THE INFLUENCE OF AMERICANIZATION ON SAVINGS BEHAVIOR AND
PRACTICES AMONG SAUDI ARABIAN FAMILIES IMMIGRANTS IN THE
UNITED STATES

by

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B.S., King Abdul-Aziz University, 1992

M.S., Arab Academy for Science and Technology and Maritime Transport, 2000

M.S., Kansas State University, 2011

AN ABSTRACT OF A DISSERTATION

submitted in partial fulfillment of the requirements for the degree

DOCTOR OF PHILOSOPHY

School of Family Studies and Human Services
College of Human Ecology

KANSAS STATE UNIVERSITY
Manhattan, Kansas

2015

Abstract

This investigation sought to examine the role of acculturation and generational theory and influenced social and cultural practices among Saudi Arabian students who were currently residing in the United States. Theoretically, it sought to answers questions that help determine how Americanization—the adaptation and acculturation of a visiting culture to absorb and incorporate the host culture into their lives, customs, and social practices, and in this case savings behavior.

A comprehensive model was developed to test the idea that living in America can and does have an influence on social and cultural practices. What was of interest in this study was whether or not these same influences could have an impact on particular cultural practices, in this case how people felt about, reacted to, and addressed the concept of savings—the stockpiling of funds for future needs. Information was gathered from a sample of over 500 Saudi Arabian students living in the United States.

The model as structured was tested using SEM analytic techniques in an effort to fully explore and expose the nuanced and subtle differences among the respondents. The concept of savings behavior being influenced by Americanization as originally discussed was not substantiated by the model even though some of the indicators were within expected parameters ($\chi^2 = 217.241$, $p < .001$; $CFI = 0.839$, $TLI = 0.732$, $RMSEA = 0.034$). Despite the general problems the overall model revealed that at least 17% of what was termed as savings behavior could be explained by the model. The study still retained its value because it has made inroads into an area that has not yet been explored. Future investigations should take care to find better ways to incorporate some of the cultural elements of savings behavior directly into the instrument based on the perspective of their

test populations rather than assume value in and use instruments tested and normed with

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I would like to express my appreciation to my major advisors Dr. Farrell Webb and Dr. Duane Crawford for their kindness in helping, supporting, and advising me on this journey.

Dedication

This dissertation is dedicated to my loving parents (Mohammad & Lawahez) who taught me how to love knowledge and learn. In addition, I would like to dedicate this study to my wife Ragad Hannon, and my children: Abdulrahman; Abdulraheem; Soundos; and Abdulkareem, all of whom have supported me in all my endeavors. Finally, I would like to thank and dedicate this work to my major advisor Dr. Farrell Webb.

CHAPTER I

INTRODUCTION

The influence of culture has been well documented in the social sciences. It is also well known that when individuals move from one culture (master or culture of origin) to another (subordinate new culture or culture of adoption) that there needs to be change and adaptance in order to survive and thrive within the new subordinate culture. It is clear that this has been a condition in my own life moving from Saudi Arabia to the United States, particularly around issues that are central to my family's well-being. Some of the issues for me and my family is how to keep some of our traditions in place as we become more acculturated to American traditions. Of particular concern to me is how my family learns to manage our finances against the backdrop of the American culture where savings does not seem to be the preferred economic practice.

How my culture influences my attitudes toward saving money is something that continues, but whether it can survive outside of Saudi Arabia is a question I am seeking to answer—not just for myself and my family, but for all of my Saudi brethren living in non-Islamic cultures, but specifically for those here in the United States.

Developing an understanding of how and why people do certain things is central to most social sciences. The belief that more important activities require more social commitment continues to gain attention in the literature. For me, and others concerned with family well-being, nothing is more important than a family's ability to meet the present and future needs of their members. One of these primary needs is economic security. It is a generally accepted premise that Families gain economic security through

the accumulation of wealth. For most people this is done by working for wages and saving some of those earnings for future use.

Savings behavior is both familial and cultural. For example, in Saudi Arabia the personal savings rate is 25-30%. It is the 12th highest rate of gross domestic savings in the Legatum Prosperity Index (2011). By comparison, the US Bureau of Economic Analysis in 2007 speculated that the rate of personal savings of American households has been decreasing for the past decade. The US estimates show that personal savings as a percentage of disposable personal income was only 0.6% revealing that America has one of the worst savings rates despite its vast personal wealth (Guidolin & La Jeunesse, 2007).

Families without financial support have less protection against the effects of unemployment, long-term illness, or disability or death of a primary income earner (Blumberg, 2012). The current economic crisis in the US and indeed the world makes this point very clear. Those families with little to no savings suffered the most (Emmons & Noeth, 2012). Therefore, it is difficult for families that do not save to achieve and maintain long-term financial stability (Sherman, 2011).

Lack of savings can have many long-term consequences, such as difficulty achieving home or business ownership, providing for children's education, and enduring any hardship that requires economic activity (Sachs, 1996). The economic viability of local communities also suffers when savings are limited (Schaeffer, 2002).

In fact, in times of economic downturn, loan default or bankruptcy become more likely among those who have not been savers, shifting the burden of economic loss to the community (Beverly & Sherraden, 1999). Moreover, family financial security is a

cornerstone of community economic viability. Families that are financially secure are able to contribute to their local economy by owning homes, starting businesses, and avoiding bankruptcy (Apgar & Di, 2005).

Based on public information confirmed by previous studies (Lewis, 1996; US Bureau of Economic Analysis, 2007), research and literature identify factors that can improve the savings behavior of individuals (Canova, Rattazii & Webley, 2005; Hilgert, Marianne, Hogarth, & Beverly, 2003). In reality, people in other countries, even those with much less personal wealth, are able to save and live within their means (Ma & Yi, 2010; Dahlan & Klieb, 2011) far better than people can in the US. The issue is a complex one. Does the culture influence savings behavior or does savings behavior influence the culture? If it does, then will someone coming from another country to the US adopt savings behaviors of Americans or retain their teachings despite being in a very consumer oriented society? This is the key issue that I want to explore.

Major Assumption

Living in the US creates significant stress on immigrant families (Jiménez, 2011). Many attempt to hold on to their culture while also adjusting to life in a new place (Jiménez, 2011). In order to keep a cultural link they often speak the native language while learning English (Mische, 2003). They also keep family traditions as long as they can (Braine, 1999). In the case of Saudi families, language retention, religious traditions and particular economic behavior such as savings practices help to keep and maintain these cultural practices alive and present in the lives of immigrants (Achoui, 2010; Dahlan & Klieb, 2011).

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Statement of the Problem

The purpose of this dissertation is to explain how adaptation and acculturation to American values could alter savings behaviors among Saudi Arabian families living in the US. There is a lack of research on how important the generational effect is on Saudi Arabian family traditions and behaviors among those living abroad, especially in non-Islamic cultures. It is vital to look at how these shifts in generation behavior alter family relations. More importantly, we need to ask what theory or theories can be used to explain this phenomenon (generational shift in values), especially when savings behavior patterns are explored. In short, how is personal savings viewed in different cultures and how does this change when one immigrates to the USA?

THEORETICAL FRAMEWORKS

Acculturation Theory

According to Eustuce's (2007) sociologists and psychologists studying acculturation indicated that it was something that occurs when people from different cultures began to encounter each other and how those interaction alter the way both groups behave and respond to each other resulting in more changes in subordinate group than the dominant group (Redfield, Linton & Herskovits, 1936; Eustuce, 2007). The officially recognized definition generated generated from the Social Science Research Council (SSRC) defined acculturation as a consequence of direct cultural transmission between two or more cultural systems that is cross-cultural acculturation from the intra-cultural change phenomena that results from contact between two distinct cultural groups who are considered to be part of acculturation process (SSRC, 1954).

Graves (1967) defined the group level as a collective process in which there is a change in either the native culture or the host culture members or both. Therefore, the participants in the two levels (i.e., group and individual) of acculturation may not necessarily share the same perceptions of the acculturation process (Berry, 1997; Bochner, 1986).

The researchers Berry, 1997; Ward & Kennedy (1994) mentioned there are two dimensions of psychological acculturation: one related to the values, ideologies, beliefs and attitudes that define a culture; (2) the other dimension is related to the behavioral aspects which are about how the individual learns and adapts to external aspects of the dominant culture such as language skills, social skills, and the ability to negotiate the socio-cultural aspects of one's environment that are important during the acculturation process.

These ideas were eventually established into a workable model by Berry (1990; 1997) based on the original SSRC construct. He envisioned the process to have three stages: (1) contact direct during interaction between cultures practices for long distance; (2) the outcome has to have some type of meaning for the culture between the people; and (3) distinction must be made between process and state of acculturation.

In this dissertation I study phenomenon that effect on acculturation among immigrant families and the effect it has on their change on their behavior related to savings practices as they become more acculturated or Americanized (Bunell, 2009).

Numerous social, psychological, and demographic factors that influence acculturation have been investigated, however none have looked at savings behavior as I proposed to do in this investigation.

Generational Theory

This study that specifically focuses on Saudi's families and the role of Americanization in explaining variation that the effects of in generational behavior especially possess as it relates to their own savings behavior. Researchers Patota, Schwartz, and Schwartz (2007) mentioned a generation as "a group of people who share common experiences and a collective memory based on key events that occurred during their lifetime" (p. 2).

Generational theory describes and explains the group behavior of western cultures on the fields of psychology, economics, and social sciences (Strauss & Howe, 1991, 1997, 2000), which has the effect and influences on more than one generation (Arsenault, 2004). In fact, the generational theory supported and helped researchers to study experiences and events, values, and expectations specific to a generational group that shares the tradition and culture that influences on their behavior (Arsenault, 2004; & However, Giancola, 2008).

My study focuses on generational groups that have been taken from the studies of scholars and researcher because each generational group possesses a distinctly unique set of personality traits, values and attitudes (Lancaster & Stillman, 2005; Zemke, Raines, & Filipczak, 2000). The generational theory has been identified in three components: (1) generational personality; (2) common age, shared beliefs and behavior; (3) and perceived identification as a member of a common generational group (Howe & Strauss, 1991; Zemke et al., 2000).

In order to fully understand the issues of socialization and its influence on immigrant cultural practices it is necessary to examine how they come to be influenced

by the dominant culture. Both Acculturation and Generation theories offer useful insights on how to explain what changes are taking place within the immigrant group. These elements have been extrapolated to include savings behavior. To help illustrate this I will use a modified version of the general adaptation of savings model established by Gutter, Wang, and Way (2007).

The aim of this investigation is to identify behavioral change of generations who immigrated to the USA as represented by savings behavior. I am especially interested in how this process of savings behavior change is influenced by cultural values. The use of a generation and acculturation theories have implications for the savings behavior as well as other cultural practices of immigrants.

RESEARCH QUESTIONS

The use of the theoretical approach used in this dissertation leads me to two important questions. They have has both theoretical and practical implications. The research questions are as follows:

1. How has Americanization influenced social and cultural practices among Saudi Arabian families in the US?

2. How have savings and practices been influenced by the US culture given the elements of Americanization's influence?

Research Hypotheses

In order to address the research questions, four hypotheses were developed. Each hypothesis examines an important aspect of the current research questions and is supported by the literature and the theoretical framework that I have created for this study. They are as follows:

H₁: Elements of Environment, resources and demographics will be directly related to socialization experienced by Saudi Arabians in American Society.

H₂: Cultural Socialization will be directly and positively influenced by the group values and negatively related to individual values.

H₃: Strong cultural socialization among Saudi Arabian families will have a negative effect on Americanization.

H₄: Americanization will have a direct effect on financial knowledge, financial practices, and savings behavior among Saudi Arabian families.
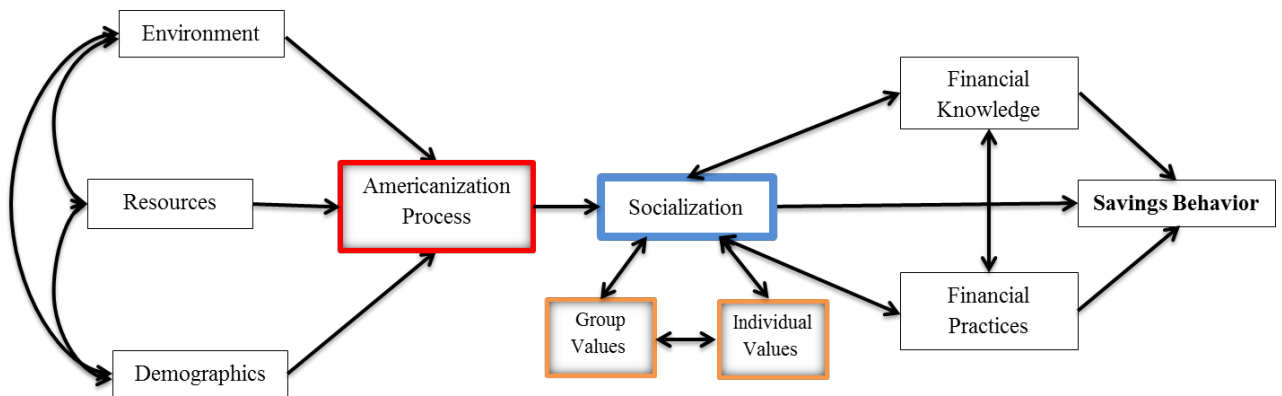
Figure 1.1. *General model of Savings Behavior found among Saudi Families.*

The model is robust—it can be applied to immigrants without prejudice. No matter their origins, people will experience the components of this model in a similar fashion. This model was enhanced by adding a socialization and Americanization components. These elements are presented in Figure 1.1.

It is important to focus on these areas because they are essential to how people adapt to their surroundings. As a Saudi man, I know they have been critical for my family

and me and we are only here for a short term and plan to return to Saudi Arabia. The following definitions match their placement in the model used by me.

Conceptual Definitions

Environment: The social and cultural forces that shape the life of a person or a population, and surrounding things, conditions, or influences; surroundings; milieu (Garman, & Forgue, 2000).

*Resources***:** Money, or any property that can be converted into money; assets, which are a source of supply, support, or aid, especially one that can be readily drawn upon when needed (Gutter, Wang & Way, 2007).

Demographics: The statistical data of a population, especially those showing average age, income, native language, country of origin, race, ethnicity, sex and education (Park, 2009).

Americanization: The longer one lives in the US the more likely one is to adapt to and incorporate values, customs, beliefs, and behaviors of Americans. Americanization is changing the way one lives, so that traditional ways of doing things are substituted and replaced with American values. The term most often refers to the process of acculturation by immigrants to American customs. This term has been used since at least 1907 (Moffett, 1907).

Socialization: A continuing process whereby an individual acquires a personal identity and learns the norms, values, behavior, and social skills appropriate to his or her social position (Merton & Rossi, 1968).

Group Values: Ideas that the groups believe are good, right, fair and just (Merton & Rossi, 1968).

Individual Values: Ideas that individuals believe are good, right, fair and just. Sometimes the individual beliefs are in contradiction with the group. Sometimes they are identical. For immigrant families individual values are not more important than group values (Merton & Rossi, 1968).

Financial Knowledge: Financial knowledge about concepts such as compounded interest on a savings account, interest charges on a loan and various credit cards charges. Also, knowledge about financial products such as bank accounts, student loans, debit cards, credit cards, mortgages, insurance policies, retirement accounts, and mutual funds (Garman & Forgue, 2000; Beverly, 2003).

Financial practices: The set of skills and knowledge that allows an individual to make informed and effective decisions through his/her understanding of finances (Hilgert, Marianne, Hogarth, & Beverly, 2003).

Savings Behavior: The patterns of savings in a country and the various ways in which savings is approached by the people in that country to understand how people save in a country in order to realize the economic condition of that country. For example, if people are saving more, their personal disposable income is increasing as well. This implies that the living standard of people is increasing as well (Lewis, 1996; Lusardi, 2000; Park, 2009).

Overview

Based on the literature I am proposing that savings and financial behavior in the US is influenced by the connection of resources, environment, and culture. I am interested in cultures that provide its people with some control over their financial situation—that is to say a culture in which people work for wages. The conceptual model

for this study is a general adaption for Gutter, Wang, and Way's (2007) investigation of the "complex nature of savings." The original structure was retained but some important modifications in terms of the role of socializations were made to reflect the ecological and social learning components of these theoretical approaches.

Relevance of Study

The aim of this study is to identify the impact of behavioral change on Saudi Arabians who immigrated to the USA. I am especially interested in how this process is influenced by cultural values and how this is represented by saving behaviors. The use of a generation based theory has implications for savings behavior as well as other cultural practices of immigrants.

Organizational Overview

This dissertation will be organized into five chapters. Chapter One, the introduction, will explain the purpose and the theoretical context for the investigation into the knowledge of financial stress on families. Chapter Two examines relevant literature that includes a review of the history of Americanization, factors influencing the second generation's process, and the impact on families. Chapter Three centers on the methodological approaches used to guide the research. This chapter will include a discussion of measures, instruments, and statistical methods used to summarize the data. Chapter Four focuses on the results with specific attention to statistical analyses and hypothesis testing. Chapter Five concludes the study. Recommendations for future research as well as limitations and implications for the findings will be highlighted.

CHAPTER II

LITERATURE REVIEW

The issues involved in immigration are both delicate and numerous. Some of these issues involve value shifts, compromises, and total change, some of which are acceptable and others of which are forced upon the group. Acceptable changes would involve mastery of the host country's language. An unacceptable change would be changes in parent child relations about dating practices. While there are many areas that can be discussed, this literature review is focused on how living in the US can and does promote some changes specifically around savings. This literature review looks at the more subtle changes surrounding savings practices. I begin by looking at the general values that promote savings and then examine how those values are repeated in families; next, I show how different cultures view savings versus the way savings are viewed in the US.

Family and Savings values

The use of money to improve and maintain one's life is essential to development in modern society (Ross, Mirowsky, & Goldsteen, 1990). As a result, people must both make and be able to save money in order to improve lives (Meliones, 2000). There are motives that make people save money. Economists have long touted the early work of Keynes[1] (1936) who identified eight reasons he thought promoted or should promote

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[1] Keynes in the late 1930's identified eight reasons people save or should save: (1) Precaution—to build up a reserve against unforeseen contingencies; (2) Foresight—to provide for an anticipated future relation between the income and needs of the individual or his or her family different from that which exists in the present (old age, education); (3) Calculation—to enjoy interest and appreciation because larger real consumption in the future is preferable to a present smaller consumption; (4) Improvement—to enjoy a gradually increasing expenditure; (5) Independence—to enjoy a sense of independence and the power to do things, though without a clear idea of definite intention of specific action; (6) Enterprise—to secure a

savings. Actually his conventionalization is more rational and practical than most scholars realized at the time. The ideas presented by Keynes are more in line with some of the traditions that are found among immigrant family saving practices.

There were other divisions of the savings motivations mentioned by Canova, Rattazzi, and Webley (2005). These authors divided the savings motives into three cases: (1) savings as the aim of assuring individual independence and autonomy; (2) savings as a goal guaranteeing and maintaining a good standard of living after retirement; (3) savings motive focused on providing for long term care of the family through a strong inheritance. These standards of savings incorporate a very large part of how savings behavior is practiced in Saudi culture. To date, families in Saudi Arabia subscribe to these practices in their lives (Achoui, 2010).

At the present time in the US and other world economies there is an increase in prices and taxes. On the other hand, there is a lack of jobs and limited economic resources, and these factors combine to produce a harmful affect on families (Young, & Schieman, 2012). These shifts between jobs, security, and financial status reveal that one's personal self-esteem and emotional health can be negatively impacted (Baumeister, Campbell, Krueger, & Vohs, 2003). Money matters can affect even the best of relationships. This occurs when families are forced to change their living patterns, reduce spending, eliminate social activities, and reduce opportunities for their children's future (Alkhiary, 2011).

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capital mass to carry out speculative or business enterprise; (7) Pride—to bequeath a fortune to others; and (8) Avarice—to satisfy pure miserliness (Keynes, 1936).

These money matters have a direct impact on our ability to perform at home and at work (Alkhiary, 2011; Hewitt, Western, & Baxter, 2002). However, financial responsibility is not inherited. Some parents do a great job of teaching their children how to be financially secure in the future. That requires years of working toward goals and learning how to save money and spend it wisely so they become habits (Conley, 2000). Members in families with strong fiscal training learn to take financial responsibility at an earlier age (Hewitt el al, 2002). At the same time, it is important to find a balance between one's family obligation and one's financial responsibility that gives one a solution one can live with (Hilgert, Marianne, Hogarth, & Beverly, 2003).

Savings across cultures

One way to view savings is to see it in a cross cultural context. The idea varies across culture but the practice leads to the same outcome. For example, in 2000, China had achieved 60% of the marginal propensity to save (MPS) based on Gross National Savings. In other words, more than one-half of all Chinese families save in some form or another (Zhou, 2009; ADB, 2009; IMF, 2009). This high rate surprised the world. It would appear that in China, families, businesses, and government all promote personal savings. In fact, one is expected and required by Chinese law to save (Ma & Yi, 2010). One reason why many Chinese save so diligently is because as of 2013, there are no social support programs to assist elderly family members (Waldfogel, & McLanahan, 2011). That responsibility belongs to the family who is responsible for its own members.

The saving practices of the Chinese demonstrate that the behavior and awareness of the concept of saving engrained into the culture. In their study on savings practices of Chinese families, Ma and Yi (2010) found that there were specific motives within the

culture that leads Chinese families to save. First, there is limited access to external

financial forces (Ma, 2007). Individuals must use internal funds for financial expansion,

and limited access to credit guarantees higher personal savings.

Second, subsidies and state controlled price distortions (such as financial

repression, restrictions on rural labor migration, subsidies for energy inputs and below-

market prices of land) inflate corporate earnings, again mostly benefiting state firms, so

individuals are forced to save if they are to protect themselves and their families (Aziz &

Cui, 2007). Third, the monopoly power in the Chinese banking industry, the market share

of the big state-controlled banks, makes it impossible for individuals to gain personal

wealth without having familial savings (pooled money) (Guo & N'Diaye, 2010). Fourth,

the Chinese government keeps the currency low, so the real purchasing power of Chinese

household income is high, resulting in excess or even forced saving (Ma & Yi, 2010).

All of these things combined create a savings culture that is forced upon the

people; such behavior would not be allowed in the US. This fundamental difference is

one cultural practice that is often abandoned among some Chinese immigrants here in the

US (Vaara, Sarala, Stahl, & Björkman, 2012).

Saudi Arabian Culture and Savings Behavior

The idea and ideal concept of savings is a cultural value in Saudi Arabia. People

are expected to save, and unlike in Western cultures where the individual is the primary

unit for saving in Saudi Arabia, it is done in a collective manner (Al-Saif, 1997). In fact,

it is not unusual to find families saving as a larger group of extended kin (Achoui, 2010).

In Saudi society large families form power of social cohesion among themselves (Al-

Masa'ad, 1995; Al-Saif, 1997). Typically the average number of family members is 150

or greater—in some cases it increases to thousands. For example, the Royal family has over 1800 members (Library of Congress, 2006). Large families are the norm and often function as mini-corporations (Achoul, 2010). These families have regular meetings and they have their own funds, all of which come from monthly or annual savings. To save as a group is an integral part of the Saudi Arabia culture (Achoui, 2010; Dahlan & Klieb, 2011; Al-Saif, 1997).

Another feature that distinguishes Saudi Arabian families is that families tend to live together or within very close proximity (Georgas, 2003). It is not surprising to find in Saudi Arabia more than two families living together in one house or in one building or in the neighborhood. That helps to reduce costs and then save money (Dahlan & Klieb, 2011). This proximity aids in mutual goals and trust regarding family and social obligations and activities (Ross, Mirowsky, & Goldsteen, 1990).

Savings Contrasts between USA and Other Countries

In contrast, the United State families do not save much at all (Lusardi, 2000). The personal savings rate was a negative 0.5% last year, which was the lowest of any industrialized nation (Aridas, 2011). France's among other highly industrialized nations the savings rate in France (11.9%), German (10.6%) and Japan (6.7%) all exceed that of tells. (Aridas, 2011). The problem is often attributed to the consumer mentality that Americans share, in short they tend to spend too much and save too little (Bernheim, Forni, Gokhale, & Kotlikoff, 2000). According to the Federal Reserve, US credit card debt was $807 billion (Federal Reserve Bank of New York, 2011). That is the equivalent of $7,200 per household. This is debt, not savings (Census Bureau Homepage, 2011). As long as families are unable to save then the families will be limited in their long term

financial stability. When families have financial problems other problems follow

(NASFAA, 2010). As long as the savings culture of the US remains weak, people can

expect to continue to have financial often problems. The real issue is, can and does the

US savings culture influence immigrants who are beyond their second generation in the

US?

Element of Family Savings Behavior

The specific elements of savings behavior have been shown to be influenced by a

variety of factors. The remainder of this literature review is centered on the ideas that I

believe are closely in line with my model of factors that contribute to savings behavior.

This section is divided into four domains that cover the general concepts and constructs

along with the idea of how Americanization influences savings behaviors—for that

matter many other social behaviors of those who live in American based cultures such as

the United States and its territories.

Financial Atmosphere

Carroll, Rhee, and Rhee (2000) mentioned that studies have tried to explain

international saving differentials often use traditional economic variables. They tested the

hypothesis that national savings differences reflected cultural differences especially

among immigrants in the US. Using data from both the 1980 and 1990 decennial census

and controlling for cultural effects on saving rates they generated a comparison ratio for

saving behavior of immigrants to the United States from different countries (Carroll et

al., 2000).

Recently, Prasad (2013) found that saving patterns of immigrants are significantly

different across country of origin. However, he was not able to provide supporting

evidence for the importance of cultural effects in explaining international saving rate differentials since the saving patterns of immigrants do not resemble the national saving patterns of their country of origins as had been the case in various investigations (Carroll, Rhee, & Rhee, 2000, Sevak, & Schmidt, 2008).

Socialization and Values

There are many definitions of socialization, but the general definition focuses on the process by which an individual acquires and learns cultural attitudes, behaviors, and knowledge (Hughes, et al., 2006). In a related investigation, Pieterse and Collins (2007) argued that socialization is a core aspect of individual development. They believed that it has a powerful effect on individuals. Others have shown that socialization allows individuals to learn the beliefs, values, and behaviors that are considered to be normative within their specific reference groups, whether racial, ethnic, or religious (Harrison, Wilson, Pine et al., 1990; Pieterse & Collins, 2007; Carroll, Rhee, & Rhee, 1994). Also, the socialization-based values approach helps to facilitate dialogue and interaction; that approach reflects the notion of "being the change we want to see" (Gandhi, 1869 -1948).

Savings behavior socialization has been hypothesized as a relationship between social structure and social interactions (Luo, 1998). According to Luo (1998), society and culture is the main cause for changing savings behavior of people or nations. In a later investigation focused on savings and socialization, Chen, (2012) indicated that language also had an effect on one's future and present behaviors such as saving, smoking, and obesity. Language is an independent factor of cultural or cognitive differences between linguistic groups. In a study using self-reporting measures on culture and savings, Chen (2010) found that both language and cultural values are related to savings behavior. They

found that the language between the groups had a direct effect on general behaviors—even savings behavior.

Another important element of socialization was the role parents played in communicating savings values to children. Devanath (2010) examined parental behavior and attitude as related to children's prosocial behavior. He found that socialization goals, parental income and education, parental altruistic behavior, and parental promotion of social cohesion affected their young children's development of prosocial behavior. He found positive correlations between family experience variables and children's sharing, such as parental altruism and self-other socialization goals. In short Devanath (2010) found that parents with higher education use more interactive parenting techniques than parents with less education.

Hughes et al. (2006) mentioned the nature of socialization transmits information, experiences, values, and perspectives about ethnic identity, self-esteem, coping with discrimination, academic achievement, and psychosocial well-being to their children. They found the parent-child relationship quality was affected by disciplinary practices and autonomy-granting behaviors (Hughes, et al., 2006). This connects to African American parents' concerns that their children would encounter racial barriers and negative stereotypes and their corresponding emphasis on promoting high self-esteem, instilling racial pride, and preparing children for bias (Peters & Massey, 1983; Richardson, 1981; Spencer, 1983; Tatum, 1987). Relatedly among to recent immigrants the appropriate socialization of their children and the promotion of their native cultural values, beliefs, practices, and language were also found to equally salient (Pessar, 1995;

Rodriguez & Sánchez Korrol, 1996; Suárez-Orozco & Suárez-Orozco, 1995, 2001; Urciuoli, 1996; Waters, 1990, 1994, 1999).

Financial Redevelopment and Practice

Studies have shown that the parenting approach most effective and efficient for teaching financial management is "coaching" (Baumrind, 1966). This style instills a sense of responsibility to managing financial resources, and uses words such as "little tips," "motivation," "responsibility," and "encouraged" (Solheim, Zuiker, & Levchenko, 2011; Allen et al., 2006).

O'Neill and Xiao (2003) mentioned on their study that people need periodic financial check-up in assessing their behavior and diagnosing financial problems before they become worse that through learning positive behavioral practices with writing and knowing financial goals.

This study recommended some financial behavioral practices; developing a spending plan, setting specific financial goals, calculating net worth, and accumulating emergency savings were performed (O'Neill & Xiao, 2003).

Solheim, Zuiker, and Levchenko's (2011) study found three models that help young people learn from their families about financial management roles that help to increase students' effectiveness and joint decision-making: equally shared decision-making and management, clear division of financial responsibilities, and divergent approaches (Solheim, Zuiker, & Levchenko, 2011; Clark et al., 2005). They observed those students whose parents were practicing these methods on them benefited (Solheim, Zuiker, & Levchenko, 2011). For example, their day-to-day financial transactions increased in complexity.

Therefore, it is essential to establish training courses to financial literacy and teach consumers necessary tools for making informed decisions and changing their saving behavior. Programs are needed that simplify financial decision-making as well as provide sources of reliable financial advice (Lusardi, 2008). For example, Lusardi, Keller and Keller (2008) used a social marketing approach to develop a planning aid to motivate and encourage new hires at a not-for-profit institution to open and contribute to supplementary retirement accounts. Ignorance of basic financial concepts cause poor financial decisions such as no savings, no plan for retirement, and lack of participation in the stock market (Lusardi, 2008). In contrast, financial education programs can result in improved saving behavior and financial decision-making.

There was a study in Malaysia on how to become a high income economy in year 2020. Salikin, et al., (2012) found on their study, parents' education background significant influences on children' saving behavior, through encourages self-discipline developing positive attitudes towards cash management such as having good personal financial planning. This proves that education in financial planning ensures good personal financial management.

Evidence confirms that financial knowledge and financial literacy clearly have the most positive influence on financial management (Sabri & MacDonald, 2010). Based on their results, Sabri and MacDonald (2010) recommend that all Malaysian universities and colleges should experiment with workshops and classes to educate students about personal financial management and planning (Sabri & MacDonald, 2010).

Micomonaco (2003) found on their research that the one of financial problem is the rising levels of debt among the college students that were related to lack of positive

financial practices and knowledge about financial management. In addition, college students do not track their spending and set up a budget .Which mean college students need to learn how manage their spending habits and more information about financial management and need to use that knowledge to improve their financial management practices, otherwise, their financial future may be in trouble .

Savings Behavior

There is no doubt that the desire to save is fundamental to achieving the goal to save. Personal financial planning helps clients identify their goals and achieve them (O'Neill, 2000).

Cho (2009) also noted that having a goal is one of the factors that affects and influences attitudes toward saving and on saving behavior. Such goals can be two types: first, those associated with a motivational system concerned with responsibilities and security, which affect saving intentions and behavior; and second, individual regulatory orientations that to reach a goal we need to focus on the individual regulatory and through increase the effectiveness of public messages that influence either promotion- or prevention-focused behavior (Shah et al., 1998).

That will not happen unless there is financial education and identification of appropriate saving goals and development of strategic plans to achieve the goals, goals such as debt repayment, emergency fund development, home ownership, or retirement savings (Cho, 2009).

Kessler, Perelman, and Pestieau (1993) compared savings behavior in an Organization for Economic Co-operation and Development (OECD) sample of 17 countries over 24 years. They sorted out a subset of countries with homogeneous

behavior towards savings, as expressed by a life-cycle theory based savings equation. They found that there were wide disparities across countries and a lack of convergence on the rate of savings. They found that the two most important factors of savings behavior were: first, the power of economics such as disposable income, growth rate and inflation; and second, national culture and generational values such as religion, geography, ideology, culture. This study confirms a community's impact on savings behavior (Kessler, Perelman, & Pestieau, 1993).

I mentioned before in financial practices part there was a study in Malaysia on how to become a high income economy in year 2020. Salikin, et al., (2012) found on their study, parents' education background significant influences on children' saving behavior, through encourages self-discipline developing positive attitudes towards cash management such as having good personal financial planning. This proves that education in financial planning ensures good personal financial management.

Studies demonstrate that those who had greater savings based on their savings behavior were also less likely to have financial problems (Sabri & MacDonald, 2010). On the other hand, those who had negative financial literacy had financial problems. Also, students who had more and earlier childhood consumer experience reported more savings behavior.

There is an inverse relationship between dependency rates and savings rates that have an effect on the demographic variables and consumers' behavior (Rossi, 1988).

Lusardi (2005) mentioned previous studies' findings that the main reason for low household financial positions is low education. These households lacked basic knowledge about finance and there was no bank account, which is the first step toward building a

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financial identity. There is no doubt that this leads to further access to financial products and service and then to advances in family well-being, stability, and security. In addition, low financial security affects the children and the next generation.

To improve financial behavior for low-income households, Hogarth, Anguelov, and Lee (2004) and Caskey (2002) recommend several educational tools. The first of these educational tools that have an impact on the individual and society is savings. The second tool of financial education is portfolio choice that can help household behavior through investment assets, such as stocks. This behavior helps to stimulate savings and enables families to more effectively address future financial problems (Lusardi, 2005).

I mentioned before in financial development part O'Neill and Xiao (2003) mentioned on their study that people need periodic financial check-up in assessing their behavior and diagnosing financial problems before they become worse that through learning positive behavioral practices with writing and knowing financial goals.

Acculturation Literature

The process of how values, culture, customs, and beliefs are developed must also be considered. When others adapt to another culture's customs, values and beliefs they are said to have become acculturated. The literature revealed that there are several domains (e.g., age, gender, marital status, family status, cultural distance, social support, and support from family and friends) that must be examined when considering how one becomes acculturated. It is a factor in how one comes to developing definitions of what is important and not important as they live in a new society—in this case, how Saudi Arabian families adjust to living within the United States.

Age

Berry (1997) mentioned that age is an important issue of how acculturation will proceed on immigrant individuals. Studies have shown significant relationship between age and acculturation of immigrant individuals across the U.S.(e.g., Ninggal, 1998; Poyrazli, Kavanaugh, Baker & Al-Tamini, 2004; Yeh & Inos, 2003). However, the age difference could be that younger immigrants are more likely to be socially involved than older students and thus have an easy transition to American culture (Hull, 1978). Therefore, adaptive culture will often experience substantial problems between parents and younger children because of their developmental related challenges (e.g. identity).

Gender

It is obvious that gender is partly an important variable in the acculturation process like as age and different gender-roles (Berry, 1997). Based on the results of studies, there is no difference in gender on the acculturation process of immigrant individuals (e.g., Misra, Crist & Brunant, 2003; Galloway & Jenkins, 2005; Goyol, 2002; Knowels, 2003).

Marital Status

Eustuce (2007) said the acculturation literature on immigrant individuals, there are differences between those who are married and those who are not as they pertain to adjustment and adaptation in the host country are mixed. However, for some immigrant being married or residing with parent might come with acculturation (Kavanaugh, 2006). Researchers study revealed that marital statuses on immigrant individuals of social adjustment were significantly related to change acculturation (Junius, 1997; McCoy, 1996; Msengi, 2003; Ng, 2001; Perrucci, & Hu, 1995; Salim, 1984).

Poyrazali and Kavanaugh (2006) mentioned on their study that family and marital status with immigrant individuals of social adjustment were significantly related to acculturation. In the acculturation literature there was note on immigrant individuals that differences between those who are married and those who are not as they pertain to adjustment and adaptation in the host country are mixed (Eustuce, 2007). However, for some immigrant being married or residing with family dealing with the changes that come with acculturation.

Family Status

Marriage and family are important variables to consider in the study of immigrant individuals adjustment that is the role of family social support to adjustment process among of immigrant individuals (Amer, 2005; Hayes & Lin, 1994; Hovey & King, 1996; Pedersen, 1991). Oropeza, Fitzgibbon and Baron (1991) tried to address the role of family status on immigrant individuals adjustment problems that are more likely to be complicated among students who acculturate with spouse and children, they found that the amount of adjustment problems faced by a sojourner is multiplied by the number of family members for whom she /he is responsible. The reason for these problems to lack of social skills on part of the immigrant parents related to limited amount of time spent with members of the host society (Chapdelaine & Alexitch, 2004).

Cultural Distance

Based on Oxford University Press site "Cultural distance" mean the degree to which group members differ on dimensions of language, social status, religion, politics, economic conditions, and basic assumptions about reality. The researchers suggest that the big differences between the host and country of origin cultures such as language,

religion, climate, food preferences, traditions, and values (Berry et al, 1987; Leavell, 2001; Knowles, 2003; Yeh & Inose, 2003).

> … Individualism refers to the broad tendencies of a culture in emphasizing the importance of individual identity over group identity, individual rights over group rights, and individual needs over group needs. Individualism promotes self-efficiency, individual responsibilities and personal autonomy. In contrast, collectivism refers to the broad value tendencies of a culture in emphasizing the "we" identity over "I" identity, group rights over individual rights, and in-group-oriented needs over individual wants and desires. Collectivism promotes relations interdependence, in-group harmony, and in group collaborative spirit. (p. 67).

Similar, the individualism - collectivism dimension has implications for immigrant individuals' acculturation during their living in U.S.A. that is obvious on immigrant individuals who originate from countries with collectivistic values experience difficulties when in contact with societies that emphasize individualist values (Swagler & Ellis, 2003, Zhang & Rentz, 1996).

Social Support

There is no doubt when immigrant individuals decide to move in a foreign country, they run the risk of losing their familiar social support networks (Pedersen, 1991; Sandhu, 1995), which is supports and beneficial effects especially during cross-cultural transition and may lead to the immigrant adaptations (Berry, 1997; Mallinckrodt & Leong, 1992). Alos, Ye (2006) found that immigrant who were more satisfied with their interpersonal support networks had less discrimination, less hatred and less negative feelings caused by change that those who were not satisfied.

Researchers proved the importance of social support among immigrant individuals and a stronger influence on psychological well-being than "enacted" or "actual" social support (Lakey & Dickinson, 1994; Lakey, McCabe, Fisicaro & Drew,

1996; Wethington & Kessler, 1986). Amer (2005) said family has an influential social support system in the adjustment of acculturating individuals.

Family and Friends

Misra, Crist and Burant (2003) mentioned that there are three kinds of social support to immigrant individuals: (1) contact with direct family members (parents and siblings); (2) contact with members of own cultures; (3) and contact with new friends in the United States. Also, there are factor beneficial when national friends hosting immigrant that help to cultural and language adaptation and providing the sense of belonging (Heikinheimo & Shute, 1996; Church, 1982).

Generational Literature

It is important to study the concept of generation in light of the relational/intergenerational perspective especially those whom moved to new country and different culture to understanding of intergenerational dynamics with their family (Imada, 2004). There are different meanings of the term "generation" based on the literature. In one investigation Scabini and Cigoli (2000) defined generation into four parts: (1) generation may be defined as cohort; (2) a stage of life connected to styles of consumption; (3) genealogical lineage; or as (4) a group of people who have experienced similar historical events. In this dissertation I am going to focus on the third and fourth definitions because they are germane to the current investigation. These two definitions also provide a connective factor to the concept of Americanization which can be said to be an example of both acculturation and generational influence on people who live within a culture that is not originally their own.

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Genealogical lineage

This generation may be defined as a specific type of family relationship that

belonging to a certain age group or of having lived through the same historical period. [5]

The empirical studies conducted concern about intergenerational relations is transmission

and continuity/similarity of values and traditions between familial generations that is

closely connected with identification and behavior. [14,20–22] The intergenerational

relationships are the social relationship that binds those who share the same location in

the family lineage (offspring, parents, grandparents) (Scabini, & Cigoli, 2000; Cigoli, &

Scabini; & Donati, 2002).

Shared Socio-Historical Experience

This generation may be defined based on period of time, cultural and social terms

that perspective belongs to a single generation for his or her entire life (Mannheim,

1952). There is no doubt that the exchanges between family and social are closely

connected between the generations in families, which have influences on occurs between

the generations and the socio-cultural, and then the effect on their behavior (Dilthey,

1947).

Americanization

Immigration research found that some people change their behavior, attitudes, and

values to be more like those of the host society (Swaidan, Marshall & Smith, 2001).

There are two changes: superficial changes (e.g., modes of dress, schooling,

transportation, housing, and food) and deeper changes (e.g., language shifts, religious

conversions, fundamental alterations to value systems, and shifts in forms of social

organization and social relations). Swaidan, Marshall, and Smith (2001) focused on

Muslim immigrants through four types of strategies: assimilation, integration, separation, and marginalization. They found a relationship between respondents' desire to keep their original culture and English/native language use, recency of arrival, and age.

Smith (2010) noted in his report that there have been three different waves of Arab migration to the United States. During the first wave was characterized by the immigration of highly educated Arabs who were mainly scientists, engineers and doctors. The second wave was populated by mostly unskilled single men who came to work in mining and automobile industries. The final wave has consisted mainly of students who came to the United States for a better education (Smith, 2010) and with many opting to stay.

According to The Arab American Institute (2010), Arab Americans immigrants on average are more educated than the general American population. The average income of Arab Americans is higher, and most of the Arab Americans who migrate to the United States are more formally educated with professional degrees in engineering, law, and medicine. Currently there are at least 3.5 million Arab Americans living in the United States, and 94% of Arab Americans live in larger metropolitan areas such as Los Angeles, Detroit, and New York (Arab American Institute, 2010).

This data is corroborated by the U.S. Census (2010), which finds that Arab-Americans have a higher level of educational achievement than the average U.S. population over 46% of Arab Americans reporting earning degrees from higher education institutions. The rate of graduate and post-graduate degrees, among Arab Americans remains constant.

Arab American families try to instill in their children behaviors that reflect well on the family's original culture and retain decision-making control over even adult children (Abudabbeh & Nydell, 1993). For example, Arab Americans strive to raise their children to be independent and self-sufficient, respectful of parents and grandparents, and to keep the sexes separate. However, some Arab Americans who were born within the United States reject their parents' cultural values, sometimes leading to intergenerational strife (Abudabbeh, 1996).

Using the Perceived Parental Acculturation Behaviors Scale (PPABS) one that measure two factors: (1) openness to the American culture and the extent to which immigrants open themselves to the host culture and mingled with society; and (2) preservation of Arab culture and the extent to which they seek to preserve their native culture and are tied with ethnic group affiliation (Berry, 1990; Stephenson, 2000). Henry, Biran and Stiles (2008) found a positive association between preservation of Arab culture and autonomy-granting parents.

They found that Parents who allowed their children to have more freedom within the new culture had greater well-being and that these parents still were able to preserve their Arab culture while still being able to embrace American Culture (Henry et al, 2008). There is no doubt that the transition from a country of origin such as an Arabic country to a different country culturally like the United States has an impact on one's acculturation behaviors and their children (Berry 1990; Henry et al, 2008; Stephenson, 2000).

Overview

The literature suggested that some financial behavioral practices; developing a spending plan, setting specific financial goals, calculating net worth, and accumulating emergency savings were performed (O'Neill & Xiao, 2003) in relation to what individuals knew and had learned from the cultural influences that existed for them. In fact, financial education does not just change the financial and savings behavior and increase the economic security of families; it does so for their communities as well (Hilgert, Marianne, Hogarth, & Beverly, 2003). These findings suggest that there is some critical aspect of living in a foreign culture that influences immigrants' savings behavior, a fact that indeed will be explored in this dissertation.

CHAPTER III

METHODOLOGY

This study investigates the financial stress factors that influence family attitudes and responses toward their families. The central focus of this study explores how Americanization influences generations of Saudi families.

Research Questions

This study has both theoretical and practical implications. Theoretically, it answers questions that help determine how Americanization influences savings behavior. In terms of practical implications, its value comes from developing a better understanding about how generations function under Americanization. There are two questions that addressed these issues:

1. How has Americanization influenced social and cultural practices among Saudi Arabian families in the US?

2. How have savings and practices been influenced by the US culture given the elements of Americanization's influence?

Research Hypotheses

In order to address the research questions, two hypotheses were developed. Each hypothesis examines an important aspect of the current research questions and is supported by the literature and the theoretical framework that I have created for this study. They are as follows:

H$_1$: Elements of Environment, resources and demographics will be directly related to socialization experienced by Saudi Arabians on American Society.

H2: Cultural Socialization will be directly and positively influenced by the group

values and negatively related to individual values.

H3: Strong cultural socialization among Saudi Arabian families will have a

negative effect on Americanization.

H4: Americanization will have a direct effect on financial knowledge, financial

practices, and savings behavior among Saudi Arabian families.

Operational Terms and Definitions

Examination of the proposed research questions and hypotheses requires that

elements explored in this study be operationally defined. The operational definitions are

connected to the variables and how they were measured during this study.

Operationalization of Research Variables

The generation's model of Americanization is composed of five major

components. Americanization is believed to influence generations both directly and

indirectly through variables of resources and perceptions (see Figure 3.1).

Operational Definition

Inductive strategy is the discovery of theory from data systemically obtained from

research, so one can be relatively sure that the theory will fit and work. Literature about

the role and the influence of culture on savings behavior, specifically on immigrants now
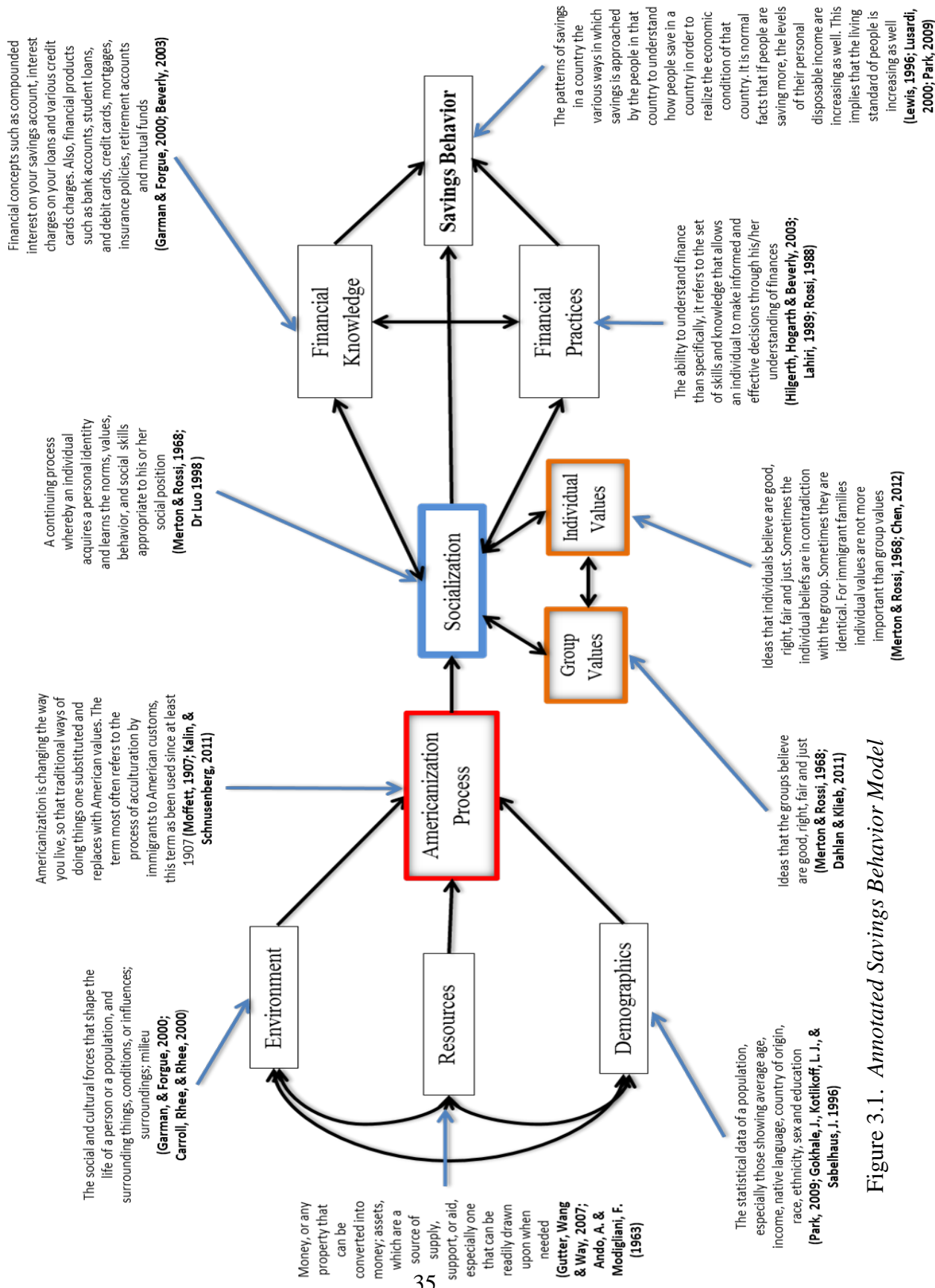
living in the US, is limited.

Financial concepts such as compounded interest on your savings account, interest charges on your loans and various credit cards charges. Also, financial products such as bank accounts, student loans, and debit cards, credit cards, mortgages, insurance policies, retirement accounts and mutual funds **(Garman & Forgue, 2000; Beverly, 2003)**

The patterns of savings in a country the various ways in which savings is approached by the people in that country to understand how people save in a country in order to realize the economic condition of that country. It is normal facts that if people are saving more, the levels of their personal disposable income are increasing as well. This implies that the living standard of people is increasing as well **(Lewis, 1996; Lusardi, 2000; Park, 2009)**

Savings Behavior

Financial Knowledge

Financial Practices

The ability to understand finance than specifically, it refers to the set of skills and knowledge that allows an individual to make informed and effective decisions through his/her understanding of finances **(Hilgerth, Hogarth & Beverly, 2003; Lahiri, 1989; Rossi, 1988)**

A continuing process whereby an individual acquires a personal identity and learns the norms, values, behavior, and social skills appropriate to his or her social position **(Merton & Rossi, 1968; Dr Luo 1998)**

Socialization

Individual Values

Group Values

Ideas that individuals believe are good, right, fair and just. Sometimes the individual beliefs are in contradiction with the group. Sometimes they are identical. For immigrant families individual values are not more important than group values **(Merton & Rossi, 1968; Chen, 2012)**

Americanization is changing the way you live, so that traditional ways of doing things one substituted and replaces with American values. The term most often refers to the process of acculturation by immigrants to American customs, this term as been used since at least 1907 **(Moffett, 1907; Kalin, & Schnusenberg, 2011)**

Americanization Process

Ideas that the groups believe are good, right, fair and just **(Merton & Rossi, 1968; Dahlan & Klieb, 2011)**

The social and cultural forces that shape the life of a person or a population, and surrounding things, conditions, or influences; surroundings; milieu **(Garman, & Forgue, 2000; Carroll, Rhee, & Rhee, 2000)**

Environment

Resources

Demographics

Money, or any property that can be converted into money; assets, which are a source of supply, support, or aid, especially one that can be readily drawn upon when needed **(Gutter, Wang & Way, 2007; Ando, A. & Modigliani, F. (1963)**

The statistical data of a population, especially those showing average age, income, native language, country of origin, race, ethnicity, sex and education **(Park, 2009; Gokhale, J., Kotlikoff, L.J., & Sabelhaus, J. 1996)**

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Figure 3.1. Annotated Savings Behavior Model

Therefore, I was forced to combine a host of ideas in order to develop my model. My work is not based on borrowed theory; it is based on my own ideas supported by a number of economic theories and perspectives. As a result, I present ideas and propositions that are of my own thoughts based on my experiences, the existing literature, and theories from which I have been able to extract ideas and use them along with my own ideas. I would say that my process was inductive, not borrowed.

The main concept or the dependent variable is "Savings Behavior," which can be defined as the patterns of savings generally displayed by an individual. The ways in which savings is approached by that individual in their "new" country is what I am interested in explaining

My ideas and thoughts regarding savings practices and the things that influence it were organized into empirical propositions. These propositions are statements showing relationships between the main concept "Savings Behavior" and the other variables as shown in the final model (see Figure 3.2).
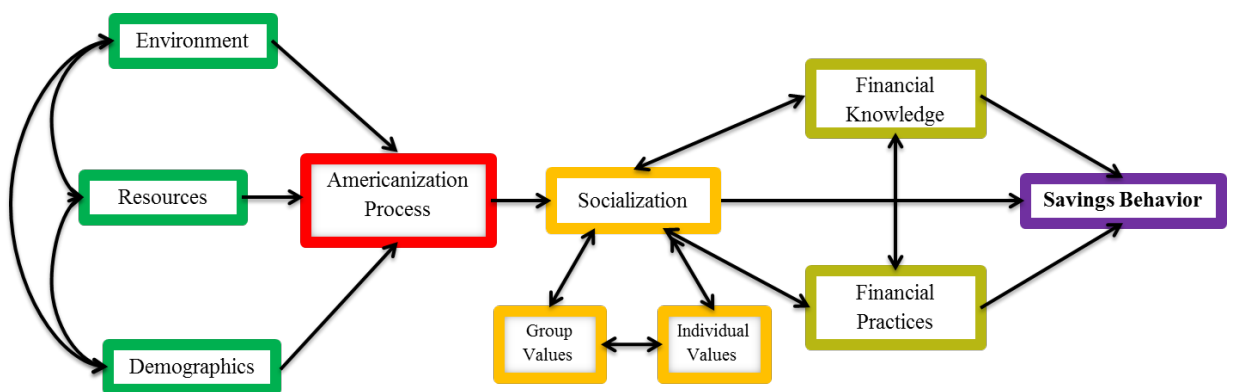

Figure 3.2. *Four levels of domain for the Savings Behavior Model.*

Life Domains influence how well established or connected a family is to the general society. These concepts are transactive with each other.

Savings behavior: Savings behavior is the patterns and the various ways savings is approached by the people in that country. Also, it is used to identify factors that motivate people to save and how they have changed when they live in the US, especially from the second generation onward. Savings Behavior is a latent construct that consist of three measures, money behavior, spending behavior, and saving practices. Each of these scaled variables range from 1 to 4. The scores for each can be found in Table 4.5 while the actual elements that go into each of these variables can be found in Appendix C.

Demographic measures: Demographic characteristics examine the age—measured here as the actual age of the respondent along with the number of children that each has is included in the model. Other elements such as years of education, and other relevant social characteristics of the sample, such as credit card debt while initially examined were not included in the final model because there was little variation in these measures across the group. Gutter, Wang, and Way (2007) in their work on cultural antecedents of savings behavior suggested that knowledge of these elements would be important. I extracted the general principles from their work and adapted them to fit my general idea. Additional support came from the literature involving resources (Garman & Forgue, 1994) and role demographics play in potential savings practices (Park, 2009).

Americanization: The longer one lives in the US the more likely one is to adapt to and incorporate values, customs, beliefs, and behaviors of Americans. Americanization

is changing the way one lives, so that traditional ways of doing things are substituted and replaced with American values.

There are several traits that conform to what it means to become Americanized. They are: (1) The more generations that live within the host country, the more like the host country inhabitants the immigrant families will become; (2) After successive generations of living in the host country, it will be more difficult to distinguish immigrants from host country natives in terms of values, customs, beliefs, and behaviors; (3) The longer one lives in the US, the more likely one is to adapt US behaviors, particularly savings behaviors; (4) The longer one lives in the US, the more likely one is to experience a decrease in personal financial knowledge; (5) The longer one lives in the US, the more likely one is to experience a decrease in personal financial education; and (6) The longer one lives in the US, the more likely one is to experience a decline in personal savings behavior.

Americanization is operationalized to consist of three independent measures formed into a latent construct. The variable Americanization measures (1) time in the United States measured in terms of the number of months that is converted into years; (2) belief respondent has about how much they value the overall culture of the US; and (3) how respondents value Saudi culture. These scales values run from (1) to (4); the number of years in the US falls within these parameters.

Socialization: Socialization among Saudi Arabian immigrant families is defined by the relative influence of family values on the likelihood that an individual would incorporate their family values in terms of their own behavior when it comes to financial issues. The proxy measure consisted of a series of questions that asked respondents from

whom did they learn about finances and how much did they learn. This discussion about finance or family socialization about money was measured on a scale that ranged from (1) a great deal to (5) nothing at all. These questions were asked concerning primary socializing agents in a family, the father, mother, siblings, other relatives and friends. These were summarized in into a single measure of socialization. The stronger the group values among Saudi families, the stronger the socialization process. The literature on immigrant families consistently points out that living in a new culture can be difficult for these families as they struggle to balance both cultures and traditions.

The **Finance Domain** included in this investigation is measured by how respondents managed their funds and is closely related to business finance, personal finance, and public finance that includes saving money. It also deals with how money is spent and budgeted. These financial measures used here focused specifically on attitudes toward financial knowledge and financial practices rather than behaviors—although they respondents were asked to speculate on their behavior the direct measure of how they behaved is not included.

Savings Attitudes: Financial knowledge is measured by latent construct known as *savings attitudes*. It contains three critical measures of factors that are believed to influence how one comes to think about savings. These are, savings beliefs, financial beliefs, and the influences of family members about how one thinks about savings. They observed measures are composed of scaled variables that approximate the concepts. These measures are based on scales used in other financial studies and have reasonable validity and strength.

The ideas presented here are derived from the works on savings and economic training believed to be present in immigrant culture groups (Achoui, 2010; Dahlan & Klieb, 2011; Ma & Yi, 2010) that all argue very convincingly that financial knowledge and financial education are taught by parents to their children.

Plan of Analysis

I am proposing to collect data from a cadre of Saudi Arabian families both in the US and in Saudi Arabia but who have lived in the United States. The effects of Americanization can be residual so these families are still likely to be influenced by some of the habits they acquired in the United States.

Sample Design Procedures

In order to collect data from Saudi Arabian students in the United States I had to obtain permission from the Saudi Arabian Ministry of Education, Student Mission in Washington, DC. There were many steps necessary to obtain permission from the Saudi Mission. Once the instrument was reviewed, but in English and Arabic, and it was deemed to be an investigation that would add value to the academic community then permission was granted. With the assistance from the Saudi student mission I was able to acquire the email addresses of recent and current Saudi families who studied in the United States.

The criterion for participation is that one is currently a student, is recognized by the Saudi Arabian embassy as one who is currently in the US for approved studies; and is a recipient of a government scholarship to study in the United States. Because this study is exploratory in nature the selection of a small number of participants was considered appropriate. The original number was estimated to be from 250 to 300. Once the survey

began and the value of it was realized the number rose to about 900 respondents. Of this

number about 600 usable and completed surveys were available. Among those that were

not used the primary reason was because of failure to complete the survey. It consisted of

approximately 55 questions but there were many with multiple parts and other questions

that asked for specific financial information. For some the specificity of the instrument

caused them to drop out before completing the survey. Nevertheless, the actual number

of respondents was well within acceptable parameters for multivariate analysis**.** In fact,

the sample number permitted power analysis around the results and was appropriate for

SEM methods.

Data Collection

I used the Qualtrics survey system here at K-State University which will allow me

to send out a general call for responses and then supply the respondents with a website

designation where they will be able to access the survey. I assured the respondents that

the Kansas State University website will provide ultimate privacy for all participants. No

personal identification will be sought or used. Responses to the K-State system will be

encrypted ensuring that the respondent remain anonymous. Data will be provided to the

researcher only as a results file in the comma delimited format adoptable to various

statistical software programs on a variety platforms. The data gathered will be secured

and this will be maintained by the Kansas State University Computing and Network

Services of the Industrial Technology division. The data from Qualtrics were eventually

coded and stored as an SPSS system file making it ready for immediate analysis.

Data Analyses

The analyses proceeded from the general to the more specific. To that end, it is

necessary to use measures that help to explain the basic elements, such as simple descriptive statistics. The comparative nature of this investigation requires that techniques of comparison be used, more specifically, I used univariate, bivariate, and multivariate statistics in order to examine the research hypotheses. Advanced Statistical Analysis also will be conducted to determine the variables that most likely influence socialization process among Saudi families consequence on savings behavior. Path analysis using techniques included in Structure Equation Modeling (SEM) to fully examine the research questions, hypotheses, and test the model as proposed in this study will be used.

Univariate Analysis

In this study, simple descriptive analyses of the sample are provided. Basic frequency distributions and concomitant measures of dispersion (means, medians, modes, standard deviations, and variances) will be examined where necessary in this secondary analysis.

Bivariate and Multivariate Measures

The nature of the current investigation requires that the mean differences between groups will be examined. When two or more groups are examined, it will be necessary to use difference of means tests such as t-test and Factorial Analysis of Variance (ANOVA) along with Post-Hoc tests when appropriate to explain the mean difference.

Multivariate Measures

To answer research questions, hypotheses, and model testing require the use of techniques that answer research questions, test hypotheses and explain the research model. The use of structural equation modeling with maximum likelihood estimation will

be used to explain the variance in influence of Americanization on socialization as it relates to savings behavior, this methodology provides for explicating the model (See Figure 3.2).

Conclusion

Precautionary saving and savings behavior helps people and countries face volatility and instability. The high value of savings supports the process of growth and economic expansion. Therefore, it is important that knowledge of savings behavior and the factors that affect this behavior be examined. In the case of immigrants where external forces, such as actually moving from one country with a more family-centered focus to one where individualism counts a great deal, such as the United States, it is important to see how the change in environment alters cultural beliefs and practices, more specifically how it influences savings behavior among these new immigrants.

CHAPTER IV

RESULTS

This chapter explains the findings of the current investigation as they relate to the proposed predictor, mediating and outcome variables and the relationships postulated to exist between the Americanization process, Financial Knowledge, Financial Practices and the overall Savings Behavior practiced by the respondents. In short, the theoretical model and its various components are explored and analyzed. The model was altered to reflect the primary change that eliminated the socialization cluster after it was determined that there was no way to measure it since there were not enough children of viable age and that the age of children measure had been corrupted in the data collection process.

The chapter is divided into four sections. The first section provides information on the sample population through simple descriptive statistics. The second section focuses on the scale construction and the reliability associated with each new variable. The final two sections consist of the hypotheses testing via bivariate (difference of means testing) and multivariate analyses.

Descriptive Statistics

Basic descriptive statistics involved examining the data for univariate trends. This involved providing simple frequency distributions and appropriate measures of central tendency and dispersions for vital study components. The total sample available for this investigation was n = 576 respondents. The breakdown for sex was 28.3% (*n = 163*) female and 71.7% (*n = 413*) male respondent. A majority of the sample was married (53.5%) while another two-fifths (44.1%) indicated that they were never married. Another important component of this investigation involved whether or not respondents had children. In this case only 37.5% reporting having children (see Table 4.1 for the

44

demographic description of the study's sample). This was not expected since the

investigation's initial criteria required that respondents have at least one child under 18

and that child live with the respondent in their primary residence. Additionally I found

that most respondent's children were under the age of 10 and clearly most had not lived

in the United States long enough for any meaningful shift in behavior to occur as would

have to be in order for the Americanization process to have occurred.

Table 4.1

Descriptive Statistics for Basic Sample Composition on Selected Demographic Variables.

Variable	Coding Scheme	*n*	*f*
Sex	Male	413	71.7
	Female	163	28.3
Academic Standing	First Year	47	8.2
	Sophomore	50	8.7
	Junior	45	7.8
	Senior	38	6.6
	Masters	181	31.5
	Doctoral	88	15.3
	English Language	124	21.6
	Diploma	1	0.2
Marital Status	Never Married	254	44.1
	Married	310	53.8
	Divorced	11	1.9
	Widowed	1	0.2
Have Children	Yes	216	37.5
	No	310	53.8

Some of the major indicators used in this study are described in Table 4.2. One of

the important variables in this investigation is the respondent's perception about their

savings behaviors and practices. Just under one-half (49.4%) believed that they were

interested in increasing their financial knowledge while almost three-quarters (71.4%)

believed that they had the ability to maintain adequate financial records. This was supported by the almost 90 percent (90.1%) who said it was extremely to very important to spend less than one's income. Most respondents also felt that it was extremely to very important to have a regular savings/investment plan (85.3%). In contrast, when asked about their own thriftiness nearly one-third (32.6%) said they were somewhat thrifty while another third said they were neither thrifty or spend oriented (32.8%). Not unexpectedly most indicated that they did save (82.2%) and of this group 61.6% saved monthly (see Table 4.2).

This trend continued when information for where the respondent saved their money was examined. Nearly 70.1% saved their money in banks but almost 5 percent (4.8%) used some other mechanisms outside of real estate, investments, and bonds—the traditional methods of savings for most people.
Among those who used credit cards—about two-thirds of the sample or 66.3%, almost as many paid their credit card balances in full each month (61.8%). Only 19.1% paid the minimum amount (see Table 4.3).

Some other general demographics of the sample were Age with a mean that approximated 27 years ($M = 27.11$, $sd = 4.544$) which was consistent with the reported median ($Mdn = 27.00$). See Table 4.4 for the measures of central tendency for some selected demographic measures. Among those who had children the median number of children was 2.00. The income measures are reported using the median rather than the mean since variation among these measures often leads to an unreliable or highly influenced mean (Lomax & Hahs-Vaughn, 2012).

Table 4.2

Descriptive Statistics for Selected Indicator Variables used in the Savings Behavior Model.

Variable	Coding Scheme	*n*	*f*
Financial Knowledge	Very Interested	277	49.4
	Somewhat Interested	208	37.1
	Not Sure of Interest	63	11.2
	Not Interested at All	13	2.3
Maintain Adequate	Extremely Important	154	29.4
Financial Resources	Very Important	220	42.0
	Neither	111	21.2
	Very Unimportant	27	5.2
	Not Important at All	12	2.3
Spending Less	Extremely Important	276	52.4
Than Income	Very Important	199	37.8
	Neither	36	6.8
	Very Unimportant	9	1.7
	Not Important at All	7	1.3
Importance of Savings	Extremely Important	244	46.5
	Very Important	204	38.9
	Neither	60	11.4
	Very Unimportant	12	2.3
	Not Important at All	5	1.0
How Thrifty is R	Very Thrifty	43	9.1
	Somewhat Thrifty	154	32.6
	Neither	155	32.7
	Somewhat Spend Oriented	86	18.2
	Very Spend Oriented	35	7.4

The currently monthly income median was $2,200 with a mean of $3,370 ($sd = \$14,342$).

The average amount saved per month varied greatly. The mean amount saved was $252

($sd = \$763$) with an overall median of ten dollars ($Mdn = \$10.00$).

Table 4.3

Descriptive Statistics for Selected Indicator Variables used in the Savings Behavior Model.

Variable	Coding Scheme	n	f
How Often R Saves Money	Daily	22	4.3
	Weekly	26	5.1
	BiWeekly	16	3.2
	Monthly	310	61.1
	Annually	43	8.5
	Do Not Save	90	17.8
Where R Saves	Bank	277	49.4
	Real Estate	208	37.1
	Investments	63	11.2
	Premium Bonds	13	2.3
	Other		
	Do Not Save	154	29.4
Credit Card Payment	Pay in Full	236	61.8
	Pay Between Min and Full	58	15.2
	Pay Minimum	73	19.1

Most people reported having some form of debt, from either school, credit cards, or other living expenses. The mean amount of debt was $4,818 (*sd* =$17,556) and a median of $0.00—no debt at all. This is consistent with Islam religious practices where debt is not permitted. In conjunction with this very few respondents had any credit card debt (*M* = $830, *sd* = $1,957, *Mdn* = $0.00) despite having credit cards (*M* = 5.25, *sd* = 58.759, *Mdn* = 1.00).

<div align="center">Scale Variables</div>

The theoretical model present in Chapter Three suggested that there was a need for a measures that examined financial knowledge, practices, and savings behavior beyond the simple linear characteristics found in one variable. In order to meet the

criteria it was necessary to construct scaled variables to discern more accurate measures

that could be used in the model to better illustrate the concepts.

Table 4.4

Reported Means, Standard Deviations and Median Scores for Age, Social, and Economic
Predictor Variables used in the Savings Behavior Model.

	M	*SD*	*Mdn*	*n*
Age	27.11	4.544	27.00	576
N of Children	1.76	0.973	2.00	216
Current Monthly Income	$3,370.01	$14,342.17	$2,200.00	576
Current Savings Monthly	$251.85	$762.66	$10.00	576
Overall Debt	$4,818.84	$17,555.96	$0.00	576
Overall Credit Card Debt	$828.78	$1,957.09	$0.00	576
N of Credit Cards	5.25	58.749	1.00	576
Time in US in Years	2.76	1.938	2.46	576

In order to conduct analysis of the relationships in the theoretical model a series

of scaled variables were developed. Scales were based on use in some previous

investigations (discussed earlier) that had used at least one of these constructed variables

in a different context from the way it is used in the present study. The scales were vetted

via the RELIABILITY procedure found in SPSS. These scales, along with the number of

observed variables contained in each along with their central tendencies are presented in

Table 4.5. All the scales consisted of items that had missing data; however, mean

substitution was used to ensure that these elements reflected the overall sense of the

summed components. Because there were so few cases of missing data (less than ten on

any one of the observed measures) it was possible to avoid the problem of zero variance

(Acock, 2014) that can and does occur when large numbers of variables exhibit missing

data.

Table 4.5

Reported Means, Standard Deviations and Chronbach's Alpha Scores and Number of Variables for Each Scale for Selected Scaled Variables used in the Savings Behavior Model.

	M	*SD*	α	*n of variables*
Socialization	1.99	.799	.769	4
Savings Beliefs	3.02	.760	.789	14
Finance Beliefs	3.52	.677	.761	7
Family Attitudes about Savings	2.05	.613	.723	7
Saving Practices	1.51	.481	.775	6
Spending Behavior	2.61	.431	.669	16
Money Behavior	3.37	.425	.558	11

The actual construction of each measure was based on families of variables that utilized the same measurement scale. This allowed a simple additive effect when the theoretical factors were assembled as actual variables. For example, the scale variable of Saving Practices consisted of six items that asked respondents what was their idea of the relative importance of savings for themselves, their families, their friends, and their communities. The answers ranged from one-to-four on a four point Likert-type scale, yielding total possible scaled scores of 1 to 4. Each of these items were good indicators when grouped together as revealed in the reported Chronbach's alpha ($\alpha = .775$, $M = 151$, $sd = .481$). A similar process was followed for the construction of each of the scaled variables and the results can be found in Table 4.6. The actual variables used in the scale construction are in Appendix C of this document.

Bivariate Analyses

Difference of Means Analyses for Selected Savings Behavior Model Components

In order to answer research questions, hypotheses, and model testing require the use of techniques that are robust, clear, practical, dynamic, and understandable

methodology in social science research. In the case of this investigation the general homogenous nature of the sample implied that some other within group difference would need to be examined. The general natural breaks that were used were sex (would men be different from women), marital status (would being married make a difference) and if the respondent had children or not. The links between measures were analyzed by using difference of means tests, in this case the simple Student t. All elements of the model were tested with each other to determine if there were critical differences across the three variables of sex, marital status, and having a child.

Sex

The initial data revealed that Saudi Arabian men and women differed on only one measured (see Table 4.6), the value of Saudi Arabian culture in their lives. Men were more likely (M = 2.39, sd = 1.250) to believe that having less contact with Saudi culture was more acceptable than Saudi women (M = 2.20, sd = 1.230). This resulted in the only significant difference report for the groups when sex was considered (t = 2.034, df = 574, p < .05).

Marital Status

There were some pronounced differences among those who were married versus those who were not married (see Table 4.7). For instance, not married (M = 24.44, sd = 3.440) individuals tended to be significantly younger than the married (M = 29.19, sd = 4.201) respondents (t = -14.473, df = 562, p < .001). Single people (M = $2,078, sd = $1,019) also had significantly less money than their married (M = $4,480, sd = $19,473) counterparts (t = -1.963, df = 562, p < .05). It was also true that single people fewer credit cards (M =1.46, sd = 0.659) than married respondents (M =2.01, sd = 2.410). This

difference was found to be significant as well (t = -2.413, df =281, p < .05) but there was

no difference on the amount of credit card debt for either group (t = -1.636, df = 388, p <

n.s.).

Table 4.6

Difference of Means between Male Respondents and Female Respondents on Selected Measures in the Savings Behavior Model.

Variable	Opinion	N	M	SD	t	df
Age	Males	413	27.08	4.754	-0.297	574
	Females	163	27.20	3.977		
Income	Males	413	$3,660	$16,920	0.773	574
	Females	163	$2,634	$1,128		
Savings Amount	Males	413	$281	$875	1.457	574
	Females	163	$178	$335		
N of Credit Cards	Males	205	1.90	2.047	-1.517	287
	Females	84	13.42	108.952		
Credit Card Debt	Males	294	$912	$2,139	1.411	397
	Females	105	$599	$1,303		
Years in USA	Males	413	2.81	2.015	0.965	574
	Females	163	2.63	1.731		
Value US Culture	Males	413	2.01	0.933	0.709	574
	Females	163	1.95	0.894		
Value SA Culture	Males	413	2.39	1.250	2.034*	574
	Females	163	2.20	1.230		
Savings Belief	Males	413	3.05	0.769	1.763	574
	Females	163	2.93	0.732		
Finance Belief	Males	413	3.51	0.689	-0.721	574
	Females	163	3.55	0.647		
Saving Important	Males	413	1.52	0.471	0.737	574
	Females	163	1.49	0.507		
Money Behavior	Males	413	2.62	0.444	0.608	574
	Females	163	1.60	0.400		
Spending Behavior	Males	413	3.36	0.434	-0.890	574
	Females	163	3.40	0.410		
Saving Practices	Males	413	2.20	0.630	1.621	574
		163	2.11	0.580		

*$p <0.05$. ** $p < .01$. *** $p < .001$.

Table 4.7

Difference of Means between Not Married Respondents and Married Respondents on Selected Measures in the Savings Behavior Model.

Variable	Opinion	N	M	SD	t	df
Age	Not Married	254	24.44	3.440	-14.473***	562
	Married	310	29.19	4.201		
Income	Not Married	254	$2,078	$1,019	-1.963*	562
	Married	310	$4,480	$19,473		
Savings Amount	Not Married	254	$247	$1,030	-0.226	562
	Married	310	$262	$459		
N of Credit Cards	Not Married	121	1.46	0.659	-2.413*	281
	Married	162	2.01	2.410		
Credit Card Debt	Not Married	149	$626	$1,127	-1.636	388
	Married	241	$962	$2,346		
Years in USA	Not Married	254	2.37	1.718	-4.435***	562
	Married	310	3.08	2.040		
Value US Culture	Not Married	254	1.92	0.865	0.391	562
	Married	310	2.07	0.963		
Value SA Culture	Not Married	254	2.41	1.253	-0.471	562
	Married	310	2.30	1.233		
Savings Belief	Not Married	254	3.05	0.778	1.076	562
	Married	310	2.98	0.730		
Finance Belief	Not Married	254	3.47	0.677	-1.660	562
	Married	310	3.56	0.682		
Saving Important	Not Married	254	1.50	0.423	-0.353	562
	Married	310	1.51	0.493		
Money Behavior	Not Married	254	2.57	0.423	-2.036*	562
	Married	310	2.65	0.440		
Spending Behavior	Not Married	254	3.35	0.418	-0.972	562
	Married	310	3.39	0.435		
Saving Practices	Not Married	254	2.15	0.624	-1.171	562
	Married	310	2.21	0.610		

*p <0.05. ** p < .01. *** p < .001.

Not surprisingly that amount of time in the USA revealed significant differences

(t = -4.435, df = 562, p < .001) with the not married respondents (M = 2.37, sd = 1.718)

having lived less time in the USA than did married respondents (M =3.08, sd, 2.040).

Another important difference occurred in terms of money behavior. Not married

individual (M = 2.57, sd = 0.423) displayed less control over money than did the married

Respondents (M = 2.65, sd = 0.440) and that turned out to be significant (t = -2.036, df =

562, p < .05).

Presence of Children

The presence of children seemed to make a difference in terms of the average age

of the respondents (t = 14.715, df = 574, p < .001) with those who had children (M =

30.18, sd = 4.213) being significantly older than those who did not have children (M =

25.27, sd = 3.659). Again those who had children (M = 2.13, sd = 1.155) also exhibited

greater affinity toward maintaining links to Saudi culture (t = -2.782, df = 574, p , .01)

than those who did not have children (M = 2.43, sd = 1.288). Finally, in terms of money

behavior, those with children (M = 2.68, sd = 0.454) showed more control than those

with no children (M = 2.58, sd = 0.412) and these differences were significant (t = 2.773,

df = 574, p < .01). There were no other important differences found for all of the other

measures examined (See Table 4.8).

Table 4.8

Difference of Means between Respondents Who Have Children and Respondents with No Children on Selected Measures in the Savings Behavior Model.

Variable	Opinion	N	M	SD	t	df
Age	Have Children	216	30.18	4.213	14.715***	574
	No Children	360	25.27	3.659		
Income	Have Children	216	$3,552	$1,143	0.236	574
	No Children	360	$3,260	$18,128		
Savings Amount	Have Children	216	$240	$452	-0.277	574
	No Children	360	$259	$899		
N of Credit Cards	Have Children	119	10.34	91.526	1.236	287
	No Children	170	1.68	1.281		
Credit Card Debt	Have Children	167	$859	$1,953	0.255	397
	No Children	232	$809	$1,963		
Years in USA	Have Children	216	3.28	2.059	5.177	574
	No Children	360	2.44	1.792		
Value US Culture	Have Children	216	2.07	0.995	1.606	574
	No Children	360	1.94	0.874		
Value SA Culture	Have Children	216	2.13	1.155	-2.782**	574
	No Children	360	2.43	1.288		
Savings Belief	Have Children	216	3.05	0.769	1.763	574
	No Children	360	2.94	0.732		
Finance Belief	Have Children	216	3.06	0.668	1.225	574
	No Children	360	3.55	0.683		
Saving Important	Have Children	216	1.51	0.501	0.196	574
	No Children	360	1.51	0.470		
Money Behavior	Have Children	216	2.68	0.454	2.772**	574
	No Children	360	2.58	0.412		
Spending Behavior	Have Children	216	3.38	0.426	0.378	574
	No Children	360	3.36	0.425		
Saving Practices	Have Children	216	2.18	0.602	0.114	574
	No Children	360	2.17	0.630		

*$p < 0.05$. ** $p < .01$. *** $p < .001$.

Table 4.9

Zero Order Correlation Matrix for Study Variables with Specific consideration for the Savings Behavior Model.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	1																	
2	.054	1																
3	.059	-.001	1															
4	.511**	.178**	-.090	1														
5	.106*	-.015	.025	-.035	1													
6	.307**	.007	.089*	-.006	.030	1												
7	-.006	-.010	-.043	.018	-.012	-.041	1											
8	.038	.051	-.039	-.014	-.101*	-.021	-.203**	1										
9	-.095*	-.041	-.027	.022	.046	-.003	.449**	-.298**	1									
10	-.055	-.029	.014	.037	.112*	.022	.013	.079	.037	1								
11	.011	-.005	-.073	.059	-.059	-.093*	-.101*	.011	-.084*	.032	1							
12	.042	.063	.059	-.084	-.024	.089*	-.111**	-.008	-.046	.080	.048	1						
13	.122**	-.049	.073	.048	-.034	.085*	-.213**	.370**	-.238**	.205**	-.021	.207**	1					
14	.019	.010	.053	-.020	.041	-.024	.109**	-.281**	.071	.074	-.008	-.110**	-.410**	1				
15	.019	.002	-.028	.047	.031	.002	-.081	.102*	-.053	.107**	.085*	.126**	.187**	-.063	1			
16	-.043	-.013	-.028	-.035	-.007	-.021	-.028	-.022	-.007	.012	.051	.057	.010	-.005	.125**	1		
17	-.085*	.021	-.042	-.132*	-.005	.172**	-.031**	.023	.003	-.009	-.020	.146**	.147**	.147**	.110**	.073	1	
18	.116**	.002	-.010	-.135*	.051	-.051	-.119**	.016	-.075	.090**	.135**	.034	.088*	-.157**	.134**	.000	.056	1

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

1=Age 2=Income 3=Save 4= N of Children 5=Credit Card Debt 6=Years in USA 7=Manage Funds 8=Reflect 9=Financial Influence 10= Socialization 11=Family Attitudes 12=Saving Practices 13=Money Behavior 14=Spending Behavior 15=US Culture 16=SA Culture 17=Saving Beliefs 18= Saving Change

Correlation Analysis

Zero–Order Correlations

Zero–order correlations analyses were used prior to applying multiple regression concepts to the analysis. It was necessary to assess the relationships between the predictor measures before completing multivariate analysis. The ideas was to determine if there were any strong linear relationships between the variables and to determine if these relationships might prove to be problematic. As can be seen in Table 4.9 there were significant correlations for every variable included in the final model. Although some were much smaller and in some cases only a few relationships were found to be significant the overall contribution of each of the variables was important. A somewhat surprising and unexpected finding was that there was a significant correlation between the affinity for US culture and Saudi culture ($r = .125$, $p < .01$). Initially Age of respondent was significantly related to the N of Children ($r = .511$, $p < .01$) Amount of Credit Card Debt ($r = .106$, $p < .05$) and Length of time in the US ($r = .307$, $p < .01$). There were also significant but negative correlations found for age and financial influence ($r = -.095$, $p < .05$) and savings culture ($r = -.085$, $p < .05$), while both money behavior ($r = .122$, $p < .01$) and attitude toward saving change ($r = .116$, $p < .01$) reveal strong positive correlations.

Meaningful and significant relationships were also reported for income and number of children ($r = .125$, $p < .01$), years in the US with ability to save money, along with strong negative attitudes for reflection on savings behavior with credit card debt ($r = -.101$, $p < .05$) and how one manages funds ($r = -.203$, $p < .01$). In reality the ability to manage funds was found to be significantly related to financial influence ($r = .449$, $p <$

.01), financial status ($r = -.101$, $p < .05$), the importance of savings ($r = -.111$, $p < .01$), money behavior ($r = -.213$, $p < .01$), and attitude toward money ($r = .109$, $p < .01$). On the other hand money behavior was related to years in the US ($r = .085$, $p < .05$), reflection on finances ($r = .370$, $p < .01$), financial influence ($r = -.238$, $p < .01$), socialization within the family ($r = .205$, $p < .01$) and the importance of savings ($r = .207$, $p < .01$).

In terms of the cultural influences it would appear that life in the United States did have a direct impact on socialization ($r = .107$, $p < .01$), financial status ($r = .085$, $p < .05$), the importance of savings ($r = .126$, $p < .01$) and overall money behavior ($r = .187$, $p < .01$). In contrast there were no significant relationships between Saudi Arabian cultural influence and the major indicators of the study except for its relationship to US culture mentioned earlier. The saving culture and change in saving behavior elements were both negatively related to the number of children ($r = -.132$, $p < .05$) ($r = -.135$, $p < .05$) respectively, and the ability to manage funds ($r = -.031$, $p < .05$). However, saving culture was strong related to the importance of savings ($r = .146$, $p < .01$), money behavior ($r = .147$, $p < .01$), and attitude toward money ($r = .147$, $p < .01$), as well as cultural influence variables for the US ($r = .110$, $p < .01$). Changes in saving practices was strongly related socialization ($r = .090$, $p < .01$), financial status ($r = .135$, $p < .01$), money behavior ($r = .088$, $p < .01$), and US cultural influences ($r = .134$, $p < .01$), but negatively related to attitude toward money ($r = -.157$, $p < .01$) and not significantly related to the importance of savings at all. These relationships suggested that these variables could play important roles in the final model development for this dissertation.

Multivariate Analyses

Structural Equation Analyses

The current investigation used the procedures from structural equation modeling (SEM) to test, develop, and refine a model of how living in and being surrounded by other cultural clues can affect beliefs and behaviors, particularly around financial matters, in this case savings behavior. Structural equation model tested a model of how living in the USA, reinforcement of cultural values of the homeland, and saving attitudes influenced saving practices among Saudi Arabians who have been living in the United States for a relatively short period of time.

The belief that the US culture is very powerful and decidedly different from Saudi culture was at the heart of why I believed that it would be possible to test for the effects of Americanization on Saudi students living here in the United States. Using a Structural Equation Model (SEM) was different from the generally linear investigations that had explored acculturation in general. In addition, because I examined a behavior that had heretofore not been looked at, I believed that it was necessary to use more robust and powerful tools to help me develop an explanation of the phenomena. SEM fits that criterion.

Using SEM presents several advantages. First it is possible to explore a series of complex relationships between several independent and dependent variables. Second, because of the use of latent constructs I am able to model key features and utilize sound statistical principles to help explain what is being found. Third, SEM is more rigorous than regression analysis but has the ability to be understood as easily as one can understand a regression analysis. Finally, because of the SEM power as a confirmatory

technique I am able to explain processes that would not have been possible if ordinary least squares regression had been used.

   There are some specific processes that must be used when SEM is involved. They are (1) model specification, (2) identification, (3) estimation and testing model fit, and (5) re-specification. In simple terms, model specification is the process by where one is making a determination of how data might possibly be linked to formulate a coherent explanation. The inherent nature of SEM is the assumption that any one model may or may not fit the data well, the objective is to test and re-test the model in an effort to find one that offers the best fit of the data.

   The concept of identification involves trying to determine what is being measured in a model. To that extent a model can be just-identified, where there is one answer (Bollen, 1989) where there is one perfect solution, it is sometimes referred to as a saturated model (Medsker, Williams, & Holahan, 1994) as is commonly displayed by the multiple regression model with ordinary least squares. The model can also be under-identified. This occurs when the number of unknowns exceeds the number of equations because no unique solution can be found (Bollen 1989). The final type of identification issues is the over-identified model. This is the desired model because it allows one to falsify a model—essentially saying that the model as presented does not fit the data so therefore another model must be found.

   Following identification is estimation and fit. With an over-identified model then it is possible to have many solutions and the idea is to find the best fit through a series of iterations. Connected to these repeated trials are the appropriate estimators. For this study and for the software used to conduct the analysis I defaulted to maximum

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likelihood. Although not always an issue it is best to have a larger sample when using maximum likelihood estimators (Bollen, 1989;) with a sample of 200 cases or more Marsh, Balla, & MacDonald, 1988). This dissertation satisfies this requirement with at least 500 cases available for analysis.

Re-specification of a model is sometimes considered problematic. On the one hand, one wants to get a good model. On the other hand, re-specifying a model too much to fit the data can sometimes defeat the purpose of why a study is being conducted. The idea of "theory-trimming" (Pedhazur, 1982) while appropriate if taken too far can cause problems. In each case, the idea of re-specification must be carefully thought through. In this dissertation the model was re-specified but only with the intention of providing a more useful and parsimonious explanation to a complex problem.

Hypothesis Results

The central aim of this dissertation was to address two questions : (1) How has Americanization influenced social and cultural practices among Saudi Arabian families in the US? (2) How have savings and practices been influenced by the US culture given the elements of Americanization's influence? While it is possible to offer general answers to these questions they would be better explained in terms of the research hypotheses. There are four specific hypotheses that were related to these questions. Each of these hypotheses was examined and the overall results demonstrated that they were generally supported by the data. Table 4.10 provides the actual hypothesis along with a statement indicating whether it was supported or not. In order to test the hypotheses the results from the final model are used. To begin with it is essential to discuss the overall results of the investigation. The adequacy of the overall model fit was evaluated using the

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comparative fit index (CFI; Bentler, 1990), the Tucker-Lewis index (TLI) and the root

mean square error of approximation (RMSEA). Acceptable model fit indices vary

depending upon what references are cited but it is considered acceptable if the CFI and

TLI are within the .90 and above. The fit for the final model was ($\chi^2 = 217.241$, $p < .001$;

$CFI = 0.839$, $TLI = 0.732$, $RMSEA = 0.034$) inconsistent with some of the indicators not

being within the acceptable range yet the RMSEA was well within acceptable

parameters. Judging from the final results it is possible to say that the final model may

hold some salience for the theoretical position hypothesized by this investigation. In the

final analysis it was clear that relationship between age and savings attitude ($\beta = .16$, $p <$

.001), Americanization and socialization ($\beta = .43$, $p < .001$), socialization and savings

attitude ($\beta = -.68$, $p < .001$), socialization and savings behavior attitude ($\beta = -.12$, $p <$

.001), and savings behavior and saving attitudes ($\beta = -.48$, $p < .001$) contributed to the

final model (see Figure 4.1). The model revealed that Americanization had a positive

relationship to socialization, and was significant, but Americanization was not related at

all to savings attitudes or savings behavior so the model had to be re-specified to show

that this construct did not play an important role despite the fact that some of the linear

relationships discussed earlier did show that some of the components might have had

more of a role if ordinary least squares regression had been used, however, there is no

guarantee that would have occurred either. The key element to note is that

Americanization was strongly related to age and had some relationship to the number of

children a respondent had. However, I believe that Americanization is a more long term

construct and that the time factor needed for its effects to be shown were just too limited

for the brief time in years spent in the United States reported by the sample ($M = 2.76$, *sd* = 1.938)

In an effort to test the hypotheses it was decided that the regression coefficient related to the specific construct being measure within the model will be used as a basis for either sustaining or rejecting the hypothesis. Clearly using the results from the t-test and correlations it can be seen that the bivariate relationships among the variables suggested that there might be some support for the hypotheses. The results show that the first hypothesis, H_1: Elements of environment, resources and demographics will be directly related to socialization experienced by Saudi Arabians on American Society, was not adequately measured and as a result could not be supported. In other words, the ability to determine the influence of these elements on Saudi Arabians in contemporary America was simply not found.

Results for the second hypothesis, H_2: Cultural Socialization will be directly and positively influenced by the group values and negatively related to individual values can be seen as being supported if one observes the outcome of the variables contributing to the overall variance explained in the concept of Americanization ($R^2 = .751$) is both large and revealing, however even with such a large amount of variance explained the construct was not able to contribute to the overall model in a direct way, its influence could not be ignored. With all things being equal, it is plausible to say that the hypothesis is supported.

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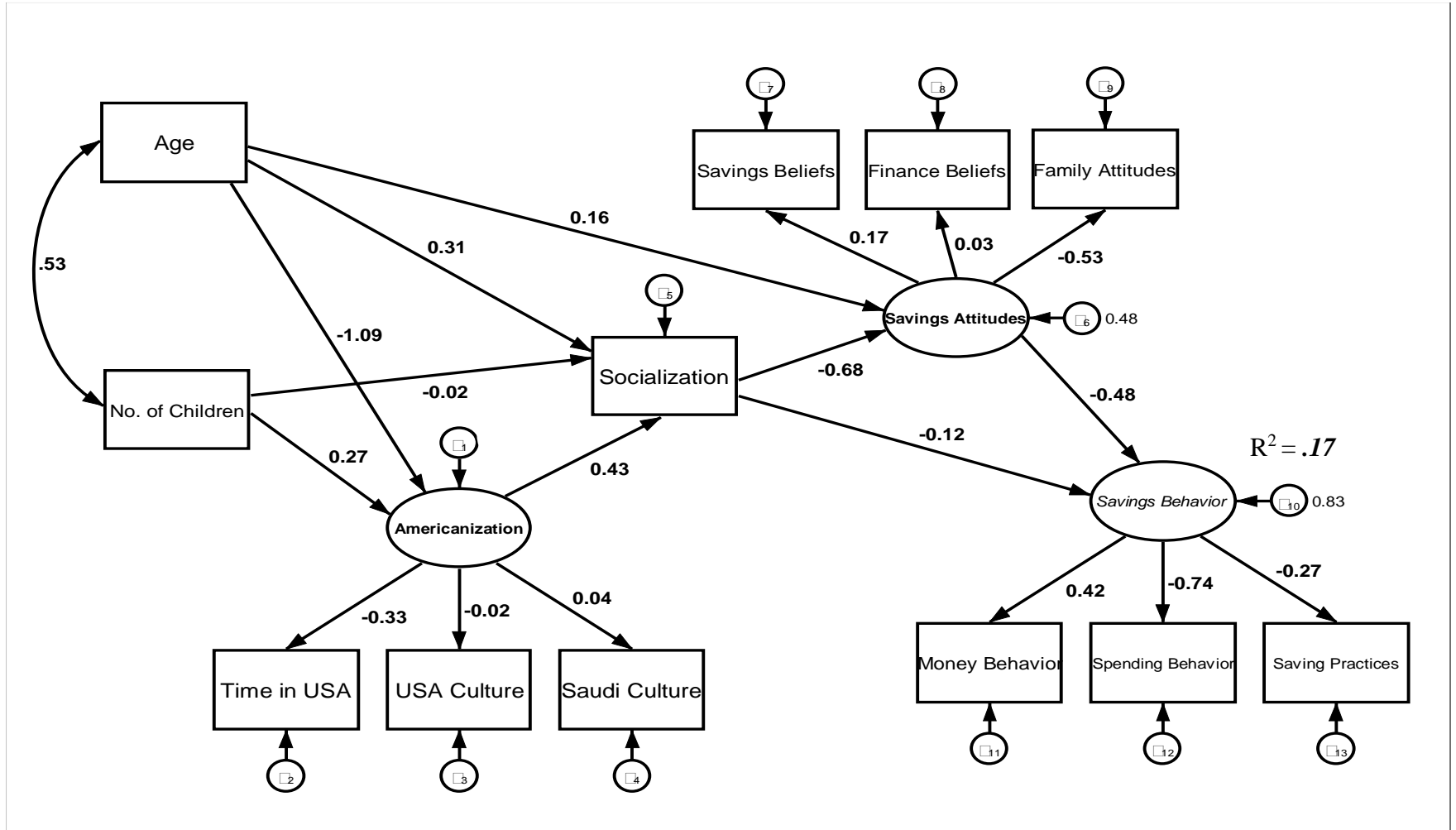
Figure 4.1 *Final Structural Model for Savings Behavior Theory using Maximum Likelihood Estimators*

When examining the results for the third hypothesis **H₃:** Strong cultural socialization among Saudi Arabian families will have a negative effect on Americanization, was not supported. Therefore I must reject the null hypothesis and accept the alternative hypothesis that Americanization as a concept has not yet penetrated the Saudi families living in the United States. Again, the length of time in the US is too short to substantiate this or any other hypothesis that utilized the acculturation standard as a basis for measuring change with this group.

Finally, the fourth hypothesis **H₄:** Americanization will have a direct effect on financial knowledge, financial practices, and savings behavior among Saudi Arabian families, was not supported at all. Therefore we must reject the null and accept the alternative that Americanization is not important in determining the financial practices of Saudis in the United States. The re-specified model, having found no link, direct or indirect between Americanization and any of the savings measures clearly points out why this hypothesis must be rejected.

Overall the data revealed that there were significant contributors to the overall construct of savings behavior lending some credence to the model, even though the notion of Americanization was not a powerful indicator. This finding is not surprising in that the nature of time in the US needed to be more substantial and interaction with US culture had to be sustained for longer periods than were measure in this study. Despite these short comings the new model does show the importance of family socialization and engaging in conversation about savings as a major contributor to savings attitudes and ultimately savings behavior, although somewhat indirectly as indicated by the model.

CHAPTER FIVE

DISCUSSION AND CONCLUSIONS

Overview

This study investigates the financial stress factors that influence family attitudes and responses toward their families. The central focus of this study explores how Americanization influences generations of Saudi families. An online survey was used to obtain the various constructs of this study. The Qualtrics survey system available here at K-State, allowed me to send out a general call and then supply the respondents with a website designation where they wre able to access the survey. The data from Qualtrics was be coded and stored as an SPSS system file making it ready for immediate analysis.

As discussed in Chapter Two, the issues involved in immigration are both delicate and numerous. Some of these issues involve value shifts, compromises, and total change, some of which are acceptable and others of which are forced upon the group. Acceptable changes would involve mastery of the host country's language. An unacceptable change would be changes in parent child relations about dating practices. While there are many areas that can be discussed, this investigation focused on how living in the US can and does promote some changes specifically regarding family and Savings values.

The model proposed that the Americanization—the influence of living and adapting American culture—would influence behavior in spending, savings, and other issues related to financial stability after having spent some time in the United States. In short, that premise was neither supported nor fully rejected by the data, instead the concept of how much influence socialization seemed to have something to consider. The idea that Americanization had some effect on the spending behaviors, of Saudi Arabian

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families despite living here in the United States seemed to suggest that there is a much more powerful longer term cultural element that seems to transcend the powerful influences of American culture. While this may be true, it cannot say that it its entirely accurate. The study only examined those who had been in the United States a relatively short time and also tended to find that most of the respondents were here as students and most received some form of government support for their studies. The fact that they did not have to work or support themselves directly may also account for some of the attitudes and behaviors regarding financial matters.

On the other hand, it could be that there is generally an overall different approach to financial issues no matter what the source of funding is for a person's existence. Clearly, the reported behaviors seem to be consistent with two things: it supported of the teachings of the Q'ran that says that one must take care of financial matters; and the general Saudi Arabian custom that one's family is responsible for the financial well-being of all members and as such an individual is not allowed to be reckless in financial matters because it reflects upon them and their families. These two very strong ideals seem to be present although they were not specifically probed for in this study. This "lurking" variable effect is one that is most certainly an issue that needs to be considered for future investigations.

It does appear that the strong cultural socialization among Saudi Arabian families had a greater effect on saving behaviors than did Americanization did it does still leave the issue somewhat resolved, albeit the direct results do show something is occuring. I believe that this was because the measures it is difficult to override years of socialization no matter how much one wants to fit in with their current culture as shown by the

strength of the socialization factor. For example, it is possible that one might desire to dress in Western clothes and forsake some cultural teachings, but it is highly unlikely that simply because one changes one mode of dress that one has forsaken their own history, cultural knowledge, or beliefs. The concept of Americanization tends to make that assumption to a fault and therein lies the problematic nature of the construct in this investigation.

Study Findings

This study has both theoretical and practical implications. Theoretically, it answers questions that help determine how Americanization influences savings behavior. In terms of practical implications, its value comes from developing a better understanding about how generations function under Americanization. There are two questions that addressed these issues:

1. How has Americanization influenced social and cultural practices among Saudi Arabian families in the US?

Answer is not conclusive because there was little support of the construct. The amount of time the respondents lived in the United States severely limited my ability to get a substantial read on the influence of American culture. In short, I cannot answer this question to a level of satisfaction that is supported by empirical data.

2. How have savings and practices been influenced by the US culture given the elements of Americanization's influence?

Again, it would appear that Americanization has a minimal to almost non-existent effect on financial behaviors. In its present form it is not possible to say what the overall long-term impact of Americanization would be, clearly it has been found in other studies based

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on acculturation (Eustace, 2005;) so there is a strong possibility that there could be some effect. However, I believe that the general nature of the construct and the deeply personal nature of savings behavior among Saudi Arabians may have a great deal to do with why the Americanization factor was slow to appear.

Research Hypotheses

In order to address the research questions, four hypotheses were developed. Each hypothesis examines an important aspect of the current research questions and is supported by the literature and the theoretical framework that I have created for this study. Each of the hypotheses can be tested by looking that the R^2 reported by the SEM model as that element is added to the equation. The overall model is what is important.

H1: Elements of Environment, resources and demographics will be directly

related to Americanization experienced by Saudi Arabians on American Society.

[*Supported*]

H2: Cultural Socialization will be directly and positively influenced by the group

values and individual values. [*Not Supported*]

H3: Strong cultural socialization among Saudi Arabian families will have a

negative effect on Americanization. [*Inconclusive*]

H4: Americanization will have a direct effect on financial knowledge, financial

practices, and savings behavior among Saudi Arabian families. [*Inconclusive*].

The general lack of support of the hypothesis does not in any way reduced the importance of what was uncovered in this investigation. Indeed the lack of support for the hypotheses point out that there is and should be another direction to consider. Such

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thinking is in keeping with the basic tenets of exploratory analysis that is essential to

structural equation modeling.

Table 5.1
Hypotheses Results for Savings Behavior Model for Saudi Arabians Living in the United States.

Hypotheses Examined	Regression Weight in Model R	Hypothesis Supported
H$_1$ Americanization	.751	Yes
H$_2$ Cultural Environment	.030	No
H$_3$ Cultural Socialization	.003	Inconclusive
H$_4$ Savings Behavior	.170	Inconclusive

Even in an over-identified model, such as the one tested here, it is possible to not

find an appropriate solution among the hundreds of solution examined before deciding on

one. The important thing about these general findings is that they suggest that there may

be some relationships operating but that the theoretical constructs used to measure the

ideas were simply not robust enough to withstand the level of scientific scrutiny

employed in this investigation as I sought out a solution to the question of the influence

of American culture of savings behavior among Saudi Arabians in the United States.

The final model does appear to be somewhat different from the original

conceptual model envisioned for this investigation. This is not unusual since often times

the theoretical model and the practical models will different. What is important about

this model is that many of the domains were able to be adapted in such a way that the

idea being investigated was not altered even if the final model appears somewhat limited.

In fact, the basic goal of model testing is to offer the most parsimonious model available

but at the same time preserve the theoretical integrity of the investigation. That is what I

believe has occurred in this study. The ideas of Americanization along with the elements

of socialization, savings attitudes and savings behaviors were still able to be tested given the final iteration of this working model.

Limitations

As with any investigation there are always limitations. This investigation is no different. Perhaps the biggest and most devastating of the limitations was that the central construct of Americanization was not as strong as it was estimated to be across all measure, it was nevertheless a contributor to this analysis. Although there was support of the construct by looking at the some bivariate measures, they were not strong enough to sustain the concept when examined in context of the model elements.

Typically one limitation is usually linked to sample size, but in this case sample size is not the problem, rather it was the sample universe available for this study. It would appear that most of the people who are Saudi students in America share many things in common. In general, they are typically young, newly married, have relatively few children, and a much shorter history of living in the United States than I would have preferred. This basically homogenous group made finding variation among critical sample elements extremely difficult. This is perhaps one reason why some of the more important measures correlated so strongly albeit negatively with age. The same is true for the measures concerning adaptation to the United States culture. There was a strong, yet clearly unexplainable, correlation between affinity for US and Saudi culture. I believe that this was fostered in part by the fascination the United States hold for young Saudi Arabians and the strong conflict to not give up on one's own culture that is taught from an early age to Saudis.

Another limitation, although unseen by reader was the difficult I had in gathering data. I had great difficulty in obtaining respondents. I initially had to obtain permission from the Saudi Cultural Mission in Washington, DC, in order to get the email address of Saudis living in the United States. It took a great deal of convincing and a lot of official letters to get these emails addresses. Once permission was obtained gathering the data went quickly and without incident, save a few people who submitted unacceptable questionnaires.

The general nature of the research questions and the complex design of the questionnaire needed to collect data seemed to have reduced my overall response rate, nevertheless over 800 questionnaires were received. Many people many did not answer or complete the questionnaire leaving us with 33% of the samples who did not complete the study or returned on basic information.

An unforeseen limitation occurred in terms of the analytic tool used for data collection. The Qualtrics program returned results for all variables, even check variables and informational points within the questionnaire. This excessive data initially created a burden and required several passes to clean the data and make it ready for analysis. In short, the tool that was to save me time made a little extra work for me.

The limitation concerning the instrument was another concern. Although many of the scales and indices had been used in previous investigations with much success they were not as useful in this investigation. The lack of superior measurement is more a reflection of the cultural bias inherent in some of the instruments. It is clear that these instruments had been normed on American cultural standards and may have not been appropriate for the Saudi population. Indeed, the way in which some of the questions

were asked and the issues addressed pointed toward the why some of the measures did not hold as much promise for this sample as they had for other groups.

While it is tempting to assume that the results from this investigation are final, it is not wise to do so since it is clear that there are many more questions that were raised in this study than were answered by it. The influence of how families talk about finance and money and the long-term effects of that must be examined because it is clear that it plays a much more important role than originally conceptualized.

Connections to the Related Literature

In the models tested, the results for hypotheses are both congruent and non-congruent with the some of the extant literature which suggested that acculturation is inevitable and it is very powerful (Berry 1990; Henry, et al., 2008; Stephenson). Still there are others who would say acculturation is more subtle when it does happen and may not be readily seen when examine in a more static measure as was done in this investigation (Berry, 1990; Berry 1997; Zemke, et al., 2000). The absence of agreement in the literature suggests that the issues may be more complex than the research on this topic has been able to capture. This research supports the notion that there is statistical support for believing that Americanization influences savings attitudes directly and has an indirect effect on savings behaviors. Those two constructs existed and were linked across the Saudi culture to other basic elements which did in some way influence Americanization as conceptualized in this investigation. This inconsistency would support the of some researchers (Al-Masa'ad, 1995; Al-Saif, 1997) who believed that the strong influence of the Saudi family extends across international borders. Still others support the idea that the concept of savings is so prevalent in the Saudi culture that it is

difficult to displace it even when exported to other powerful social cultures such as the United States (Achoui, 2010;Al-Saif, 1997; Dahlan & Kleib, 2011).

While there was some indication that a small shift in affinity to Saudi culture had occurred, evidenced in the bivariate correlations, it was difficult to assess those cultural shifts because other factors, such as comfort in the culture or with the new culture's language (Luo, 1998; Chen, 2012) may have been in place that were not considered in the present study but maybe should be for future researchers.

Based on the literature, the one assumption is that there is strong savings practices among Saudi people seems to be substantiated by this investigation (Achoui, 2010; Al-Saif, 1997; Dahlan & Kleib, 2011). Furthermore, the cultural links about savings and financial independence seem to show through even when looking at such extraneous measures as amount of credit card debt and credit card usage. As with social science research there were prevailing views among social scientists that the social relationships Saudis have serve as strong cultural bonds to customs and behaviors even when they are not necessarily directly involved with community members or organizations (Achoui, 2010;Al-Saif, 1997; Dahlan & Kleib, 2011).

In summary, although the model changed from the original conceptualization to the final study model, the general constructs and idea behind the model remained consistent. The inclusion of the study variables, along with the latent constructs revealed that there is some concept lurking just outside of the model's parameters that can and must be contributing to the overall construct of savings behavior. The model therefore offered some support for the generational (Gutter, Wang, & Way, 2007; Lancaster & Stillman, 2005; Zemke, et al., 2005) and acculturation (Berry, 1997; Eustace, 2007;

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Salim, 1984) theories that along with the importance of savings in the lives of Saudi

Arabians (Achoui, 2010;Al-Saif, 1997; Arab American Institute, 2010; Dahlan & Kleib,

2011; Swaidan, Marshall & Smith, 2001) guided the general ideas behind this study.

Future Research

As a general caveat future research needs to examine in greater depth what it

means to be socialized in America especially for people from cultures that are different in

terms of language, religious beliefs, and socio-cultural history such as Saudi Arabia.

Careful attention must be paid to the more subtle and nuanced aspects of culture that play

a larger role in prompting behavior than the more overt things such as mastering the

language. Clearly one must examine the role religion plays on the general attitude of

what it means to be solvent. Within Saudi culture the idea of debt is not welcomed, not

for the individual nor the family. As a result the collective aspect of income comes into

being. Future investigations must take this notion into account.

Another aspect to consider is the level of affinity for family members and the

influence of these people on the economic and financial decision making of the

respondent. Future investigations must carefully tease out the family dynamic and how it

influences financial behavior, even when the respondent is not with geographic proximity

of their family. In addition, there needs to be a more careful consideration of how subtle

differences work against the larger conceptualizations, such as what does it mean to be a

Saudi in America, how different is that from viewing one's self as an American of Saudi

heritage. Such definitions should be carefully examined in future investigations.

Future researchers must do a care examination of the history and social context of

the groups not just in terms of their financial behavior but of the way in which social,

cultural, and religious perspectives influence the way in which Saudi Arabians come to see themselves in America. To that extent, there needs to be further study that examines how such concepts influence the lives of these families and their children.

To that end, it would be best to have a longitudinal investigation of these constructs over a measured period, say ten time periods—measure at a minimum in six-month increments—to determine the role time in country does play. In this way the generational and acculturation theories could be used to help explain the findings in a way that is more appropriate given the unique circumstances of the population.

Finally, future investigations must involve a broad base sample of Saudi foreign nationals living in the United States. While student based samples are useful for initial investigations, the tenuous nature of their lives, their limited time in the United States, and the relatively younger ages of the population, all tend to reduce the applicability of the results.

Conclusion

This investigation sought to examine the role of acculturation and generational theory and influenced social and cultural practices among Saudi Arabian students who were currently residing in the United States. Theoretically, it sought to answers questions that help determine how Americanization—the adaptation and acculturation of a visiting culture to absorb and incorporate the host culture into their lives, customs, and social practices, and in this case savings behavior.

A comprehensive model was developed to test the idea that living in America can and does have an influence on social and cultural practices. It was further postulated, based on the available academic literature that there was a strong influence of western

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culture and that it could and eventually does influence the way that immigrants either

permanent or short term respond to American culture. This was revealed to be true in a

variety of social and cultural domains. What was of interest in this study was whether or

not these same influences could have an impact on particular cultural practices, in this

case how people felt about, reacted to, and addressed the concept of savings—the

stockpiling of funds for future needs. A detailed questionnaire was developed that

examined many important concepts of acculturation, generational, and savings practices.

These data along with a variety of socio-demographic indicators were used to in

conjunction with instruments and various scales gleaned from the literature to develop

what was termed the Savings Behavior Model. Information was gathered from a sample

of over 500 Saudi Arabian students living in the United States.

The model as structured was tested using SEM analytic techniques in an effort to

fully explore and expose the nuanced and subtle differences among the respondents.

After several test runs and numerous iterations of the model it was determined that the

concept of savings behavior as originally discussed was not substantiated by the model

($\chi^2 = 217.241$, $p < .001$; $CFI = 0.839$, $TLI = 0.732$, $RMSEA = 0.034$) even though some of

the indicators were very strong and within expected parameters. Despite the general

problems the overall model revealed that at least 17% of what was termed as savings

behavior could be explained by the model. The shortcoming of the model was that the

concept of Americanization was not a direct contributor to the savings behavior it did

contribute to the model. Although Americanization was not as strong a factor as it could

have been there are several reasons as to why this might have occurred. One of the most

obvious and prominent factor was the relatively short length of time the respondents lived

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in the United States. Another factor that proved to be problematic is that most of the respondents were young, and while it is believed that young people are more likely to adapt and to do so quickly, very strong cultural values such as how to treat money remained intact among this group.

In conclusion it is clear that the savings behavior model does have some merit. It is perhaps better used in a more long-term investigation and one where the sample is likely to be older. Finally, many of the scaled items were derived from existing and tested items but they did not prove to be as relevant for this population of students. This would suggest that there is indeed some problems with the instrumentation.

Despite these shortcomings and the lack of overall results in terms of the hypotheses, this study is valuable because it has made inroads into an area that has not yet been explored. Future investigations should take care to find better ways to incorporate some of the cultural elements of savings behavior directly into the instrument based on the perspective of Saudis rather than use instruments tested and normed with US samples.

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Appendix A

Savings Behavior Questionnaire

Savings Behavior Questionnaire

Questionnaire:

Your opinion is important to us here at the School of Family Studies and Human Services here at Kansas State University. The purpose of this questionnaire is to study the savings behaviors among Saudi Arabian families living in the United States. This survey is designed to provide important information to see how the changes in social environments can alter cultural beliefs and practices, more specifically we are interested in how these changes influence savings behavior and practices among Saudi Arabian families. It is important that knowledge of savings behavior and the factors that affect this behavior be examined. We are interested in your experiences. Please take the time to fill out this survey. Thank you for your participation and for taking your time to answer these questions. Help us by sharing your opinion with us. If you have any questions, please email Duane Crawford at dcrawfor@k-state.edu or Farrell J. Webb at fwebb@calstatela.edu with your concerns.

It is important to know that all of your answers will remain confidential--that means only the Principal Investigator, Adnan Alkhiary and his research advisor Dr. Farrell J. Webb will have access to these data. All personal information will be removed and not linked to any questionnaire in accordance with established Institutional Review Board (IRB) policies regarding research involving human subjects. You can discontinue your participation at any time without any penalty or harm for doing so. The policies regarding this research have been vetted by the Kansas State University IRB and have found to be in accordance with their guidelines. You may contact Rick Scheidt, Chair, and Committee on Research Involving Human Subjects, 203 Fairchild Hall, Kansas State

University, Manhattan, KS 66506, (785) 532-3224 or Jerry Jaax, Associate Vice President for Research Compliance and University Veterinarian, 203 Fairchild Hall, Kansas State University, Manhattan, KS 66506, (785) 532-3224.

Dear Saudi Family Student in the United States, I am PhD student at Kansas State University College of Human Ecology, Family Studies and Human Services-Personal Financial Planning.

Thank you for agreeing to take our survey. Between your hands is a questionnaire for a doctoral dissertation about the Savings Behaviors among Saudi Arabian Families. Please answer the questions to the best of your ability. The survey is divided up into several sections, each part is essential and we ask that you answer all the questions in each section that is relevant to you. In some cases, because of answers that you will have given, a section may be skipped—that is you won't get those questions and you really won't know.

Thank you in advance for your cooperation.

Part I – Attitudes of Environment

Q1 Your Gender

❍ Male
❍ Female

Q2 Your AGE (in years)? (e.g., 34)

❍ Actual Age: _____

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Q3 Are you currently studying at a University or College or institutes in the United tates?

○ Yes
○ No

Q4 WHAT IS YOUR VISA TYPE?

○ F1
○ F2
○ H1
○ J1

Q5 Your academic standing

○ Study English Language
○ Diploma
○ First-year (Freshman)
○ Sophomore
○ Junior
○ Senior (4)
○ Masters student (5)
○ Doctoral student (6)

Q6 What is your current SOURCE OF FUNDING for your studies? You may choose

more than one answer.

○ Graduate Teaching / Research Assistantship
○ Scholarship
○ Family Funds
○ Other, specify _____

Q7 Your MARITAL STATUS

○ Never been married
○ Married
○ Divorced
○ Widowed

Q8 Do you have CHILDREN?

○ Yes
○ No

If No Is Selected, Then Skip To How many years have you LIVED IN THE ...

Q9 How many children do you have? [e.g., 10].

○ Number of Children: _____

Q10 How many years have you LIVED IN THE UNITED STATES?

Years: _____
Months: _____

Q11 Before you came to the United States did you work, own a business, went to school

or something else in Saudi Arabia?

○ Employee (Work)
○ Own Business
○ Student
○ Other, specify _____

Q12 If you did work before coming to the US, what was your job title?

○ Enter the Job Title _____

Q13 Your CURRENT MONTHLY GROSS INCOME -Includes all the accompanying- in

US Dollars? [e.g., $ 1,206)

○ Enter the amount of monthly dollar _____

Q14 What amount ($) of your income are you able to save monthly? (e.g.…..$15, $22)

Part II— Attitudes of Socialization

Now we would like to ask you some questions about how you are able to manage

financially.

Please consider all of these situations.

Q15 How likely would your family be able to provide you addition funds if you are in a

financial emergency?

❍ Very Likely
❍ Likely
❍ Not Sure
❍ Unlikely
❍ Very Unlikely

Q16 Have you ever lent money to your friends in a financial emergency?

❍ Yes
❍ No

If No Is Selected, Then Skip To Have you ever borrowed money from you...

Q17 How likely are you to lend money to your friends?

❍ Very Likely
❍ Likely
❍ Not Sure
❍ Unlikely
❍ Very Unlikely

Q18 Have you ever borrowed money from your friends?

❍ Yes
❍ No

If No Is Selected, Then Skip To How would you describe how finances w...

Q19 How likely is it that you would borrow money from your friends?

○ Very Likely
○ Likely
○ Not Sure
○ Unlikely
○ Very Unlikely

Q20 How would you describe how finances were handled in your family? (Check all that

apply)

❑ My parents usually argued about the finances
❑ Within the family we openly discussed our finances
❑ My parents explicitly taught me about finances (e.g., credit cards, debt, budgeting, and savings)
❑ We didn't' talk much about finances but I learned from their examples
❑ My parents included me in various financial decisions
❑ Did not include me in discussions

Q21 How would you categorize either of your parents or guardians as savers while you

were growing up?

○ Both were savers
○ Father was a savor
○ Mother was a savor
○ Neither were savors

Q22 Comparing yourself to your parents, would you say that you are:

○ Much more likely to save
○ Somewhat more likely to save
○ About as likely to save/spend
○ Somewhat more likely to spend
○ Much more likely to spend

Part III— Attitudes of Financial

Now we are interested in you general financial knowledge.

Please answer the following questions.

Q23 How much did you learn about managing your money from the following:

	A Great Deal	A Good Amount	Some	Not Much	Nothing
1. Father	❍	❍	❍	❍	❍
2. Mother	❍	❍	❍	❍	❍
3. Other Relatives	❍	❍	❍	❍	❍
4. Friends	❍	❍	❍	❍	❍
5. Pre-university School	❍	❍	❍	❍	❍
6. University	❍	❍	❍	❍	❍
7. Books	❍	❍	❍	❍	❍
8. Media	❍	❍	❍	❍	❍
9. Job	❍	❍	❍	❍	❍
10. Life Experiences	❍	❍	❍	❍	❍
11. Internet	❍	❍	❍	❍	❍
12. Informal Public Seminar or Class	❍	❍	❍	❍	❍
13. Financial Planner or Counselor (professional)	❍	❍	❍	❍	❍

Q24 How often did you discuss finances with the following:

	Once Per Month	Every Few Months	Once Per Year	Never
1. Father	○	○	○	○
2. Mother	○	○	○	○
3. Other Relatives	○	○	○	○
4. Siblings	○	○	○	○
5. Spouse	○	○	○	○
6. Children	○	○	○	○
7. Friends	○	○	○	○
8. Teachers	○	○	○	○

Q25 How often were you influenced by the following in regards to your finances:

	Once Per Month	Every Few Months	Once Per Year	Never
1. Books	○	○	○	○
2. Internet	○	○	○	○
3. Informal public seminar or class	○	○	○	○
4. Financial Planner or Counselor (professional)	○	○	○	○

Q26 Which of the following items did you learn about in your home, Think about how

you grow up? (Check all that apply)

- ❑ Budgeting
- ❑ Investing
- ❑ Wills
- ❑ Loans/debt
- ❑ Credit cards
- ❑ Savings
- ❑ Interest rates
- ❑ Giving to charities
- ❑ Auto Insurance
- ❑ Keeping records
- ❑ Being honest in all dealings

Q27 Which of the following workshop/training have you had? (Check all that apply)

- ❑ An entire workshop/training money management or personal finance
- ❑ A portion of a workshop/training where at least a week was focused on money management or personal finance
- ❑ An entire workshop/training in economics
- ❑ A portion of a workshop/training where at least a week was focused on economics
- ❑ Other, specify _____
- ❑ No workshop/training

Q28 Up to this point in your life, from which of the following sources have you learned

about saving and investing? (Check all that apply).

- ❑ No one
- ❑ Family
- ❑ Friends
- ❑ Multimedia (radio, television, magazines, newspaper, reports, direct advertising, Internet)
- ❑ Financial advisor/planner
- ❑ Employer
- ❑ Books, Articles
- ❑ Other, specify _____

Q29 How much effort do you put into getting information about saving and investing?

(Circle a number on the scale below).

❍ Almost None (1)
❍ (2)
❍ (3)
❍ (4)
❍ A lot (5)

Q30 How interested are you in increasing your financial knowledge?

❍ I am not interested at all.
❍ I am not sure if I am interested.
❍ I am somewhat interested.
❍ I am very interested.

Part III— Attitudes of Behaviors

These next series of questions focus on how you manage for finances and how important

you believe financial management as a face for in maintain your well-being.

Q31 In general, how positive are you about your ability to manage your own finances?

❍ Very positive- I understand money management very well
❍ Somewhat positive- I understand most of what I'll need to know
❍ Not too positive- I wish I knew more about money management
❍ Not positive at all - I wish I knew a lot more about money management

Q32 Using the scale given below, please rate how you feel about these items in your life.

	Extremely Important	Very Important	Neither Important nor Unimportant	Very Unimportant	Not at all Important
1. Ability to maintain adequate financial records	○	○	○	○	○
2. Spending less than your income	○	○	○	○	○
3. Planning and implementing a regular savings/investment program	○	○	○	○	○

Q33 Thinking about yourself and you behaviors how much do you agree that the

following reflects about you:

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1. I feel in control of my financial situation	❍	❍	❍	❍	❍
2. I feel capable of using my future income to achieve my financial goals	❍	❍	❍	❍	❍
3. My finances are a significant source of worry for me	❍	❍	❍	❍	❍
4. I am uncertain about where my money is spent	❍	❍	❍	❍	❍
5. I feel credit cards are safe and risk free	❍	❍	❍	❍	❍
6. Purchasing things is very important to my happiness	❍	❍	❍	❍	❍
7. I feel capable of handling my financial future (e.g. buying insurance or investments)	❍	❍	❍	❍	❍
8. I am afraid of credit and credit cards	❍	❍	❍	❍	❍
9. I feel the cost of using a credit card is too high	❍	❍	❍	❍	❍
10. I feel putting away money each month for savings or investments is important	❍	❍	❍	❍	❍
11. I feel it is important to understand apartment leases and loan agreements before I sign	❍	❍	❍	❍	❍
12. I enjoy thinking about and have interest in reading about money management	❍	❍	❍	❍	❍
13. I enjoy talking to my peers about money management issues (i.e. taxes, investing, credit cards)	❍	❍	❍	❍	❍
14. I am comfortable with not paying my credit card bills in full each month as long as I make the minimum payment	❍	❍	❍	❍	❍
15. I feel being covered by homeowner's or renter's insurance is important	❍	❍	❍	❍	❍

Q34 Would you say that you think it is important to save money?

	Definitely Yes	Probably Yes	Probably Not	Definitely Not
1. Me	○	○	○	○
2. My Spouse	○	○	○	○
3. My Children	○	○	○	○
4. My Family	○	○	○	○
5. My Saudi Friends	○	○	○	○
6. My Saudi Community	○	○	○	○

Q35 We would now like to ask you about general ideas about money in your life. Please react to the following statements.

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1. I tend to spend money as soon as I get it.	❍	❍	❍	❍	❍
2. I believe in saving some money aside for a harsh (bad) day.	❍	❍	❍	❍	❍
3. When I save, it is usually because I want something special.	❍	❍	❍	❍	❍
4. I am interested in looking for different ways of saving money.	❍	❍	❍	❍	❍
5. I have always tried to save money.	❍	❍	❍	❍	❍
6. Money is for spending, not for saving.	❍	❍	❍	❍	❍
7. Every once in a while, I like to go on a big spending spree.	❍	❍	❍	❍	❍
8. I never pay cash for something if I can get it using a credit.	❍	❍	❍	❍	❍
9. I don't care if I don't have much money.	❍	❍	❍	❍	❍
10. I cannot live without a credit card.	❍	❍	❍	❍	❍
11. Everybody should have a bank account.	❍	❍	❍	❍	❍
12. Modern people use checks and debit cards, not cash.	❍	❍	❍	❍	❍
13. You can't get far without a bank account.	❍	❍	❍	❍	❍
14. I never seem to have enough money.	❍	❍	❍	❍	❍
15. I don't believe I will ever be rich.	❍	❍	❍	❍	❍
16. I love shopping.	❍	❍	❍	❍	❍

Q36 How often would you say that you save money?

○ Daily
○ Weekly
○ Biweekly
○ Monthly
○ Annually
○ Do not save

Q37 What financial sources do you use to save money? (Mark all that apply):

○ Bank
○ Real Estate
○ Investments
○ Premium bonds
○ Other, specify _____
○ Do not save

Q38 The best way to save is by investment in:

○ Property/Real Estate
○ Shares
○ Other, specify _____

Q39 Please mark your level of agreement with the following statements

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
1. Saving money makes people more independent.	○	○	○	○	○
2. One way of becoming wealthy is to save money.	○	○	○	○	○
3. In times of inflation it is ridiculous to save.	○	○	○	○	○
4. Most people who are careful savers are mean and stingy.	○	○	○	○	○
5. If one lives in a country like Saudi Arabia there is no need to save at all.	○	○	○	○	○
6. Children should be taught the benefits of saving in school.	○	○	○	○	○
7. Usually people who save money are more cautious about all aspects of their lives.	○	○	○	○	○
8. I often prevent myself certain pleasures so that I can save money.	○	○	○	○	○
9. Few of my friends and acquaintances save as much as I do.	○	○	○	○	○
10. There is no point in saving.	○	○	○	○	○
11. I do not tell people how much I save in the bank.	○	○	○	○	○

Q40 Please say where the money is saved and approximately what is value of the dollar

amount of your total saving is in each place. (Mark as average)

	Value of the Dollar ($) amount
1. Cash box at home	
2. Bank account with check book	
3. Investment account	
4. Shares/Stocks	
5. Other, Specify	

Q41 Why did you open a bank account? Bellow are some reasons as to why people may

have bank account. Please review them and select the reason(s) you have an account.

(Mark all that apply)

- ❑ Parents advised me to open one.
- ❑ Parents opened one for me.
- ❑ Advice from school teacher to open one.
- ❑ I got a job that required me to have one.
- ❑ Friends have one.
- ❑ To keep my money safe.
- ❑ To have a check book.
- ❑ To have a credit card.
- ❑ Because of special offers made by banks.
- ❑ Because I can get discounts at certain shops.
- ❑ Because I saw it advertised.
- ❑ Other, Specify _____

Q42 Some people tend to be very thrifty, saving money whenever they have the chance while others are spending-oriented, buying whenever they can and even borrowing to consume more. How would you classify yourself?

❍ Very thrifty, saving money whenever I can
❍ Somewhat thrifty, often saving money
❍ Neither thrifty nor spending oriented
❍ Somewhat spending-oriented, seldom saving money
❍ Very spending-oriented, hardly ever saving money

Q43 Thinking about yourself and your behaviors how much do you agree that the following reflects about you:

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
1. I budget and track spending.	❍	❍	❍	❍	❍
2. I compare my receipts of purchases to my monthly statement.	❍	❍	❍	❍	❍
3. I use credit cards to make purchases that I can't afford and I don't have the money in the bank to pay the bill.	❍	❍	❍	❍	❍
4. I get cash advances from my credit card.	❍	❍	❍	❍	❍
5. I have my parents "bail me out" of credit card debt.	❍	❍	❍	❍	❍
6. I work extra hours (in excess of 20 hours a week) to meet bills and expenses.	❍	❍	❍	❍	❍
7. I miss class to work extra hours to meet bills and expenses.	❍	❍	❍	❍	❍

Q44 How much do you estimate you owe on all debts including credit cards, student

loans and other debts? (Do not include mortgage)

○ Enter the amount of dollar ($) _____

Q45 How many credit cards do you have?

○ Enter the number of credit cards you have _____
○ I do not have a credit card

Q46 What is the combined total balance owed on your credit cards?

○ Enter the total amount of dollar ($) _____

Q47 How do you usually pay your monthly credit card bills?

○ I pay the minimum
○ I pay between the minimum and full amount
○ I pay credit bills in full
○ My parents pay my credit card bill

Part V— Attitudes of Cultural

Q48 Would you say that having contact with US culture is an important value to you?

○ Very Important
○ Important
○ Some Important
○ Not Important
○ Not Very Important

Q49 Would you say that having contact with your own culture (Saudi Arabian) during

your stay in the United States is an important value to you?

○ Very Important
○ Important
○ Some Important
○ Not Important
○ Not Very Important

Q50 Would you say that the way you now save is related to your cultural background?

○ Strongly Agree
○ Agree
○ Neither Agree nor Disagree
○ Disagree
○ Strongly Disagree

Q51 How would you say savings behavior has changed, if at all, since moving to the

United States?

○ Much more likely to save
○ Somewhat more likely to save
○ About as likely to save/spend
○ Somewhat more likely to spend
○ Much more likely to spend

Part VI— Overview

Thank you so much for your very valuable input and participation your time. The

responses that you have given will be used to help promote enhancements of programs,

policies, and procedures aimed to measure the impact of American society on the saving

behavior of individuals and families Arabia. The results will using for the future planning

and research to see how much the change in environment alters cultural beliefs and

practices, more specifically how it influences savings behavior among these new

immigrants. Once again, I am deeply grateful for your support in this effort.

Appendix B

Institutional Review Board Documentation

TO: Duane Crawford   Proposal Number: 7174
        FSHS
        310 Justin Hall

FROM: Rick Scheidt, Chair
        Committee on Research Involving Human Subjects

DATE: 5/22/2014

RE: Proposal Entitled, "The Influence of Americanization on Saving Behavior and Practices Among
        Saudi Arabian Immigrant Families in the United States"

The Committee on Research Involving Human Subjects / Institutional Review Board (IRB) for Kansas State
University has reviewed the proposal identified above and has determined that it is EXEMPT from further
IRB review. This exemption applies only to the proposal - as written – and currently on file with the IRB.
Any change potentially affecting human subjects must be approved by the IRB prior to implementation and
may disqualify the proposal from exemption.

Based upon information provided to the IRB, this activity is exempt under the criteria set forth in the
Federal Policy for the Protection of Human Subjects, **45 CFR §46.101, paragraph b, category: 2,
subsection: ii.**

Certain research is exempt from the requirements of HHS/OHRP regulations. A determination that
research is exempt does not imply that investigators have no ethical responsibilities to subjects in such
research; it means only that the regulatory requirements related to IRB review, informed consent, and
assurance of compliance do not apply to the research.

Any unanticipated problems involving risk to subjects or to others must be reported immediately to the
Chair of the Committee on Research Involving Human Subjects, the University Research Compliance
Office, and if the subjects are KSU students, to the Director of the Student Health Center.

Appendix C

Specific Questions Blocks Used to Generate Scales

Variable Name	Text of Question	Answer Scale	Scale Variable Name
Manage1—Manage13	How much did you learn about managing your money from the following:	1 A Great Deal 2 A Good Amount 3 Some 4 Not Much 5 Nothing	*Savings Beliefs*
Discuss1—Discuss4	How often did you discuss finances with the following:	1 Once per month 2 Every few months 3 Once per Year 4 Never	*Socialization*
Finbeh1—Finbeh15	Thinking about yourself and your behaviors how much do you agree that the following reflects about you	1 Strongly Agree 2 Agree 3 Neither 4 Disagree 5 Strongly Disagree	*Finance Beliefs*
Save1—Save6	Would you say that you think it is important to save money?	1 Definitely Yes 2 Probably Yes 3 Probably Not 4 Definitely Not	*Savings Belief*
Money1—Money16	We would now like to ask you about general ideas about money in your life. Please react to the following statements:	1 Strongly Agree 2 Agree 3 Neither 4 Disagree 5 Strongly Disagree	*Spending Behavior*
SaveBelief1—SaveBelief11	Please mark your level of agreement with the following statements	1 Strongly Agree 2 Agree 3 Neither 4 Disagree 5 Strongly Disagree	*Money Behavior*
Reflect1—Reflect7	Thinking about yourself and your behaviors, how much do you agree that the following reflect about you:	1 Strongly Agree 2 Agree 3 Neither 4 Disagree 5 Strongly Disagree	*Savings Practices*

Note: Not all the variables in a sequence of variables were used in the scale construction. In some cases there were no responses to some of the categories and in others the variable simply did not work in the reliability analysis so it was dropped from consideration.