family spent each month for various items used for daily living expenses such as food, clothing, housing and education. The reported amounts spent per month ranged from $293 to $3,000, the average being $600.00 per month.

The amount spent monthly is summarized in Table VI. Housing and food were the items in which the respondents spent the largest amount of money. Education was next with an average of $75 per month. The least amount of money was spent on health care and contributions averaging $11-18 per month.

TABLE VI

SPENDING PATTERNS OF RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable	Resource Management Course	
	Have Completed	Have Not Completed
	Average Expense	Average Expense
	(Per Month)	(Per Month)
Food	98.94	141.41
Housing	124.92	169.58
Health Care	11.63	18.67
Transportation	50.30	69.35
Recreation	25.00	50.00
Clothing	20.00	29.00
Contributions	11.27	15.64
Insurance	22.45	40.12
Education (Per semester)	395.62	300.00
Miscellaneous	33.58	34.30

Data in Table VII reveal that the majority of respondents did not have outstanding long and short term debts. Housing seemed to be one area where 47 of the respondents considered it a short term debt and 22 considered it a long term debt. Approximately the same per cent of respondents from both groups considered housing to be a short term debt. One-fourth of the respondents who had not taken the course considered housing to be a long term debt while not quite 20 per cent of the respondents completing the course felt housing was a long term debt.

Education proved to be the next largest area for outstanding debts. Forty-one respondents considered education to be a short term debt; forty-one per cent had completed the course and 38 per cent had not. One-fourth of all respondents considered education to be a long term debt.

More respondents who had not completed the course indicated that car payments were short term debts than those who had completed the course. More respondents who had not completed the course had indicated short term debts for clothing and insurance. Reasons for this could be that this group has more children who require more clothing than a two-member family; also insurance coverage increases as the family grows.

Long term debts were also similar between groups. One of particular interest is the long term debt for medical expenses. A total of 37 respondents indicated long term debts for medicine; one-third had taken the course and 40.6 per cent had not. Many respondents indicated an adverse reaction to having debts outstanding and wrote on the questionnaire that they had no debts.

TABLE VII

INDEBTEDNESS OF RESPONDENTS ACCORDING TO COMPLETION
OF THE RESOURCE MANAGEMENT COURSE

Variable	Short Term Debts								Long Term Debts							
	Have Completed				Haven't Completed				Have Completed				Haven't Completed			
	Yes		No		Yes		No		Yes		No		Yes		No	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Education	29	40.9	42	59.1	12	37.5	20	62.5	18	25.3	53	74.7	7	21.9	25	78.1
Medical	5	7.0	66	93.0	3	9.4	29	90.6	24	33.8	47	66.2	13	40.6	19	59.4
Housing	32	45.0	39	55.0	15	46.9	17	53.1	14	19.7	57	80.3	8	25.0	24	75.0
Furniture	2	2.8	69	97.2	2	6.3	30	93.7	21	29.8	50	70.4	9	28.1	23	71.9
Automobile	24	33.8	47	66.2	15	46.9	17	53.1	13	18.3	58	81.7	7	21.9	25	78.1
Clothing	2	2.8	69	97.2	3	9.4	29	90.6	31	43.7	40	56.3	13	40.6	19	59.4
Insurance	28	39.4	43	60.6	19	59.4	13	40.6	13	18.3	58	81.7	4	12.5	28	87.5
Other	3	4.2	68	95.8	3	9.4	29	90.6	5	7.0	66	93.0	2	6.2	30	93.8

Have Completed (N=71)
Haven't Completed (N=32)

Credit

Table VIII indicates that over three-fourths of all the respondents do determine costs of credit. Over 78 per cent of those respondents who had taken the class and over 81 per cent of those who had not taken the course do determine costs of credit. However, nine respondents failed to answer this question.

The table also shows the frequency with which respondents use various types of credit. Installment credit was used by a greater percentage of students who had not taken the class. Almost 69 per cent of those who have not taken the class use installment credit frequently or sometimes; 31 per cent never use it. One-half of those respondents who had completed the course frequently and sometimes use installment credit; the other half never use it. Over three-fourths of both groups never use open book credit. However, a slightly larger percentage of respondents who had not completed the class was found to use open book credit. Revolving credit was used by 31.3 per cent of the students who had not completed the course and by 26.7 per cent of the students who had completed the course. Large percentages of both groups never use revolving credit; approximately 69 per cent of the total sample.

Respondents who had not taken the course used all types of credit more often than those who had completed the course. Responses indicate that respondents who had not taken the course have more experience using credit than those who had taken the course.

TABLE VIII

USE OF CREDIT BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Credit	Resource Management Course			
	Have Completed		Have not Completed	
	No.	Per Cent	No.	Per Cent
Determine Costs of Credit	(N=71)		(N=32)	
Yes	56	78.9	26	81.3
No	8	11.2	4	12.5
No Response	7	9.9	2	6.2
Frequency of Using Credit				
Installment	(N=71)		(N=32)	
Frequently	3	4.2	3	9.4
Sometimes	33	46.5	19	59.4
Never	35	49.3	10	31.2
Open Book	(N=71)		(N=32)	
Frequently	1	1.4	3	9.4
Sometimes	7	9.9	3	9.4
Never	63	88.7	24	75.0
No Response	0	0.0	2	6.2
Revolving	(N=71)		(N=32)	
Frequently	2	2.8	0	0.0
Sometimes	17	23.9	10	31.3
Never	52	73.3	20	62.5
No Response	0	0.0	2	6.2

Table IX shows the number of respondents who have a checking account, reasons they have a checking account, and how often checks are written. Almost all respondents had a checking account. Eighty-seven per cent of all respondents had a joint account while nine per cent do not. More of the respondents who had taken the course

TABLE IX

USE OF CHECKING ACCOUNTS BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Checking Account	Resource Management Course			
	Have Completed		Have Not Completed	
	No.	Per Cent	No.	Per Cent
Do you have a checking account?	(N=71)		(N=32)	
Yes	69	97.2	30	93.8
No	2	2.8	2	6.2
How often do you write checks?	(N=71)		(N=32)	
1-12 per month	16	22.5	9	28.1
13-24 per month	34	47.9	10	31.2
25 or more	19	26.8	11	34.5
Never	2	2.8	2	6.2
Is your checking account a joint account?	(N=71)		(N=32)	
Yes	64	90.1	26	81.3
No	5	7.1	4	12.5
No Response	2	2.8	2	6.2
Reasons for maintaining a checking account:	(N=71)		(N=32)	
Ease of Purchase				
Frequently	47	66.2	21	65.6
Sometimes	20	28.2	9	28.1
Never	2	2.8	2	6.3
No Response	2	2.8	0	0.0
Record of Spending	(N=71)		(N=32)	
Frequently	55	77.5	20	62.5
Sometimes	12	16.9	9	28.1
Never	1	1.4	1	3.1
No Response	3	4.2	2	6.3
Proof of Purchase	(N=71)		(N=32)	
Frequently	44	62.0	17	53.1
Sometimes	22	31.0	11	34.3
Never	2	2.8	2	6.3
No Response	3	4.2	2	6.3

had a joint account than those who had not taken the course.

A large portion of all respondents write between 13-24 checks per month (44 respondents or 42.7 per cent). Forty-seven and nine-tenths per cent of those responding completed the course and 31.2 per cent who had not were in this category. Almost 35 per cent of the respondents who had not taken the course write 25 or more checks per month, compared to about one-fourth of the respondents who had completed the course.

A majority of respondents in both groups frequently use their checking accounts for ease of purchase, record of spending and proof of purchase. Several respondents never use their checking account for any of the reasons mentioned above. Responses between groups were very similar and it is evident that respondents are using checking accounts for ease of purchase, record of spending as well as proof of purchase. A checking account can be a beneficial money management tool.

Insurance

Each respondent was asked to check the family members that are covered by a life insurance policy. From a study of Table X it was observed that a majority of respondents carried life insurance on some family member; however, 14 did not have insurance on any family member which accounts for 13 per cent of all respondents. A large portion of respondents who had completed the course had the husband and wife insured (40.9%). This was true for only one-fourth of those respondents who had not taken the course.

TABLE X

USE OF INSURANCE BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Insurance		Resource Management Course			
		Have Completed		Have Not Completed	
		No.	Per Cent	No.	Per Cent
Family Member Insured		(N=71)		(N=32)	
Husband Only		23	32.4	12	37.5
Wife Only		3	4.2	0	0.0
Husband and Wife		29	40.9	8	25.0
Husband, Wife, Child		5	7.0	9	28.1
None		11	15.5	3	9.4
Type of Insurance		(N=71)		(N=32)	
Term:	No	49	69.0	23	71.9
	Yes	22	31.0	9	28.1
Whole Life:	No	48	67.6	18	56.2
	Yes	23	32.4	14	43.8
Pay 20-life:	No	66	93.0	26	81.2
	Yes	5	7.0	6	18.8
Endowment:	No	66	93.0	31	96.9
	Yes	5	7.0	1	3.1
None:	No	54	76.0	24	75.0
	Yes	17	24.0	8	25.0
Other:	No	63	88.8	30	93.8
	Yes	8	11.2	2	6.2
Type of Health Insurance		(N=71)		(N=32)	
Group		35	49.3	25	78.1
Individual		21	29.6	4	12.5
None		11	15.5	3	9.4
Other		4	5.6	0	0.0
Type of Property Insurance		(N=71)		(N=32)	
Basic Form		5	7.1	2	6.3
Broad Form		3	4.2	2	6.3
Comprehensive		15	21.1	7	21.8
Burglary and Theft		4	5.6	1	3.1
Other		2	2.8	1	3.1
None		41	57.8	18	56.3
No Response		1	1.4	1	3.1

TABLE X (Continued)

Insurance		Resource Management Course: Have Completed No.	Have Completed Per Cent	Have Not Completed No.	Have Not Completed Per Cent
Type of automobile insurance		(N=71)		(N=32)	
Liability:	No	7	9.9	4	12.5
	Yes	64	90.1	28	87.5
Uninsured:	No	53	74.6	26	81.2
	Yes	18	25.4	6	18.8
No-fault:	No	65	91.5	31	96.9
	Yes	6	8.5	1	3.1
Medical:	No	49	69.0	20	62.5
	Yes	22	31.0	12	37.5
Collison:	No	32	45.0	14	43.8
	Yes	39	55.0	18	56.2
Comprehensive:	No	38	53.5	11	34.4
	Yes	33	46.5	21	65.6
None:	No	67	94.4	31	96.9
	Yes	4	5.6	1	3.1
Other:	No	68	95.8	29	90.6
	Yes	3	4.2	3	9.4

Slightly over one-third of respondents who had not taken the course carry insurance on the husband only and 28 per cent of this same group have insurance on the husband, wife and children. Of those who had taken the course seven per cent carry insurance on the husband, wife and child. Differences exist as to types of life insurance purchased due to the variety of needs of the respondents. Age, number of children, and income all affect the type of insurance purchased by a family.

Respondents were also asked to check the different types of insurance which the family carried. One point which is of particular interest is the number of respondents who checked the "None" category. This has increased from 14 to 25 respondents or one-fourth of all respondents. Reasons for the increase could include the respondents' lack of knowledge as to the type life insurance that the family carries or perhaps they did not recognize any of the policies that were listed so checked "none."

Of the respondents completing the course almost one-third had term policies and another one-third carried whole-life. For students who had not completed the course more carried whole life policies (43.8%) than term policies (28.1%). More respondents who had not completed the course carried limited pay life (18.8%) compared to seven per cent of the respondents who have completed the course. It must be remembered that respondents could check more than one type of policy which is an important factor in interpreting types of policies held by respondents.

A total of 60 respondents have group health insurance which is 58.2 per cent of all respondents. More of those respondents who had not taken the class (78.1%) had group health insurance policies than the respondents who had taken the course. More of the respondents who had taken the course had individual policies (29.6%) than those who hadn't had the course (12.5%). Fourteen respondents carried no health insurance which is 13 per cent of all respondents. A larger percentage of those students with no health insurance had taken the course.

A total of 92 respondents carried liability automobile insurance; which is approximately 90 per cent of all respondents. A majority of respondents in both groups carried collision automobile insurance. A large percentage also carried comprehensive insurance. These results indicate the importance of liability, collision and comprehensive automobile insurance to the respondents. Almost one-third of the respondents in both groups indicated they carried medical insurance, and one-fourth of all respondents carried uninsured motorist policies. One interesting point is that seven respondents reported having no-fault auto insurance policies. No-fault auto insurance is not available in Oklahoma so these respondents must have the policy from another state or be mistaken about the type of auto insurance coverage that they have. Six of the seven who checked no-fault had completed the resource management course.

A majority of respondents reported that they carry no property insurance. For those respondents who carried property insurance, the most popular type of property insurance was comprehensive. This was carried by 21.1 per cent of the respondents who had the class and 21.8 per cent of the respondents who had not taken the class.

Savings and Investments

Respondents were asked to check the major reason for saving. Major reasons given were for emergencies and for specific purposes. Table XI reports that 70 respondents felt they saved for emergencies. More of the respondents who had completed the course (77.4%) saved for emergencies while fewer respondents who had not taken the class saved for emergencies (46.9%). Nineteen respondents saved for specific purposes and two saved to supplement their income. Nine respondents had no savings; most of this group had not taken the course (seven respondents).

TABLE XI

USE OF SAVINGS, INVESTMENTS, WILLS AND ESTATE PLANNING BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable		Resource Management Course			
		Have Completed		Have Not Completed	
		No.	Per Cent	No.	Per Cent
SAVINGS					
Major purposes for savings:		(N=71)		(N=32)	
Supplement income		2	2.8	0	0.0
Emergencies		55	77.4	15	46.9
Specific purposes		11	15.5	8	25.0
No savings		2	2.8	7	21.9
Other		1	1.4	2	6.2
INVESTMENTS					
Stocks:	Yes	8	11.3	10	31.2
	No	63	88.7	22	68.8
Bonds:	Yes	23	32.4	9	28.1
	No	48	67.6	23	71.9
Property:	Yes	21	29.6	12	37.5
	No	50	70.4	20	62.5
Coins, and Stamps:	Yes	10	14.1	5	15.6
	No	61	85.9	27	84.4
None:	Yes	19	26.8	10	31.3
	No	52	73.2	22	68.7
Other:	Yes	21	29.6	5	15.6
	No	50	70.4	27	84.4
WILLS AND ESTATE PLANNING					
Do you and your spouse have a will:		(N=71)		(N=32)	
	Yes	1	1.4	1	3.1
	No	67	94.4	21	65.6
Is it acceptable for probate?	Yes	3	4.2	6	18.8
	No	0	0.0	1	3.1
	Do no know	0	0.0	2	6.3
	No Response	0	0.0	1	3.1

Respondents also indicated investments in stocks that they had made. More respondents who had not completed the course had investments in stocks than those students who had taken the course. Close to one-third of both groups had investments in bonds. A large portion of respondents who had not taken the course had invested in property. Twenty-nine of the respondents indicated that they did not have investments of any kind. Twenty-six respondents had invested in areas not listed in the questionnaire, such as livestock, antiques, farm equipment, guns, and Indian jewelry.

Wills and Estate Planning

Table XI also indicates that 88 respondents have no last will and testament. Sixty-seven of these respondents had completed the Resource Management Course (94.4%). Nine respondents did have wills which are acceptable for probate. Almost one-third of the respondents who had not taken the course had a will while only four respondents (5.6%) who had completed the course had made a will.

Financial Planning

Table XII shows how often respondents make short term and long term financial plans and how often respondents budget. A majority of respondents in both groups frequently made short term plans. A higher percentage of those who had completed the course seem to make short term plans frequently. Approximately two-thirds of both groups sometimes made long term plans. Fourteen students indicated that they do not make long term plans. Fifty-six respondents frequently budgeted; of the 56, forty-four had taken the class. Thirty-four per cent of the

TABLE XII

USE OF FINANCIAL PLANNING BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable	Resource Management Course			
	Have Completed		Have Not Completed	
	No.	%	No.	%
Make short term plans:	(N=71)		(N=32)	
Frequently	48	67.6	18	56.3
Sometimes	20	28.2	9	28.1
Never	3	4.2	5	15.6
Make long term plans:	(N=71)		(N=32)	
Frequently	19	26.8	6	18.8
Sometimes	43	60.6	21	65.6
Never	9	12.6	5	15.6
Budget:	(N=71)		(N=32)	
Frequently	44	62.0	12	37.5
Sometimes	21	29.6	11	34.4
Never	6	8.4	9	28.1
Who plans?	(N=71)		(N=32)	
Husband, only	2	2.8	3	9.4
Wife, only	4	5.6	9	28.1
Combination	65	91.6	20	62.5
Type of Financial Plans:	(N=71)		(N=32)	
Only mental	11	15.5	5	15.6
Only written	5	7.0	3	9.4
Combination	53	74.7	23	71.9
No Response	2	2.8	1	3.1

respondents who had not taken the course sometimes make a budget. Fifteen respondents never budget; nine of whom have not taken the course. This represents over one-fourth (28.1%) of the respondents who had not taken the course. It is evident that budgeting was done by more respondents who had taken the course than by those who had not taken the course.

Eighty-five respondents reported that both husband and wife did the financial planning, of whom 65 are respondents who had completed the course. A large per cent of wives reported that they did the financial planning. This was particularly true for those who had not taken the class.

As to the type of plans made by respondents, 76 used a combination of mental and written plans. This is approximately three-fourths of both groups. Both groups indicated similar responses for use of mental and written plans. Approximately 15 per cent use only mental plans and approximately eight per cent use entirely written plans. Three respondents did not answer this question.

Table XIII reports how respondents kept records of their finances. Over three-fourths of respondents from both groups frequently or sometimes use itemized written accounts. Almost all respondents who had taken the course keep sales slips, but a large per cent of those respondents who had not taken the course do not keep sales slips (28.1%). Credit receipts were used by 81 respondents to keep records. But 22 respondents never kept credit receipts of whom 11 have not taken the course. Ninety-three per cent of respondents from both groups frequently kept check stubs. This is the major way respondents kept records. All respondents used their check stubs for record keeping.

TABLE XIII

USE OF RECORD KEEPING BY RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Variable	Have Completed the Course								Have Not Completed the Course							
	Frequently		Sometimes		Never		NR		Frequently		Sometimes		Never		NR	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
How do you keep records:																
Itemized written accounts	17	24.0	38	53.5	16	22.5			10	31.2	14	43.8	8	25.0		
Keeping sales slips	24	33.8	45	63.4	2	2.8			5	15.6	18	56.3	9	28.1		
Credit receipts	37	52.1	23	32.4	11	15.5			14	43.7	7	21.9	11	34.4		
Keeping check stubs	66	93.0	5	7.0	0	0.0			30	93.8	2	6.2	0	0.0		
Mentally	17	24.0	38	53.5	15	21.1	1	1.4	9	28.1	10	31.3	11	34.4	2	6.2
Reasons for keeping records:																
Help with tax deductions	46	64.8	16	22.5	9	12.7			18	56.3	9	28.1	5	15.6		
Checking espenses	58	81.7	11	15.5	2	2.8			21	65.6	11	34.4	0	0.0		
Planning future budgets	35	49.3	30	42.3	6	8.4			14	43.8	9	28.1	9	28.1		
Making future plans	37	52.1	33	46.5	1	1.4			14	43.8	12	37.5	5	15.6	3	3.1

TABLE XIII (Continued)

Variable	Have Completed the Course: Frequently No.	%	Sometimes No.	%	Never No.	%	NR No.	%	Have Not Completed the Course: Frequently No.	%	Sometimes No.	%	Never No.	%	NR No.	%
How do you solve financial problems?																
Trial and error	7	9.9	48	67.6	16	22.5			4	12.5	20	62.5	7	21.9	1	3.1
Study books and periodicals	7	9.9	46	64.7	18	25.4			3	9.4	15	46.9	14	43.7		
Help from parents	18	25.4	40	56.3	13	18.3			4	12.5	16	50.0	11	34.4	1	3.1
Help from bankers	7	9.9	29	40.8	35	49.3			5	15.7	13	40.6	13	40.6	1	3.1
Help from college classes	11	15.5	42	59.2	17	23.9	1	1.14	1	3.1	6	18.8	23	71.9	2	6.2
Help from college teachers	2	2.8	26	36.6	43	60.6			0	0.0	2	6.2	28	87.5	2	6.2
Help from an investment advisor	3	4.2	16	22.5	52	73.3			1	3.1	5	15.6	24	75.0	2	6.2

Have Completed the Course N=71
Have not Completed the Course N=32

Data from the same table indicates that almost all respondents used their checking account to help with tax deductions, check expenses, planning future budgets and future plans. Fourteen respondents indicated that they never use records to help with tax deductions. Nine of the respondents who had not taken the class (28.1%) never use their records to plan future budgets. Some respondents indicated that they do not use their records in making future plans (15 per cent had not taken the course).

A majority of the respondents sometimes used the trial and error approach for solving financial problems. Seventy-one respondents study books and periodicals to solve financial problems either frequently or sometimes. Of this number 53 had completed the class (74.6%) and 18 respondents had not (56.3%). Those who have taken the course relied more on books and periodicals to solve financial problems than the other group.

Respondents who had taken the class relied on parents to a greater degree in solving their financial problems (81.7%) than those who had not taken the class (62.5%). One-third of the students who had not completed the class (34.4) never rely on parents to solve their financial problems. Reasons for this could be the younger the respondents are, the more they rely on their parents. Since respondents who had taken the class are younger than respondents who had not taken the course they might rely on parents to a greater degree. Both groups responded similarly to receiving help from bankers, with the majority not using the services of bankers for solving financial problems. A large per cent of students who had completed the course indicated that they received help from college courses in solving financial problems. Over one-third of this same group reported they receive help from college teachers in solving financial problems. For respondents who had not taken the course few reported that they received help from college classes and over four-fifths reported that they never receive help from college teachers. Few respondents receive help from investment advisers; over three-fourths of the respondents from both groups never use them to solve financial problems.

Associations Between Financial Management Practices of Respondents According to Completion of the Financial Management Course

One of the major purposes of this investigation was to see if the Resource Management Course enables students to more fully utilize financial management procedures. As can be seen from the previous analysis of financial management practices, the financial management practices of both groups are very similar. Chi square analysis was done to determine if the Resource Management course had a significant relationship to financial management practices of students who had taken the course and those who had not. Results of this analysis are in Table XIV. No significant associations were found between the majority of financial management practices and completion of the course. Variables that showed a significant relationship are discussed below. The level of significance is 0.05.

TABLE XIV

CHI SQUARE VALUES FOR ASSOCIATION BETWEEN FINANCIAL MANAGEMENT PRACTICES AND COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Financial Management Practices	Chi Square	Level of Significance
Credit		
Determine Credit Costs	0.0127	0.875
Frequency of Credit Use		
Installment	3.375	0.182
Open Book	6.377	0.093
Revolving	3.959	0.264
Insurance		
Family members insured	10.883	0.027*
Type of life insurance		
Term	0.085	0.762
Whole Life	1.235	0.265
Limited Pay Life	3.169	0.071
Endowment	0.617	0.438
None	0.013	0.874
Other	0.633	0.431
Type of Health Insurance	8.207	0.041*
Type of Automobile Insurance		
Liability	0.161	0.689
Uninsured	0.537	0.470
No-fault	0.987	0.321
Medical	0.423	0.522
Collision	0.015	0.868
Comprehensive, fire-theft	3.242	0.068
None	0.300	0.590
Other	1.066	0.302
Type of Property Insurance	2.714	0.844
Checking Account		
Do you have a checking account?	0.696	0.408
Frequency of Use	2.821	0.421
Reasons for Maintaining an Account		
Ease of purchase	1.571	0.670
Record of Spending	3.024	0.388
Proof of purchase	1.696	0.642
Other	1.412	0.497
Is it a joint account?	1.62	0.448

TABLE XIV (Continued)

Financial Management Practices	Chi Square	Level of Significance
<u>Savings-Investments</u>		
Reasons for Saving	15.963	0.003*
Types of Investments		
Stocks	6.107	0.013*
Bonds	0.187	0.688
Property	1.354	0.512
Coins, Stamps, etc.	0.042	0.819
None	2.557	0.277
Other	2.275	0.127
<u>Wills and Estate Planning</u>		
Do you have a current will?	14.605	0.005*
<u>Financial Planning</u>		
Make short term plans	4.134	0.124
Make long term plans	0.815	0.670
Budget	8.456	0.014*
Who does the financial planning?	13.050	0.001*
Type of financial plans	0.177	0.907
How do you keep records?		
Itemized Accounts	0.923	0.635
Keep sales slips	16.001	0.0004*
Credit receipts	4.831	0.087
Keep check stubs	0.021	0.854
Reasons for Keeping Records		
Help with income tax	0.683	0.714
Checking expenses	5.325	0.067
Planning future budgets	7.168	0.027*
Making future plans	10.590	0.014*
How do you solve financial problems:		
Trial and error	2.454	0.486
Study books and periodicals	3.603	0.162
Help from parents	6.530	0.086
Help from bankers	3.204	0.361
Help from college classes	25.448	0.0001*
Help from college teachers	15.144	0.0019*
Help from investment advisor	5.032	0.1676

* $P < .05$

A significant association between family members who are insured and completion of the course is indicated in Table XIV. Chi square analysis shows a level of significance to be 0.027. Looking closer at this relationship it can be seen that a larger portion of respondents not having the course have insurance on all family members, when compared to those students who had completed the course. Differences which exist in this relationship can be attributed to a variety of factors such as: age, income, age and number of children, as well as other background characteristics.

A level of significance of 0.04 was reported for health insurance and completion of the course. Differences which exist in this relationship are also attributed to backgrounds of the respondents and individual needs which exist. Savings also proved to be a significant factor when related to completion of the course. More people who have completed the course tend to save for emergencies. Reasons for this can be attributed to personal characteristics, family responsibilities, age, income, and experience. The course may have had some effect on the respondents but is not the only factor influencing the respondents' actions.

An interesting relationship exists between investments in stocks and completion of the course. The level of significance was 0.01. More respondents who have not taken the course have investments in stocks. This may be attributed to many factors such as personal interests, and income. It is important to note that some respondents who had not taken the course had experience with the stock market. Also more respondents who had not taken the course had made out wills. The level of significance was 0.005. Reasons for this may be explained by background characteristics of the individuals that make up the group. Those respondents who had not taken the course are older, in a higher income group, had been married longer than the other group and may have more possessions to distribute in case of death; therefore, they may feel the importance of a will to a greater degree.

When analyzing the relationship between budgeting and completion of the course it appears that those who had taken the course budget more often than those who had not taken the course. The level of significance was 0.01. A large number of factors affect the degree to which a family budgets, such as: background characteristics--experience, knowledge, income, age, children, and financial obligations. Again the course may influence the knowledge the family has about budgeting but is not the sole determiner of budgeting practiced by families and individuals. A similar relationship between using financial records for making future budgets and future plans was found to be significant in relation to completion of the course. More respondents who had completed the class used their records in planning for the future and of course, it is important to use current records in doing so. Differences which exists between the groups can be attributed to background characteristics, feelings, attitudes, and values held of the two groups. The Resource Management course may add to the students' knowledge of using records in planning for the future.

Sales slips tended to be kept more often by students who had completed the course than those who had never taken the course. This was significant at the 0.0004 level. Again background characteristics and personal preferences for record keeping, will affect the respondents answers. Knowledge gained from the course may also be a reason why more respondents who had completed the course tend toward this type of record keeping. More respondents who had completed the course obtained help from college classes and instructors in solving financial problems than those students who have not completed the course. Having completed the Resource Management course may give students contact with subject matter and instructors with whom they confer when solving problems; a contact which students who had not taken the course may not have.

Knowledge Scores in Financial Management

Another important question asked by the investigator was "Does knowledge learned in the Resource Management course transfer to financial management practices?" In order to obtain a knowledge score for respondents, test questions were written in six areas of financial management: (1) credit, (2) insurance, (3) social security, (4) savings and investments, (5) wills and estate planning, (6) financial planning. The scores of the respondents are summarized in Table XV.

TABLE XV

MEAN SCORES REPRESENTING KNOWLEDGE LEVEL HELD IN FINANCIAL MANAGEMENT SUBJECT MATTER OF RESPONDENTS ACCORDING TO COMPLETION OF THE RESOURCE MANAGEMENT COURSE

Subject Area	Had Completed	Had Not Completed
Credit	2.98	3.18
Insurance	6.39	6.46
Social Security	2.16	2.28
Savings-Investments	1.88	1.78
Wills-Estate Planning	2.22	2.43
Financial Planning	2.69	2.31

As can be observed no large differences exist between the test scores of those students who had completed the course and those students who had not had the course. In order to determine if means differ more within groups or between groups another statistical test was done. Analysis of variance was conducted on the test scores for six different areas according to the Completion of the Resource Management course.

Table XVI shows the level of significance of the test scores for six areas of subject matter taught in a financial management unit in a Resource Management course according to whether the respondent had completed the Resource Management course or if the respondent had not taken the course. From the calculated F score a level of significance was determined. No significance was found for the following areas:

(a) credit, (b) insurance, (c) social security, (d) savings and investments, and (e) wills-estate planning. Therefore, completion of the course did not influence the test scores of the respondents in the above areas.

TABLE XVI

ANALYSIS OF VARIANCE TABLE FOR THE TEST SCORES OF RESPONDENTS WHO HAVE COMPLETED RESOURCE MANAGEMENT AND THOSE WHO HAVE NOT

Test Score Area	Sum of Squares	Degrees of Freedom	Mean Square	F Value	Level of Significance
Credit					
Between Groups	0.89	1	0.896	1.07	0.30
Within Groups	83.86	101	0.830		
Total	84.75	102	0.830		
Insurance					
Between Groups	0.12	1	0.122	0.03	0.850
Within Groups	370.92	101	3.67		
Total	371.04	102	3.63		
Social Security					
Between Groups	0.27	1	0.277	0.422	0.524
Within Groups	66.44	101	0.657		
Total	66.71	102	0.654		
Savings-Investments					
Between Groups	0.248	1	0.248	0.336	0.57
Within Groups	74.567	101	0.738		
Total	74.815	102	0.733		
Wills-Estate Planning					
Between Groups	0.992	1	0.992	1.78	0.18
Within Groups	56.269	101	0.557		
Total	57.262	102	0.561		

TABLE XVI (Continued)

Test Score Area	Sum of Squares	Degrees of Freedom	Mean Square	F Value	Level of Significance
Financial Planning					
Between Groups	3.145	1	3.14	3.69	0.05*
Within Groups	86.058	101	0.85		
Total	89.203	102	0.87		

* $P < .05$

However, Table XVI shows an F score of 3.69 for the area of "Financial Planning." This has a level of significance of 0.05 which indicates a significant association between financial planning test scores according to whether the respondents had completed the resource management course. Students who had completed the course scored significantly higher in this area than those students who had not taken the course. Reasons for this are varied and may be a combination of many factors; such as: personal values held toward financial planning, being a younger group with less income, fewer children and different experiences and knowledge gained through coursework or individual study.

In order to determine if knowledge scores gained in financial management relate to the financial management practices of the respondents who had the course and those who had not taken the course, data was again analyzed by the chi square statistical method. Acceptable level of significance is $P < 0.05$.

No significant relationships were observed between test scores and financial management practices except in two minor areas where a high score in insurance was given one respondent who failed to have any automobile insurance. Reasons for this are innumerable. One respondent got a zero score in savings and investments yet had investments in stocks. Table XVII relates association between financial management practices and test scores obtained in financial management.

TABLE XVII

CHI SQUARE VALUES FOR ASSOCIATION BETWEEN FINANCIAL MANAGEMENT PRACTICES AND TEST SCORES OBTAINED IN FINANCIAL MANAGEMENT

Financial Management Practices	Have Completed		Have Not Completed	
	Chi Square	Level of Significance	Chi Square	Level of Significance
Credit				
Determine credit costs	0.68	0.875	0.931	0.81
Frequency of Credit Use				
Installment	2.45	0.874	4.018	0.67
Open Book	5.07	0.536	5.986	0.74
Revolving	7.37	0.289	2.980	0.81
Insurance				
Family Members Insured	29.77	0.580	29.02	0.11
Type of Life Insurance				
Term	11.48	0.175	3.63	0.82
Whole Life	4.51	0.80	6.32	0.50
Limited Pay Life	5.18	0.739	7.41	0.38
Endowment	10.78	0.214	2.63	0.91
None	4.63	0.797	7.13	0.41
Other	5.79	0.672	2.20	0.94

TABLE XVII (Continued)

Financial Management Practices	Have Completed Chi Square	Have Completed Level of Significance	Have Not Completed Chi Square	Have Not Completed Level of Significance
Type of Health Insurance	21.22	0.625	17.87	0.21
Type of Automobile Insurance				
Liability	6.01	0.646	7.51	0.37
Uninsured	6.51	0.590	5.92	0.54
No-fault	19.51	0.012	7.22	0.40
Medical	6.11	0.635	10.07	0.18
Collision	5.45	0.710	13.05	0.07
Comprehension, fire, theft	5.70	0.681	8.05	0.32
None	11.43	0.177	15.48	0.03
Type of Property Insurance	48.45	0.168	2.62	0.91
<u>Savings and Investments</u>				
Reasons for Savings	15.01	0.524	20.0	0.014
Types of Investments				
Stocks	5.58	0.237	1.35	0.71
Bonds	7.26	0.121	2.31	0.51
Property	4.74	0.785	5.19	0.52
Coins, Stamps, etc.	0.617	0.958	0.60	0.89
None	4.718	0.317	2.42	0.87
Other	2.063	0.727	12.61	0.005
<u>Wills and Estate Planning</u>				
Do you have a will?	9.665	0.138	7.054	0.721
<u>Financial Planning</u>				
Make short term plans	2.43	0.964	6.94	0.543
Make long term plans	16.30	0.038	7.12	0.524
Budget	8.91	0.349	9.06	0.336
Who plans?	2.25	0.971	6.78	0.257
Type of financial plans	4.62	0.798	10.103	0.257

TABLE XVII (Continued)

Financial Management Practices	Have Completed Chi Square	Have Completed Level of Significance	Have Not Completed Chi Square	Have Not Completed Level of Significance
How do you keep records?				
Itemized accounts	12.67	0.122	7.772	0.456
Keep sales slips	8.16	0.417	11.436	0.177
Credit receipts	10.56	0.227	6.052	0.642
Keep check stubs	2.72	0.608	8.296	0.080
Reasons for Keeping Records				
Help with income tax	6.53	0.589	14.131	0.077
Checking expenses	8.32	0.402	5.948	0.201
Planning future budgets	4.42	0.817	3.671	0.885
Making future plans	6.24	0.621	10.930	0.535
How do you solve financial problems?				
Trial and Error	2.72	0.949	8.73	0.726
Study of books	4.24	0.834	7.41	0.493
Help from parents	5.89	0.661	7.54	0.820
Help from bankers	5.55	0.698	3.64	0.985
Help from classes	21.12	0.048	5.45	0.940
Help from teachers	10.25	0.246	3.57	0.893
Help from investment advisors	23.81	0.002	11.44	0.491

$p < .05$

Information Relating to Respondents Who Have Completed the Resource Management Course

Table XVIII relates information regarding those respondents who completed the course. Ninety per cent had taken it through the Division of Home Economics. Three-fourths had encountered no problems in financial management that were not covered by the course; but one-fourth did. Some problems mentioned were: in making investments,

TABLE XVIII

INFORMATION ABOUT RESPONDENTS WHO HAVE COMPLETED THE RESOURCE MANAGEMENT COURSE

Variable	Classification	Have Completed the Course No	Per Cent
		(N=71)	
College	OSU Home Economics	64	90.1
	OSU Business	1	1.4
	High School	0	0.0
	Other	6	8.5
Problems Encountered		(N=71)	
	Yes	19	26.8
	No	52	73.2
Specific Course Taken		(N=71)	
	HMGT 2113	45	63.4
	HDCR 2413	19	26.8
	Substitute	6	8.4
	No Response	1	1.4
Instructor		(N-71)	
	Mr. Jerry Bird		
	Fall, 1975	8	11.3
	Mrs. Kathy Butts		
	Fall, 1974	2	2.8
	Miss Cynthia Ford		
	Fall, 1974		
	Spring, 1975	7	9.9
	Miss Sue Herndon		
	Every Semester	32	45.0
	Mrs. Jan Huffman		
	Spring, 1974	11	15.5
	Mrs. Joan LeFebvre		
	Fall, 1974		
	Spring, 1974	4	5.6
	Other	7	9.9
Have you experiences greater satisfaction in financial management?		(N=71)	
	Yes	37	52.1
	No	34	47.9

and wills, obtaining financial aid, budgeting with individual practicality, control of overbuying, renters insurance, income tax, obtaining credit, understanding consumer laws, inheritance laws, and details of insurance policies.

A majority of the respondents had taken the course as Home Management 2113. This indicates they took the course before Fall, 1975. Twenty-six per cent took the course as Housing, Design and Consumer Resources 2413 which means they completed the course during Fall of 1975. Of course the longer the time lapse the better the chances of specific facts being forgotten. If seniors took the class as sophomores two to three years have elapsed since the course was taken.

The instructor of the course also indicates the amount of time lapse because some of the instructors taught the course two to four years ago. A large portion of students had taken the course under Miss Herndon (45.0%); Mrs. Huffman was the instructor for 15.5 per cent and Mr. Bird was the instructor for 11.3 per cent.

A majority of respondents indicated satisfaction with financial management increased after taking the course.

Summary

Of the 103 questionnaires 71 respondents had completed the course, Resource Management for Individual and Family, and 32 respondents had not taken the course. Analysis of results showed background characteristics of both groups, financial management knowledge scores of both groups and information regarding respondents who had completed the course. Statistical analysis used involved: mean values and standard deviation scores, percentages and frequency count, chi square analysis, and analysis of variance. The summary, conclusions and recommendations of the study are presented in Chapter V.

CHAPTER V

SUMMARY, CONCLUSIONS, RECOMMENDATIONS

Summary

This study was concerned with exploring financial management practices of two groups of married undergraduate students enrolled in the Division of Home Economics, namely: students who had completed Resource Management for Families and Individuals and students who had not completed the course.

It was believed that through this study it would be possible to: (1) identify financial management practices of (a) students who have completed the course, and (b) students who have not completed the course; (2) compare the knowledge level of financial management principles to financial management practices of the respondents; (3) identify factors that are affecting the financial management practices of the respondents; (4) identify problem areas students have in managing their finances that were not covered in the course and (5) lastly to determine if the course had increased satisfaction with financial management done by respondents who have completed the course.

A questionnaire was developed by the author to collect the data. The questionnaire consisted of four parts: (1) background information; (2) financial management practices and knowledge about six areas covered in the financial management unit: credit, insurance, social security, savings-investments, wills-estate planning; (3) financial planning done by respondents and (4) information related to respondents who have completed the course.

The first portion of the questionnaire obtained background information about the respondents and identified factors which affect financial management of families. The second portion, consisted of identification of spending patterns to determine how respondents spend their money. The amount of indebtedness of respondents as to long and short term debts was reported. Knowledge scores were obtained through test questions in the six areas of financial management previously listed. After each set of test questions in each subject area, specific questions were asked the respondent as to actual financial management practices of the respondents. The third portion of the questionnaire dealt specifically with financial planning, determining the amount of planning done, who does the financial planning, type of plans made, type of record keeping that is done, reasons for keeping records and ways financial problems are solved. The fourth portion determined problems encountered by students who had completed the course but were not taught in the course. Identifications as to the course title and instructor were made in this section of the questionnaire.

Questionnaires were distributed to 208 undergraduate married students enrolled in the Division of Home Economics at Oklahoma State University, Stillwater, Oklahoma, during the Spring semester, 1976. The sample was divided into two groups: (1) 71 students who have completed the course; and (2) 32 students who have not taken the course. A total of 103 usable questionnaires were returned.

Chi square analysis determined significant relationships which exist among background characteristics and completion of the resource management course as well as between financial management practices and course completion. Chi square analysis showed significant relationships between financial management practices and test scores according to completion of the resource management course.

Analysis of variance was utilized to test if knowledge scores have any relationship to completion of the course. When a significance level of 0.05 was obtained the association was examined in order to reveal the direction of the relationship.

Conclusions

Question I asked what background characteristics influence financial management practices of married home economics students. From background questions it was found that the respondents who had taken the course were younger, had been married fewer years, and had fewer children and lower incomes than those respondents who had not completed the course. In comparing the two groups as to financial management practices used it is important to realize that (a large number of factors influence decisions made in all areas of financial management. In general: age, length of marriage, income, children, knowledge, experience, interests, attitudes and values influence and help determine financial management practices.)

Question II asked if the Resource Management Course helped students to more fully utilize financial management practices. After examining the financial management practices of both groups of respondents it was found that they had very similar financial management practices. Significant relationships appeared among the following variables: family members insured, type of health insurance purchased, reasons for saving, stocks as an investment, having a current will, amount of budgeting done, who does the planning, planning for future budgets, receiving help from college classes to solve financial problems and receiving help from college teachers in solving financial problems. Other research studies found differences in the financial management practices of groups which were similar to this study. Such factors as age, interests, spouses' interests, previous knowledge and experience of both partners, personal qualities and skills, income, age of children, number of children, attitudes and goals of the respondents. In the present study the two groups differed in age, income, length of marriage, number of children, and major areas of interest.

In determining if the Resource Management Course is responsible for specific management practices much caution must be used as there are many factors influencing individuals and families, many of which cannot be controlled for. Overall, the course may teach certain areas more effectively than others so it is important to study the knowledge scores of the respondents from both groups.

It was found that completion of the course was not significantly related to the test scores of the respondents in the areas of credit, insurance, social security, savings and investments, and wills and estate planning. Students who had completed the course scored no differently than those who had not taken the course. Possible reasons for this include time-lapse and low retention of specific facts over time. Possible reasons for the group who had not taken the course to do so well include actual experience with credit, investments, wills, insurance, and social security. More of the respondents who had not taken the class had credit more often, had insurance including life, auto, and health, had made more investments and had written wills more than those respondents who have completed the course. Implications are that actual experience increases knowledge in financial management since the respondents who had not had the course scored as well as those who had completed the course.

The subject area of financial planning did prove to have a significant relationship to completion of the course. (Those students who completed the course scored higher on test items in this area. The same group also practiced budgeting to a greater degree, kept sales slips more frequently, and used current records to make plans and future budgets and plans than those students who had not taken the course. Students may be applying subject matter taught in this area to a greater extent which enables them to retain more factual knowledge about financial planning.) But it is not possible to state that the Resource Management Course is entirely responsible for this relationship. In general, no significant relationships were found between test scores and financial management practices of students who have completed the course and those who have not. Knowledge of specific facts in financial management were not retained and respondents who had not taken the class scored as well as those who had taken the class. Possible reasons for respondents who had not had the class to score as high as those who have completed the course could be the fact that they indicated having more experience with credit, insurance, investments and wills and estate planning. There seems to be a trend between practical experience with financial management and test scores in financial management. (General conclusions drawn imply that the course teaches facts which are forgotten and that experience is a means of making facts useful and applicable to everyday life.

Question III asked what problems respondents had that were not covered in the course. Many indicated they have problems overspending, and using a budget with individual practicality. Several want to be able to understand various types of insurance policies with more emphasis on the differences which exist between policies. One problem encountered was related to financial aid: how to obtain it, and at what costs. Some respondents were interested in inheritance laws, and property rights legislation. Several had interests in making wise investments, not in stocks and bonds, but in other areas such as a feed lot for livestock. One respondent indicated the need for help in the income tax area.

Question IV asked if the Resource Management course increased satisfaction with financial management. The majority of the respondents indicated that the course did increase their satisfaction with financial management.

Recommendations

The Resource Management Course taught through the Housing, Design and Consumer Resources Department in the Division of Home Economics includes a unit of six to eight weeks in financial management. It is suggested that the six areas of credit, insurance, social security, savings-investments, wills-estate planning, and financial planning be taught in relation to the students needs and interests through practical experience. It is important that students receive practical application in all six areas so that knowledge can be experienced.

Methods of applying subject matter include the use of decision making financial management simulation games that can be purchased or designed by the instructor and students. Another technique involves the computer in simulation exercises where students work out credit problems, insurance problems or investment problems and can see all the variables involved in the analysis of the specific problem. Field study accounts may be successful when students actually work in a bank, savings and loan institution, or life insurance company for a period of time in order to understand to a higher degree the transactions that are taking place.

It is important to indvidualize projects which relate subject matter to specific needs of each student. A "shopping project" is an example of such an activity. The students determine the area and "shop for credit," "shop for life insurance," or "shop for a profitable investment" in the real world. This relates factual knowledge to situations encountered daily by families and individuals.

Educators also need adequate information about the students they teach so that they may meet the needs and interests of the students. In order to accomplish this more research needs to be conducted. The research reported herein should be replicated to include other students and other institutions, in order to obtain more comprehensive information as well as test the validity of the information obtained.

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APPENDIX

THE INSTRUMENT

February 20, 1976

Dear Cooperator:

I am working on a research project to obtain information for my Master's thesis. This project is concerned with financial management of college families. The purpose would be to help teachers and counselors have a better understanding of young families' financial situations so that they can meke their work more functional.

Most married college students recognize that financing both a college education and a family is a big job and that successful financial management adds to the well-being of the family. Therefore, I would appreciate your taking a few minutes to answer this questionnaire and be a part of this research. You need not identify yourself; all who respond will be anonymous and the information will be confidential.

However, I may need to send follow-up letters to some who may have mislaid or lost their questionnaire, so each questionnaire has a number on it. Would you please return the questionnaire to Mrs. Nancy Irwin in the Housing, Design and Consumer Resource office, Home Economics West 449. No name will be attached to the questionnaire in any way.

Would you please return the questionnaire by March 4, 1976? An envelope is included for your convenience.

Sincerely yours,

Marguerite Brown

Enclosure

Approved:

Florence McKinney
Head of Department
Thesis Adviser

FINANCIAL MANAGEMENT QUESTIONNAIRE ____

I. BACKGROUND

Directions: Answer the following questions by placing a check in the appropriate space or by writing in your response.

1. ____ Male ____ Female

2. What is your home economics major?

____ CTM
____ FNIA
____ FRCD
____ HDCR
____ HEED
____ HRAD
____ Other (Specify) ____________

3. What is your classifcation?

____ Freshman
____ Sophomore
____ Junior
____ Senior
____ Special

4. What is your age group as of your last birthday?

____ 19 years or under
____ 20-23 years
____ 24-27 years
____ 28-30 years
____ 31 years or more

5. How long have you been married?

____ Less than one year
____ 1-3 years
____ 4-5 years
____ 6-7 years
____ 8-9 years
____ 10 years or more
____ Widowed (Skip to # 8)
____ Separated (Skip to # 8)
____ Divorced (Skip to # 8)

IF MARRIED:

6. Is your spouse currently enrolled in courses?

____ No

Yes
____ Freshman
____ Sophomore
____ Junior
____ Senior
____ Graduate school

7. What is your spouse's major area?

____

8. How many persons are living in your present home including yourself, in each of the age groups listed below? Write in number.

_____ Under 6 years of age
_____ 6-12 years
_____ 13-18 years
_____ 19-29 years
_____ 30 years and older

9. Check the approximate total yearly income of your family from all sources:

_____ Less than 1,999
_____ 2,000 to 2,999
_____ 3,000 to 3,999
_____ 4,000 to 5,999
_____ 6,000 to 6,999
_____ 7,000 to 8,999
_____ 9,000 to 10,000
_____ 10,000 and above

10. Estimate the percentage of yearly income obtained from the following sources.

MAKE SURE THE TOTAL EQUALS 100%.

_____ % Friends
_____ % Husband's parents
_____ % Wife's parents
_____ % Other relatives
_____ % Wife's wages
_____ % Husband's wages
_____ % GI Bill
_____ % Scholarships
_____ % Loans
_____ % Other

100 % TOTAL

II. SPENDING PATTERNS

11. Approximately how much do you spend for each of the following per month?

$ _____ Food
$ _____ Housing
$ _____ Health Care
$ _____ Transportation
$ _____ Recreation
$ _____ Clothing
$ _____ Contributions
$ _____ Insurance
$ _____ Education (per semester)
$ _____ Miscellaneous

12. Check what you consider to be your outstanding long term and short term debts.

Long term - 1 year and up
Short term - under 1 year

LONG TERM	Short Term
_____ Education	_____ Education
_____ Medical Espenses	_____ Medical Expenses
_____ Housing	_____ Housing
_____ Furniture	_____ Furniture
_____ Automobile	_____ Automobile
_____ Clothing	_____ Clothing
_____ Insurance	_____ Insurance
_____ Other	_____ Other

13. If any of the above were purchased on credit, did you determine the cost of credit before buying?

_____ yes _____ no

14. How often do you use the following types of credit?

	Frequently	Sometimes	Never
Installment	_____	_____	_____
Open Book	_____	_____	_____
Revolving	_____	_____	_____
Credit Cards	_____	_____	_____

WRITE THE CORRECT ANSWER IN THE BLANK

15. The Truth-in-Lending Act requires financial institutions to _____.
A. all charge the same interest rate.
B. never advertise their credit interest rates.
C. disclose all terms of a credit contract prior to the customer signing.
D. disclose all terms of a credit contract after the customer signs.

16. The Fair Credit Reporting Act of 1971 _____.

A. allows consumer to remove adverse reports from their files if the consumer does not like the report.
B. allows the consumer to read the contents of his file if he is denied credit, a job, or insurance because of the file.
C. allows the cusumer to be informed of adverse information in the file if he is denied credit, a job, or insurance because of the file.
D. keeps credit files confidential by not telling the consumer the contents of his own file.

17. The Equal Credit Opportunity Act (Oct. 28, 1975) forbids discrimination on the basis of _____.

    A. a poor credit rating.
    B. sex.
    C. marital status.
    D. sex and marital status.

18. The Oklahoma Uniform Consumer Credit Code (UCCC) _____.

    A. prohibits false and misleading advertising
    B. allows creditors to reposses goods or sue for default on sales under $1,000.
    C. allows door-to-door sales to be cancelled within 3 days of purchase.
    D. reinforces Federal Truth-in-Lending legislation.
    E. does all of the above.

19. Do you and/or your spouse have a checking account?
    _____ Yes _____ No (Skip to # 23).

    IF YES:

    20. How often do you and your spouse write checks for items purchased?
        _____ 1-12 checks per month
        _____ 13-24 checks per month
        _____ 25 and more per month

    21. Listed below are reasons for maintaining a checking account. Check how often you use your checking account for:

	Frequently	Sometimes	Never
Ease of purchase	_____	_____	_____
Record of spending	_____	_____	_____
Proof of purchase	_____	_____	_____
Other (Specify)	____________________		

    22. Is your checking account a joint account? _____ Yes
        _____ No.

23. Which family members are insured by life insurance?

    _____ Husband, only.
    _____ Wife, only.
    _____ Husband and wife.
    _____ Husband, wife and children.
    _____ None.

24. What type of life insurance policy do you have?

_____ Term insurance
_____ Whole life (straight life)
_____ Limited pay life (20-30 years)
_____ Endowment
_____ None
_____ Other (Specify) ________________________________

25. Insurance operates on which of the following principles?_____ (Write the correct answer in the blank.)

A. The group bears the risk of those who experience the loss.
B. A thrift institution for investment of personal savings.
C. Protection against loss.
D. A and B.
E. A and C.

26. The life insurance policy offering the most protection per dollar cost is a/an ______.

A. endowment policy.
B. ordinary life policy.
C. term policy.
D. limited pay life policy.
E. all of the above offer equal protection per dollar cost.

27. The life insurance policy that is considered a permanent insurance policy is _____.

A. endowment.
B. family income policy.
C. whole life.
D. term.

28. Renewable and convertible are necessary clauses for a _____ life policy.

A. endowment.
B. family income.
C. ordinary
D. term.
E. all of the above

29. A young family's insurance needs include low premiums and a relatively large amount of insurance coverage. Which of the following policies meets those needs best?

A. ordinary life policy.
B. term policy.
C. limited pay policy.
D. endowment policy.

30. A married couple with an otherwise adequate program have just purchased their first home. The wife is a full-time homemaker. The couple have two pre-school children. They should have _____ type of life insurance on the husband.

A. Whole life.
B. 20 pay life.
C. Reducing term.
D. Family policy.

31. What type of health insurance policy do <u>you</u> have?

_____ Group plan
_____ Individual
_____ None
_____ Other

32. The Health Maintenance Organization is not characterized by _____.

A. being available in all communities.
B. providing all of a family's health care needs.
C. being more expensive than regular health insurance.
D. early treatment to prevent illness.

33. Most group health insurance provides this coverage at additional cost over the basic plan _____.

A. surgical expense insurance for surgeon's fees.
B. major medical for catastrophic illness.
C. hospital expense coverage.
D. regular medical insurance - physician's fee, office procedures.

34. Which of the following represent <u>your</u> present automobile insurance coverage?

_____ Liability, bodily injury and property damage
_____ Uninsured motorist endorsement
_____ No-fault insurance
_____ Medical payment insurance
_____ Collision
_____ Comprehension, fire and theft
_____ None
_____ Other (Specify) ________________________________

35. The heart of an automobile insurance policy is the protection for economic loss due to _____.

A. liability.
B. property damage.
C. medical expenses.
D. collision.

36. The advantages of no-fault auto insurance is it _____.

A. compensates quickly following an accident.
B. will allow law suits for pain and suffering.
C. reduces auto premiums.
D. reduces the number of court cases.
E. does all of the above.

37. Which of the following is not included in the Home Ownership Renters Policy? _____

A. liability insurance.
B. coverage of personal property away from home.
C. coverage of the house.
D. coverage of the contents, personal possessions.
E. all of the above.

38. The market value of a house minus the money still owed on it is called ________.

A. lien.
B. interest.
C. equity.
D. mortgage.

39. What type of property insurance do <u>you</u> and/or <u>your</u> spouse carry?

_____ Basic Form-11 perils
_____ Broad Form-18 perils
_____ Comprehensive - all risks
_____ Burglary and theft
_____ Other (Specify) ______________________________

40. Social Security is meant to _____.

A. provide payments only to those persons over age 65.
B. be a supplement to one's retirement income.
C. be paid only to those people who have no other retirement income.
D. be an adequate retirement income.

41. When one retires, which budget item is likely to be a constant expense due to a program of social security subsidizing this expense? _____

A. clothing costs.
B. housing costs.
C. medical care costs.
D. food costs.

42. Who of the following would probably not be eligible for social security benefits? _____

A. Widow, aged 58, 2 adult children.
B. Widower, aged 65, 2 adult children.
C. Disabled man, age 34.
D. Widow, aged 45, 1 child in college, aged 20.

43. What is the major purpose for any savings in <u>your</u> budget?

_____ Supplement social security and other retirement plans
_____ Emergencies
_____ Specific purpose (College, trip, etc.)
_____ No savings
_____ Other (Specify) ______________________________

44. The maximum interest is earned on a savings account compounded by the _____ method.

A. First In, First Out.
B. First In, Last Out.
C. Daily Interest.
D. Low Balance.

45. Which one of the following is the worst way to save? _____

A. a monthly purchase of corporation stock listed on the New York exchange.
B. a whole life insurance policy.
C. a monthly charge payment for an appliance.
D. a monthly payment on a home mortgage.

46. Which of the following is not a factor to consider in choosing a savings or investment plan? _____

A. liquidity.
B. safety of principal.
C. extra cost of charges for making the investment.
D. capital gain potential.
E. all of the above.

47. In developing a savings program for a young couple, just married and both working, which of the following might be the most important criteria? _____

A. additional income to purchase household items.
B. growth of investment to hedge against inflation.
C. liquidity as a means of emergency fund.
D. safety of principal.

48. Check any of the following areas in which you now have money invested.

_____ stocks
_____ bonds
_____ property (real estate)
_____ coins, stamps, etc.
_____ none
_____ other (Specify) ______________________________

49. The most important reason for writing a will is to _____.

A. avoid probate.
B. escape estate taxes.
C. set up trusts.
D. distribute one's estate in accordnace to one's wishes.

50. One's estate is most likely to be depleted by the costs of probate if _____.

A. the estate is put into trust for the heirs.
B. one has a lawyer handle the details of probate.
C. it is a large estate.
D. no will is written.

51. If one dies without a will one's estate automatically _____.

A. is distributed according to state law.
B. belongs to the spouse and/or children.
C. belongs to the state.
D. goes into a trust.

52. Do you and your spouse currently have a written will? If yes, is the will acceptable for probate?

_____ yes _____ no _____ don't know

III. FINANCIAL PLANNING

53. Check the blank that most accurately describes the type of financial planning that you do.

	Frequently	Sometimes	Never
Make short term plans (0-12 months)	_____	_____	_____
Make long term plans (12 months +)	_____	_____	_____
Budget (Allocations of money for regular living expenditures.)	_____	_____	_____

54. Discretionary income may be identified as money _____.

A. allocations for essential living costs.
B. used for installment credit purchases.
C. left over after essential living costs have been budgeted.
D. used for purchasing financial security.

55. The first step in the development of any financial plan is _____.

A. determining expenditure costs.
B. providing protection required against economic loss.
C. formulating specific goals.
D. knowing how much income one has to spend.

56. In a family budget _____.

A. there should be an allowance for each family member to spend as he likes.
B. one should establish a budget and never change it for that is an admission of failure to budget properly.
C. every penny of the family income should be recorded and accounted for.
D. all of the above are true.

57. Which of the following is a fixed expenditure in a budget? _____

A. Rent
B. Food
C. Car maintenance
D. Clothing upkeep

58. Who does the financial planning in <u>your</u> household?

_____ Husband, alone
_____ Wife, alone
_____ Combination

59. Are the financial plans which you and/or your spouse make

_____ only mental?
_____ completely written?
_____ partly written and mental?

60. Check how often you use the following ways to keep records of your expenses.

	Frequently	Sometimes	Never
Itemized written accounts	____	____	____
Keeping sales slips	____	____	____
Credit receipts	____	____	____
Keeping check stubs	____	____	____
Mentally	____	____	____

No records ______
Other (Specify) ____________________

61. Check how often you use the following reasons for keeping financial records.

	Frequenly	Sometimes	Never
Help with income tax deductions	____	____	____
Checking expenses	____	____	____
Planning future budgets	____	____	____
Making future plans	____	____	____

Other ____________

62. Check the appropriate response that shows how often you use each procedure for solving financial problems.

	Frequently	Sometimes	Never
Trial and error	____	____	____
Study of books and periodicals	____	____	____
Help from parents	____	____	____
Help from bankers	____	____	____
Help from college classes	____	____	____
Help from college teachers	____	____	____
Help from an investment advisor	____	____	____

63. Have you ever taken a course which taught financial management?

____ Yes ____ No

If no, You have completed the questionnaire.

64. If so, which college was it in?

____ OSU Home Economics
____ OSU Business
____ High school
____ Other (Specify) ____________________

65. Do you have specific problems in financial management not studied in previous coursework?

_____ Yes   _____ No

66. If yes, list problems below.

67. A basic Resource Management course is required of all students enrolled in the Division of Home Economics. It has had two different prefix numbers in the last four years. Please check the blank next to the course you were enrolled in.

_____ HMGT 2113 Resource Management for Individual and Family
_____ HDCR 2413 Resource Management for Individual and Family
_____ Substituted a course from another college
_____ Have not taken such a course

68. If you took the course at O.S.U., please check the instructor you had.

_____ Mr. Jerry Bird
_____ Mrs. Kathy Butts
_____ Miss Cynthia Ford
_____ Miss Sue Herndon
_____ Mrs. Jan Huffman
_____ Mrs. Joan LeFebvre
_____ Other (Name) ____________________________

69. Have you and your spouse experienced greater satisfaction in financial management after taking this course?

_____ Yes   _____ No

VITA

Marguerite Joyce Brown

Candidate for the Degree of

Master of Science

Thesis: A COMPARATIVE STUDY OF FINANCIAL MANAGEMENT PRACTICES OF MARRIED HOME ECONOMICS STUDENTS

Major Field: Housing, Design and Consumer Resources

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