

THE IMPACT OF DYADIC PROCESSES AND FINANCIAL MANAGEMENT ROLES ON  
FARM COUPLES

by

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B.S., Oklahoma State University, 2001  
M.S., Kansas State University, 2005

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

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## **Abstract**

This study was designed to investigate the link between marital quality and financial management roles by gaining insight into the relationship processes of farm couples. Fifty-five married individuals who identified living in a rural or farm location comprised the sample. Each participant completed a paper-pencil survey that included assessment of demographic variables, financial management role involvement, satisfaction with financial management roles, financial satisfaction, and marital satisfaction.

Results indicated that respondents of this study were more likely than their spouses to hold primary responsibility for financial management roles and were moderately satisfied with their role involvement. This finding indicated that couples may specialize in taking on the financial management roles they play, rather than working together jointly. Secondly, a new scale emerged, based on Gottman's *Sound Relationship House Scales*, and was entitled "Shared Goals & Values," utilizing a factor analysis. This scale assessed the meaning of money, financial goals, views about autonomy, and hopes and aspirations within the couple relationship. The Shared Goals & Values scale was found to be a factor influencing both marital satisfaction and financial satisfaction. This finding indicated that the way a couple views money does have impact on marital satisfaction and financial satisfaction. Finally, evidence was found that having shared views about roles within the relationship was more of a predicting factor for financial satisfaction than how a couple communicated during conflict. In regards to a couple's perceived financial satisfaction, having similar perceptions about relationship roles, shared views about money, financial management role satisfaction and increased household income were the important predicting factors. Sharing similar views about money and support for goals in one's life, and household income were significant in predicting increased marital satisfaction.

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## **Dedication**

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## **CHAPTER 1 - Introduction**

The connection between marriage and household finances has been a recent topic of research among marriage and family therapy, family studies, financial planning, financial counseling, and family financial management researchers. This study strives to further connect these two areas by specifically looking at the links among financial management roles, perceived marital satisfaction, and perceived financial satisfaction through the eyes of rural and farm husbands and wives.

### **Statement and Significance of Problem**

The link between marriage and household finances is apparent to those who work with married couples. Consider the fact that one out of every two marriages in the United States ends in divorce (Centers for Disease Control, 2002). One reason for this is that financial stress is among the leading causes of marital instability and divorce (Pittman & Lloyd, 1988). Several research studies have positively linked financial behaviors (Cano, Christian-Herman, O'Leary, & Avery-Leaf, 2002; Geiss & O'Leary, 1981) and financial stress (Johnson & Booth, 1990; Rosenblatt & Keller, 1993) to relationship problems. While nearly all research addressing couples and finances focuses on the debt managing process, balancing the demands of work and family, and maintaining equality within the relationship (DeLeire & Kalil, 2005; Vogler, 2005; Zimmerman, Haddock, Current & Ziembra, 2003), there is limited research in the area of financial management roles and subsequent impacts on marital quality. Understanding how financial management roles affect marital quality can help couples manage day-to-day financial activity and long-range financial planning with increased satisfaction both financially and relationally.

Farm couples experience unique financial stressors as discussed below. Recognizing how financial management roles are negotiated in the face of these financial stressors can aid those who work with farm couples by providing knowledge on how to resolve conflict related to household finances. Unfortunately, studies that explore the relationship between farm couples'

financial management roles and marital quality are sparse. The current research study was conducted to help fill the literature gap.

Much of the research relating to financial concerns of farm families and couples was conducted as a result of the farm crisis in the 1980's (Bokemeier & Maurer, 1987; Dorfman & Heckert, 1988; Johnson & Booth, 1990; Rosenblatt & Keller, 1983; Russell, Griffin, Flinchbaugh, Martin & Atilano, 1985). Since the farm crisis in the 1980's, few studies have focused on the relationship between financial issues and marital quality (Lovelace, 1995; Danes, Leichtentritt, Metz & Huddleston-Casas, 2000; Lorenz, Conger, Montague, & Wickrama, 1993; Rettig, Leichtentritt, & Danes, 1999), although political, economical, and financial issues remain a primary concern facing agricultural families today. The complexities of farm businesses are intricate and further convoluted by multiple generational family dynamics that cannot be separated from the business component itself. These complexities have been found to impact the quality of farm couples' marriages.

Rosenblatt and Keller (1983) found that economic distress creates a place for therapy and family life education because of increased blaming in farm couples' communication. This is not a finding exclusive to farm families. Aniol and Snyder (1997) conducted a study with 32 couples presenting with primary complaints of financial distress and seeking assistance from Consumer Credit Counseling Services and 25 couples presenting with primary complaints of relationship distress and seeking help from marriage and family therapists in private practice from the same community. Aniol and Snyder reported that, of all the couples who sought relationship therapy, one-third reported some level of financial difficulty, which they believed contributed to their relationship distress. Aniol and Snyder also found that one-third of all couples who sought financial counseling reported problems in their relationship. These findings indicated that couples may be confused about conflicts that arise in their relationship over household finances. Is the conflict a question of relationship dynamics or a question of household financial management? Couples may be confused by the conflict and seek financial counseling for relationship issues or seek relationship therapy for financial concerns, because they cannot distinguish among the problems.



Additional research is needed to examine how household finances impact the marital quality of farm couples so that financial planners, agriculture economists, marriage and family therapists, and family life educators can have a better grasp on how and when to intervene with farm couples to help them make more effective business decisions and ultimately enhance the marital relationship. The purpose of this study was to examine how financial management roles are associated with perceived marital quality among farm couples.

### **Definitions**

Several terms which have been used, throughout the text, are clarified in this section in order to more fully understand their meaning. First, it is helpful to distinguish between economics and financial management. *Economics* refers to the production, development, and management of material wealth at different levels, including households, businesses, or nations (Goldsmith, 1996). Economics also involves human resource planning, labor market changes, and cost benefit analyses. In large, economics refers to broad factors that influence financial choices but are beyond an individual's control, such as policies, fluctuations in the economy, and weather. *Financial management* refers to the science or practice of managing money or other assets, which entails systematic and disciplined thought and action (Goldsmith). The financial management process has three phases: planning, action, and post-planning. During the planning phase, individuals typically identify financial goals, collect information on how to reach the goals, analyze resources available, and decide how to use these resources. During the action phase, decisions are made about whether to spend, invest, or save. Finally, decisions made during the process are evaluated in the post-planning phase. Here, we refer to household finances as financial management at the household and farm operation levels.

Second, this research project focused on the dyadic processes of couples. Johnson and Booth (1998) defined *dyadic processes* as the meshing of personalities and life experiences of both spouses. The term dyadic processes leads to the terms of *harsh start-up*, *compromise*, and *gridlock on perpetual issues*, which are discussed in regards to how couples negotiate with each other. These terms help to describe the term dyadic processes. All three terms (i.e. harsh start-up, compromise, and gridlock on perpetual issues) are identified in Gottman's (1999) *The Marriage*

*Clinic. Harsh start-up* refers to how a conflict begins. In the initial stage of the conflict, harsh conflict occurs when one escalates from neutral to negative affect. In other words, when one starts an argument with negative emotion, such as blaming or criticizing one's spouse.

*Compromise* is defined as accepting influence from another. This means one "explores the idea of a core part of the problem that one doesn't yield on, but other parts one is willing to yield on" (p. 275). Finally, *gridlock on perpetual issues* is "characterized as emotional disengagement rather than dialogue" (p. 68) on issues of continual disagreement. *Shared meaning* is another term used from Gottman's *Marriage Clinic* that is discussed in this paper. *Shared meaning* refers to a couple's common expectations and views about various aspects in their lives, such as roles, family, work, goals, dreams, money, togetherness, and separateness.

### **Farm Structure Changes**

As farm family work roles have changed over the past several decades, so have the financial management roles of farm families. Farming in general has changed in terms of number, size, and age. In 2004, the National Agricultural Statistics Service released the 2002 Census of Agriculture data. According to the data, there were 2,128,982 farms, the lowest number of farms reported since census data has been collected. Many individuals (i.e., 3,115,172) considered themselves farm operators, which was more than the actual number of farms reported. This was because many farms had multiple operators. As a result, multiple households shared in the net income of the farm. The average net income of farm operations in 2002 was \$19,032. Most farms (67.9%) with multiple operators reported that only one household shared in the income of the farm. Of all farms with multiple operators, 1.6% reported having five or more households sharing in the net income of the farm (Allen & Harris, 2005). Slightly over 60% of operators on farms with either multiple operators or only one operator reported that less than 25% of the total household income came from farming, while slightly less than 10% reported that 100% of their total household income came from farming.

In addition to the change in income level, the size of farms and the age of farmers have increased. In 2002, the average size of a farm was 441 acres, whereas the average size of a farm was 431 acres in 1997 (National Agricultural Statistics Service, 2004). The average age of

farmers rose over one year from 54 years in 1997 to 55.3 years in 2002. Although this change may appear to be small, it is significant because of the large population. The change is important to note because the average age is becoming closer to the normal retirement age of 65 than it is to the younger individuals who may be entering the farming business. The demographic changes of American farms have implications on the economic and financial distress experienced by farmers in an ever-changing agricultural economy. Economic and financial distress impacts farm families and couple relationships.

### **Farm Family Stressors**

Farm families are unique because they share both family relationship and business attributes. Family businesses are not uncommon in the U.S. In fact, over 80% of all businesses in the U.S. are family owned (Kaslow, 1993). However, farm families differ from the typical family business because they share a culture rich in intergenerational family lineage (Garkovich, Bokemeier, & Foote, 1995) that is embedded in rural traditions of independence and self-sufficiency (Bauer et al., 2003; Lovelace, 1995; Meek, 2004; Rogers, 2004).

Significant stressors that face farm families in the rural environment may be difficult for non-rural residents to understand because they are not necessarily typical of urban residents. Lovelace (1995) outlined nine of the most important stressors that rural and farm families endure. These stressors are described in order from most to least stressful: (1) financial situation, (2) personal illness, (3) inadequate social institutions (i.e., schools, hospitals, recreation areas), (4) generational/family pressure (i.e., pressure to return home and maintain a family farm or business or pressure to excel or become more educated), (5) occupational unpredictability (both economic and natural), (6) “Mayberry Syndrome” (i.e., everyone knows everyone else’s business), (7) lack of health insurance, (8) lack of access to medical/social support systems, and (9) occupational hazards.

Like Lovelace’s stressors, Garkovich et al. (1995) suggested that farmers are affected by sources of stress that are beyond one’s control, such as changes in farm structure, variances in nature, economic conditions, and health and safety concerns. Changes in farm structure relate to the age of farmers and size of farms increasing, while the number of farms is decreasing.

Change in farm structure also includes the transfer process of the farm from one generation to another. The change in farms' structure reflects multiple siblings' operating the same farm, a child's or in-law's or someone else taking over the farm, or the farm's being sold to someone else because there is no one or no one wants to take over the farm.

In regards to variances in nature and economic conditions, farmers are subject to and reliant on the weather, soil conditions, diseases of plants and livestock, and natural disasters. These natural variances impact land prices that respond to the market place, time value of money, politics, federal policies, and global competition. Finally, farming has been found to be among the top three high-risk occupations in the United States. Farming has the highest fatality rate as compared to other occupations (U.S. Department of Labor, 2003). Obesity, diet, exercise, heart disease, tobacco use, suicide, substance abuse, and unintentional injuries were common risk factors facing rural communities (Evans, 2004).

The stressors described above can be associated with symptoms of depression, anxiety, and distress. Financial concerns among married couples, especially rural and farm couples, have been linked to depression, anxiety, and couple distress (Johnson & Booth, 1990; Lorenz, Conger, Montague & Wickrama, 1993). In a study that compared 309 non-farming rural men and 79 farming men in Central Iowa, farming men reported significantly more depressive symptoms (Lorenz et al., 1993). One rationale for this finding is that the farmers interviewed operated their own farms. Success in farming is equated to having a source of control of one's future and asserting independence in decision making, characteristics that are highly valued in the farming culture and among farm owners. A common measure of success in a farming operation is reflected by whether a farmer is able to expand the farm or is forced to sell it. Either decision produces anxiety because expansion would require taking on more debt, while the sale of the farm would mean giving up one's career, resulting in a different way of life. Lorenz and his colleagues found that women reported more depressive symptoms than men in general. In addition, Evans (2004) reported that rural women often have higher rates of depression than the general population. These women are often characterized by low educational levels and poverty. This finding suggested that rural women struggled to meet the demands of rural life, suffering

from the effects of low education levels and the poor economic conditions in their farm household.

Johnson and Booth (1990) found evidence, in their sample of 157 married individuals living in farm households, that economic distress has direct effects on marital quality as well as some effects on psychological distress. Johnson and Booth randomly selected their sample from the Nebraska Annual Social Indicators Survey. In regards to divorce, depression was found to be a mediating variable when accounting for part of the relationship between economic distress and thinking about divorce. Slightly less than half of the effect of economic distress on thinking about divorce was mediated through its effect on the level of depression. Rosenblatt and Keller (1983) found that couples, who reported greater economic distress, reported greater blaming in the marriage.

## **Summary**

A foundation has been laid, describing the importance of understanding how the couple relationship and household finances are interrelated, especially for farm couples. This study will examine couple financial management processes, more specifically financial management roles. The overarching question for this study is “how are financial management roles associated with marital quality in rural and farm couples?” Based on the literature review and theoretical framework, the following questions and hypotheses were formulated about how financial management roles and marital quality are interrelated.

How is the contribution of responsibility in managing household finances associated with financial satisfaction and marital quality?

*Hypothesis 1:* The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her financial situation.

*Hypothesis 2:* The more involved both spouses are in the financial management roles, the more satisfied he/she will be with his/her marital relationship.

How is a spouse’s perceived satisfaction with the level financial management involvement associated with his/her marital quality and financial satisfaction?

*Hypothesis 3:* The more satisfied one is with his/her perceived level of financial involvement (i.e. financial management roles), the more satisfied he/she will be with his/her financial situation.

*Hypothesis 4:* The more satisfied one is with his/her perceived level of financial involvement (i.e. financial management roles), the more satisfied, he/she will be in his/her marital relationship.

How are financial satisfaction and marital quality associated?

*Hypothesis 5:* The more satisfied one is financially, the more satisfied he/she will be in the relationship.

How are conflict and communication skills associated with financial role satisfaction?

*Hypothesis 6:* When one spouse's partner engages in "harsh startup," the less satisfied the spouse will be with his/her financial management roles.

*Hypothesis 7:* When spouses are able to engage in compromise, the more satisfied the spouse will be with his/her financial management roles.

*Hypothesis 8:* When one spouse's partner engages in negative conflict processes (Gridlock on Perpetual Issues), the less satisfied the spouse will be with his/her financial management roles.

How is shared meaning associated with financial role satisfaction?

*Hypothesis 9:* When one spouse perceives "shared meaning" about his/her roles with his/her partner, then the spouse will be more satisfied in his/her financial management roles.

*Hypothesis 10:* When one spouse perceives "shared meaning" in his/her goals with his/her partner, then the spouse will be more satisfied with his/her financial management roles.

*Hypothesis 11:* When one spouse perceives "shared meaning" about money with his/her partner, the spouse will be more satisfied with his/her financial management roles.

*Hypothesis 12:* When one spouse perceives “shared meaning” about autonomy and independence with his/her partner, he/she will be more satisfied with his/her financial management roles.

What are the effects of couple relationship characteristics (i.e., communication and conflict strategies, and shared meaning in the relationship), level of involvement in financial management roles, financial management role satisfaction, and financial satisfaction on marital satisfaction?

*Hypothesis 13:* The more one spouse engages in effective communication and conflict strategies, the higher he/she will perceive shared meaning in the relationship, the more involved and satisfied he/she will be with his/her financial management roles, and the more financially satisfied one will be, the more satisfied he/she will be in his/her relationship.

What are the effects of couple relationship characteristics (i.e., communication and conflict strategies, and shared meaning in the relationship), level of involvement in financial management roles, financial management role satisfaction, and marital satisfaction on one’s financial situation?

*Hypothesis 14:* The more one spouse engages in effective communication and conflict strategies, the higher he/she will perceive shared meaning in the relationship, the more involved and satisfied he/she will be with his/her financial management roles, and the more satisfied one will be in his/her relationship, the more satisfied he/she will be financially.

## **CHAPTER 2 - Review of Literature**

In preparing to examine how financial management roles impact marital quality among farm couples, several areas in the literature relating to marital quality, family business, household finances, and financial satisfaction were reviewed. This chapter summarizes this review. First, an overview of marital quality is examined. Then, the impact of household finances on marital quality is addressed. Finally, literature specifically addressing rural and farm marital quality is presented as well as a discussion on family businesses.

### **Marital Quality**

Marital quality has been examined over the life span. Johnson, Amoloza, and Booth (1992) explained that marital quality has been defined differently among researchers. Some researchers have defined marital quality with measures of happiness and satisfaction while other researchers have measured it with relationship characteristics, such as disagreement and interaction. In Johnson and his colleagues longitudinal study of fluctuations in marital quality, they defined marital quality as encompassing five dimensions, including marital happiness, amount of interaction, amount and intensity of disagreement, behavioral attributes that cause problems in a relationship, and divorce proneness. They interviewed a nation-wide sample of 1,043 married individuals three times over the course of eight years. Johnson et al. concluded that marital quality is a “dyadic property that cannot be explained by individual characteristics” (p. 592). They found that marital quality is a “stable phenomenon” that is not affected by gender or marital duration. Developmentally, Johnson and his colleagues found that marital happiness and interaction decline over the course of marriage; however, divorce proneness, marital problems and disagreements stay constant. These findings indicated marital happiness and interaction were related. As one’s happiness declines or “newness” of a marriage, a couple’s effort in making time for one another or marital interaction also declines. In the current study,



marital quality was measured by a spouse's perceptions of marital satisfaction, interaction patterns (i.e. conflict and communication strategies), and shared meaning.

Previous studies have shown that marital quality takes on a U-shaped curve over the lifespan (Glenn, 1990; Orbuch, House, Mero & Webster, 1996). According to these studies, marital quality, which includes marital satisfaction, appears to be high in the first few years of marriage, then declines until midlife, and finally rises again with increased age and length of marriage. Orbuch et al. examined data of 5,312 first time marriages taken from the American's Changing Lives study, conducted in 1986, and the National Survey of Families Households, conducted in 1987. Orbuch et al. focused their research on the upward shift in marital satisfaction in the later years. They found that reduced work and parental responsibilities in later life helped to explain much of the increase in marital satisfaction but did not account for the decrease in thoughts of divorce. In addition, the decrease in household income and increase of assets in later life also helped to explain a small portion of the increase in marital satisfaction. In contrast, other studies have shown that marital quality either decreases and does not rise again in later years (Vaillant & Vaillant, 1993) or that marital quality decreases until midlife and then plateaus (VanLaningham, Johnson, & Amato, 2001). Although the results of studies testing factors associated with marital quality have varied, research has suggested that perceived perceptions of marital quality do change over the course of one's life.

Many factors appear to influence marital quality, including marital locus of control (Myers & Booth, 1999), religiosity (Booth, Johnson, Branaman, & Sica, 1995), gender roles (Amato & Booth, 1995), dyadic perceptions, personality traits, (Johnson & Booth, 1998; Gottman, Coan, Carrere, & Swanson, 1998), work and family roles (Zvonkovic, Schmiede, & Hall, 1994), interpersonal processes (e.g. cognition, affect, physiology, behavioral patterning, social support, and violence), micro-contexts (e.g. presence of children, life stressors and transitions), and macro-contexts (e.g. economic factors and perceived mate availability) (Bradbury, Fincham, & Beach, 2000). Changes in marital quality between 1980 and 2000 were examined by Amato, Johnson, Booth, and Rogers (2003). They discovered additional variables that appear to influence marital quality. Increases in marital heterogamy, premarital cohabitation, wives' extended hours, and job demands were negatively associated with marital

quality. Economic resources, decision-making equality, nontraditional attitudes toward gender, and support for lifelong marriage were positively associated with marital quality. Increases in husbands' share of housework appeared to decrease marital quality among husbands but improved marital quality among wives.

Marital locus of control referred to a spouse's perception of the events and whether or not the success of his/her marriage is a function of his/her own efforts and abilities within the relationship (Myers & Booth, 1999). Myers and Booth found in their study, which examined data from a 17-year longitudinal study of married persons, that marital locus of control to be a predictor of marital quality. Higher levels of internal marital locus of control were positively associated with higher levels of perceived marital quality. Spouses, who reported lower levels of internal marital locus of control, were more likely to report marital strains and lower levels of marital quality. Locus of control was also found to be significant in financial decision making among couples (Rosen & Granbois, 1983). The researchers of this study interviewed 82 couples from a Midwestern state. They concluded that couples with increased internal locus of control may attribute more importance to the financial decisions and, therefore, be more likely to engage in joint decision making practices. Couples who make decisions separately were more likely to have an external locus of control. In contrast, Britt (2005) found in her study of married persons, that locus of control was not a predicting factor of marital satisfaction.

Booth et al. (1995) examined longitudinal data from married persons on the impact of religiosity on marital quality. Religiosity was measured by church attendance, prayer, social participation, Bible reading, and religious influence on daily life. Marital quality was measured by happiness, interaction, problems, disagreements, and divorce proneness. Results indicated that the relationship between religiosity and marital quality were reciprocal. Little support was found for the hypothesis that increases in religious activities lead to higher marital quality. Increases in religiosity slightly decreased the probability of thinking about divorce but did not enhance marital happiness or interaction. Increases in religiosity also did not decrease the conflicts and problems thought to cause divorce. However, increased marital happiness did increase church service attendance and religion's influence on daily life.

Gender roles and attitudes have changed over the past several decades (Zvonkovic et al., 1994). A study, based on national longitudinal survey data on gender roles in a sample of 1,043 married individuals, conducted by Amato and Booth (1995), found that changes from traditional to more egalitarian gender role attitudes had implications on marital quality. In their study, nontraditional gender role attitudes among wives were associated with reports of decreased marital quality. However, husbands who showed increased egalitarian gender role attitudes reported increases in marital quality. Zvonkovic et al. reported similar findings in their study of strategies and its impact on marital satisfaction. Their sample included 61 married couples who indicated they had faced work-family decisions in the past 6 months. They reported that women with more traditional attitudes and women whose husbands held more traditional attitudes reported higher marital satisfaction. They suggested that couples who adhered to more traditional roles and role expectations found negotiation less necessary in their marriages because they had already established gender roles and expectations.

Previti and Amato (2003) studied why people stay married, based on rewards and barriers from 1,424 individuals who participated in the 17-year longitudinal study of the Marital Instability Over the Life Course. Their findings indicated that people perceived the cohesiveness of their marriages in terms of rewards such as love, respect, friendship, and good communication, rather than barriers or alternatives. They also found that those who perceived marriage cohesiveness in terms of rewards, rather than barriers, were more likely to be happier in their marriage. Barriers cited in the study that kept couples together included staying together for the sake of the children, lack of financial resources, religious beliefs, commitment to life-long marriage and maintenance of traditional bread-winner-homemaker roles. These barriers appeared to keep unhappy couples together for a certain period of time, but then the unhappy couples were likely to dissolve the relationship, in spite of the barriers (e.g. staying together for the sake of the children) that kept them together in the first place.

Zimmerman, Haddock, Current, and Zimba (2003) explored how dual-earning married couples practiced marital partnership in ways that supported effective work-family balance. Six themes were discovered as a result of the study to improve an effective balance of work and family. The themes included shared housework, mutual and active involvement in child care,

joint decision-making, equal access to and over household finances, value placed on both partners' work/life goals, and shared emotion work. A more positive work-family balance was found to most likely increase perceived marital quality.

Johnson and Booth (1998) examined data from a 12-year four-wave national study of 2,033 married individuals, who were under the age of 55. Of this data, 69 remarriages were included for this study. Johnson and Booth's study was to determine whether marital quality was due to dyadic processes (i.e., the meshing of personalities and life experiences of both spouses) or personality and individual characteristics. They concluded that marital quality and stability are due largely to the dyadic perception of the relationship. Further, dyadic perception was established early in the relationship. The characteristics of early interactions within the relationship appeared to establish the quality of the relationship for the rest of the marriage. These findings indicated that dyadic processes are more efficacious than personality or individual characteristics in explaining perceptions of marital quality. Gottman et al. (1998) researched dyadic interactions of newlyweds' ability to predict marital happiness and stability. This study used a two-stage sampling procedure. The sample in the first phase of the study contained 179 couples, who had been married for the first time for less than six months. They completed a survey that measured demographic characteristics, indices about their marriage, well being, and health. The second phase of the study contained 130 newlywed couples, who represented an even distribution marital satisfaction. These couples participated in a marital interaction laboratory session where their behavior and interaction with each other was observed. Gottman et al. findings supported Johnson and Booth's findings of dyadic processes. Dyadic interactions, such as softened start-up by the wife, the husband accepting influence from the wife, the husband de-escalating low intensity negative affect, the wife using humor to soothe the husband, and the husband using positive affect and de-escalation to soothe himself, contributed to happy and stable marriages. The opposite dyadic interactions were found to be predictors of divorce. Divorce and stability were predicted with 83% accuracy and marital satisfaction was predicted with 80% accuracy.

Zvonkovic et al. (1994) explored direct and non-direct strategies used to influence work-family decisions with 61 married couples. Influence strategies were measured by self-report

addressing five elements of influence strategies, including legitimate influence, bargaining, reward, emotional influence, and impression management. Direct strategies included reward and bargaining tactics. Indirect strategies included role expectations, emotional influence (e.g. crying, anger, pouting, or silent treatment), and impression management (i.e. making the other spouse think that the decision is his/her idea). Gender differences were not found for influence strategies used in work-family decisions. Both direct and non-direct influence strategies appeared to be negatively associated with marital satisfaction. Emotional influence was consistently associated with less marital satisfaction for both husbands and wives. This result was most likely because emotional influence could be perceived as the most manipulative. For example, when a spouse cries during conflict with the other spouse while making a decision, the other spouse may be more likely to give in and let the crying spouse make the decision. The spouse, who gives in, will feel emotionally manipulated and feel that the decision reached will not have been a good one. This feeling will reduce marital satisfaction.

Bradbury et al. (2000) reviewed literature pertaining to marital satisfaction in the 1990's. Marital satisfaction has often been conceptualized as a global evaluation of the marriage, but has been operationally defined as a single dimension, where it "reflects an evaluation in which positive features are salient and negative features are relatively absent" (p. 973). According to this review, there has been growing support for the view that marital satisfaction is not necessarily characterized by absence of dissatisfaction. It has often been implied that nondistressed couples are satisfied in their marriages. However, this does not mean that couples who report factors leading to marital distress are automatically dissatisfied in their marriages. Bradbury and his colleagues emphasized that a need to understand the interdependence between spouses' behavior became evident during the 1980's and the 1990's. For example, they highlighted a study by Margolin and Wampold in 1981, who discovered the interactions of distressed couples were characterized by the increased likelihood of negative behavior of one spouse, followed by negative behavior by the other spouse. This work was extended to focus on observable aspects of marital interactions, including interactional behaviors, emotions experienced and displayed during interactions, and physiological responses to interactions. In regards to children, Bradbury et al. summarized the research by suggesting that children have a

paradoxical effect of increasing the stability of marriage when children are young, while decreasing quality of the marriage. The literature suggested that there is a wide variability across couples in how they change from the last trimester of pregnancy through several months or a few years after birth. The researchers noted that couples do not change much on important variables during transition to parenthood. Different pathways through the transition to parenthood could be predicted to some degree from demographic and personality data and even on infant temperament. This line of research is the beginning to understand how marital characteristics influence difficult a difficult transition to parenthood. This review also discovered that couples and families who have experienced life stressors, including trauma, economic, and work-related stressors are resilient. The dyadic processes moderate the influence of the environment on spouses' perceptions of marriage.

### ***Impact of Household Finances on Marital Quality***

Household financial concerns have been linked to marital quality in a variety of ways. Britt (2005) found that couples who have high levels of financial satisfaction, or how satisfied one is with his or her financial situation, have higher marital quality. Household income has been found to be a predictor on relationship satisfaction up to a certain level and then income became less of a predicting factor. This finding indicates that, once a family's expenses are covered, income became less of an influencing factor on relationship satisfaction (Terling-Watt, 2001). In addition, lower socioeconomic status was associated with greater probability of divorce. This finding was likely because financial strains are linked to lower income (Britt). Interestingly, Megunda and Hira (1990) found that households with more dependents and higher debt loads reported higher amounts of communication. This connection is intriguing because it indicated that the amount of partner communication does not necessarily aid in increased marital quality; rather, the quality of the communication was what was important. This assertion was supported by Johnson and Booth's (1998), Gottman and his colleagues' (1998), and Zvonkovic and colleagues' (1994) findings on dyadic interactions and processes that were reported earlier.

Pahl (2000) conducted a study using three different sources of data in order to develop a more qualitative understanding of how individuals and couples managed their finances. Data

from 3,676 married couples, who completed the Family Expenditure Survey, seven focus groups comprised of 59 individuals, living in five different areas of the United Kingdom, and face-to-face interviews with 40 couples were used for this study. Couples who had higher income, where the husband was the breadwinner and in control of the household finances, tended to take advantage of new forms of money management (credit) and were inclined to pursue their own goals, rather than consulting with their partners. In a cross-cultural study using the 1994 International Social Survey Programme module on Family and Changing Gender Roles, Yodanis and Lauer (2007) discovered that the equality of contribution of household income led to shared management strategies among married couples. When couples earn equal amounts, they are more likely to manage their pooled money together. In regard to gender, Yodanis and Lauer discovered that when men have sole responsibility for management of assets, they typically have power in the relationship. However, when women are involved in the management of the household finances, they do not necessarily have power in the relationship rather it is viewed as a gendered household task. Moreover, in looking at data across 21 countries, Yodanis and Lauer found that the way couples managed their financial assets were shaped by institutionalized beliefs and practices regarding breadwinning ideology. This research indicated that culture largely influenced a couple's money management strategies. Heimdal and Houseknecht (2003) found that cohabitating couples were more likely to keep their money separate when the man was employed versus when both partners were employed. However, they found no difference in how money was organized when the woman was employed, rather than both partners being employed. These findings have implications on the increase of the power differential in the couple that can lead to decreases in marital quality. Heimdal and Houseknecht also found that married couples were more likely to keep their money together than cohabitating couples. However, age increased the probability that couples would keep their money separated. This finding may be due to the Medicaid program, where couples have to spend down their assets before being eligible for the program. More literature on the impact of household finances on marital quality is reported within the theoretical framework section.

### *Rural and Farm Marital Quality*

Empirical research on marital quality and economic distress has been specifically linked to rural and farm families (Bokemeier & Maurer, 1987; Johnson & Booth, 1990; Rosenblatt & Keller, 1983). Johnson and Booth examined the relationship between economic distress and change in marital quality of farm families. Their findings revealed that farmers, who experienced financial distress, showed an increase in their likelihood of thoughts of divorce. Economic distress appeared to be a strong factor in thoughts of divorce because the close relationship between the economic farm unit and the family unit was threatened. This close relationship between business and family normally served as a barrier to marital instability. As a result, severe economic problems weakened an important barrier to marital instability and thoughts of divorce increased.

Rosenblatt and Keller (1983) surveyed 29 randomly sampled farm couples to measure economic vulnerability, economic stress, various aspects of the marital relationship, and family economic characteristics. Couples who were more economically vulnerable were more likely to report economic distress. The less vulnerable farm couples experienced less economic distress, even though they reported greater economic losses. This implies that couples, who are less economically vulnerable, are more likely to be able to recover from economic losses or have access to economic resources to help them. As a result, those who were less economically vulnerable did not perceive their stress as being as significant compared to those who were more vulnerable. Couples who reported greater economic distress reported that they blamed each other more frequently. In the end, greater blaming in the marriage may escalate relationship problems, which may influence marital quality or lead to increased thoughts of divorce.

Bokemeier and Maurer (1987) collected data from 777 couples in rural Kentucky to identify conjugal labor involvement, to describe the personal, family, and social characteristics associated with different types of involvement, and to compare the marital quality of the couples with different patterns of conjugal labor participation. Conjugal labor involvement referred to the intensity of labor force participation of married couples. The study considered the employment status of each spouse and the number of jobs each spouse held. Bokemeier and Maurer found that job opportunities and income potential were key factors in the employment



strategies couples adopted. These employment strategies influenced household labor among rural couples. For example, if the husband had multiple jobs, then the wife assumed more household and child care responsibilities. Husbands who were part of dual-earner couples were more likely to assume greater household responsibilities. These findings did not appear to be significantly associated with changes in marital quality. In other words, the increased level of conjugal labor involvement among rural and farm families as a result of the economic crises in the 1980's did not necessarily result in marital discord.

More recently, Archuleta (2005) conducted a qualitative study where six farm women were interviewed in-depth about their involvement in the financial management of the farm operation and their perceptions of marital quality. The women interviewed were highly involved in the financial management of the farm operation and most reported relatively high marital quality. Archuleta found that farm wives' viewed themselves as a "team" with their husbands, and when this perception was paired with an effective negotiating process in resolving conflict, then the wives' perceptions of marital quality increased. Farm wives also reported that having realistic expectations about their roles on the farm also was found to influence more effective negotiation process, which, in turn, increased perceptions of marital quality. Archuleta discovered that wives' realistic expectations developed with experience and time on the farm. A few women described not being able to comprehend the large amounts of debt their husbands were willing to take on to operate the farm. However, over time and with more farm business experience, they found that certain debt, like farm business operating loans, were necessary.

### ***Family Business***

Kaslow (1993) stated that over 80% of all businesses are family owned. Eleven percent of all U.S. families owned privately held business interests (Kennickell, Starr-McCluer, & Surette as cited in Xiao, Alhabeeb, Hong, & Haynes, 2001). "Family business" can be defined as an organization owned or managed by one or more family members (Hollander & Elman as cited in Haynes & Haynes, 1999). Kaslow (1993) explained that family businesses emerged because adults were motivated to provide for one's family and to be connected to them financially as well as emotionally. Business owners were more willing to take financial risks and had a larger share

of financial assets in risky assets. The same has been found true for farm family businesses. In addition, farm family businesses were noted as often being culturally rich in intergenerational heritage (Garkovich, Bokemeier, & Foote, 1995).

Family businesses have been found to be unique, compared to other types of businesses, because family and business resources are often intertwined (Danes & Morgan, 2004; Xiao et al.). Xiao and his colleagues used data from the 1995 Survey of Consumer Finances to compare 996 family business-owning heads to 1,898 non-owning business family heads and found that family business owners have a higher risk tolerance. Grable (2000) defined financial risk tolerance as “the maximum amount of uncertainty that someone is willing to accept when making a financial decision” (p. 625). Britt (2005) surveyed 292 individuals involved in a relationship to examine the interrelationship between relationship satisfaction and personal, partner, and couple financial behaviors. Britt found that risk tolerance can be viewed as a precipitating factor leading to personal financial behavior. In this study, personal, couple, and partner financial behaviors were found to explain 25% of a couple’s relationship satisfaction. How one perceived his/her personal financial behavior explained only 2% of marital satisfaction, but how one perceived his/her partner’s financial behaviors explained 16% of marital satisfaction. This finding suggested that individuals placed more emphasis on their partner’s financial behaviors, more than on their own financial behavior in regards to relationship satisfaction.

Striking a balance between work and family life appears to be important to business-owning couples. Danes and Morgan (2004) examined data from the 1997 National Family Business Survey. The sub-sample for their study included 187 business-owning couples in which the husband identified himself as the business manager and the wife identified herself as the household manager. Business-owning husbands and wives reported that work/family life balance and an unfair distribution of resources between family and business created the most tensions. Wives reported higher tension levels when family functionality was low, when she was not satisfied with her role in the family business, when her husband identified her as the primary decision maker, when family resources were transferred to the business, and when husbands placed business needs as a higher priority than family needs. Husbands reported increased

tension when the number of hours his spouse worked in the business increased, family resources were transferred to the business, and when they identified their wives as the primary decision-maker. These findings indicated that stress occurred for business-owning couples when the couple was not well functioning or when there was not a clear understanding of roles in both the business and the family.

Errington and Gasson (1993) presented the following six points to define farm family businesses:

- Business ownership is combined with managerial control in the hands of business principals.
- These principals are related by kinship or marriage.
- Family members (including these business principals) provide capital to the business.
- Family members (including business principals) do farm work.
- Business ownership and managerial control are transferred between the generations with the passage of time.
- The family lives on the farm.

Farm family businesses have unique characteristics that are uncommon to other types of family enterprises where there is a separation of ownership from managerial control (Errington & Gasson, 1993). The family farm business has been susceptible to tension and conflict because of the changing agricultural industry and economy over the past several decades (Danes & Lee, 2004). Danes and Lee investigated business tensions for 101 farm couples. This sub-sample was taken from a larger nationally representative sample of 673 family businesses. Of this larger sample, fifteen percent ( $n = 101$ ) were farm businesses. Their findings indicated that profit was the highest priority for farm husbands, while good family relationships were the highest priority for wives. Experiencing stressful life events and holding a high level of importance for keeping the business within the family was linked to increased levels of tension for husbands. When family financial resources were transferred to the business and having preschool aged children living in the home, tensions increased for both husbands and wives. However, tensions decreased for both husbands and wives when the husband prioritized the family over the business, a high

level of functional integrity in the family system existed, and when the wife was satisfied with her role in the business. These findings allude to a balance between family and business to be important to the sustainability of the family farm business.

Amarapurkar and Danes (2005) conducted a study with 206 farm business-owning couples, where both husband and wife completed a questionnaire. Amarapurkar and Danes analyzed the interrelationships among business tensions, relationship conflict quality, and satisfaction with the spouse for farm business-owning couples. Having an internal locus of control, compared to having an external locus of control, was significantly associated with lower business tensions for both husbands and wives. This dynamic suggested that individuals, who perceived that they were able to influence and control their environment, felt they had more control over their business and, therefore, had fewer business tensions. In addition, both husbands and wives, who reported higher decision discrepancy between husbands and wives, indicated less *constructiveness* in the couple relationship conflict quality. *Constructiveness* referred to the *constructive conflict* in which couples could disagree, such that there was enough trust and vulnerability between them that creative problem solving could occur. When business tensions increased, husbands and wives reported less satisfaction with their spouse. For husbands, the more constructive the couple relationship conflict quality, the more satisfied husbands were with their business-owning spouse. These authors suggested that this finding indicated that satisfaction with a spouse is mediated by a partner's conflict management strategies. However, this finding did not hold true for wives. These results showed that a family business impacted the business-owning couple's relationship satisfaction.

### **Theoretical Framework**

To guide the methodology of this study, a theoretical framework, called Couples and Finances Theory (CFT), was developed. This theory was based, in part, on one of the major hypotheses of this study, in which one's perception of the quality of the marital relationship and household financial management roles are interdependent. CFT is rooted in systems theory. The dynamics that function within the framework can be explained by Social Exchange Theory. Concepts and major assumptions of both Systems theory and Social Exchange Theory are

described below. Then, the new theoretical framework, CFT, is introduced, complete with descriptions of concepts, major assumptions, and propositions that explain the theory.

### ***Systems Theory***

The overall hypothesis of this study was that the marital relationship and financial management roles are interdependent. This hypothesis means that a couple's marital quality is associated with their financial management roles and their perception of financial management roles is associated with marital quality. One of systems theory's major assumptions is that of interdependency, meaning that a change in one system will produce a change in an adjacent system (Nichols & Schwartz, 2001). Systems theory has been used to help explain both family and couple functioning (Nichols & Schwartz) and the financial process (Deacon & Firebaugh, 1988). Whitchurch and Constantine (1993) reported that systems thinking is a way of looking at the world in which objects are interrelated with one another. Using systems theory as a lens for this study can help explain the interdependency of the two domains or sub-systems (i.e., marital relationship and financial role management), functioning together within a larger system and the context in which they operate.

General Systems Theory (GST) was developed to explain complex phenomena not explained by mechanistic or linear models (Whitchurch & Constantine, 1993). Ludwig von Bertalanffy, an Austrian biologist, first applied universal principles to all kinds of groups of phenomena termed as "systems" (Whitchurch & Constantine). Gregory Bateson, along with Don Jackson, Jay Haley, Margaret Mead, and James Miller, were among influential figures who began to consider how GST concepts apply to families (White & Klein, 2002). Wedemeyer and Grotevant (1982) explained that systems theory, when applied to families, does not limit focus to isolated relationships between isolated variables. Instead, it focuses on complex networks of patterned interactions between definable units and their specific environmental contexts.

### ***Concepts***

Concepts of modern family systems theories stem from information theory, cybernetics, family process theory, and GST (Whitchurch & Constantine, 1993; White & Klein, 2002). Some of the major family systems concepts derived from these theories are *systems*, *boundaries*,

*circularity, equifinality, feedback* (or feedback loops), *equilibrium, system levels of hierarchy,* and *subsystems* (Jurich & Myers-Bowman, 1998; Nichols & Schwartz, 2001; Whitchurch & Constantine, 1993; White & Klein, 2002).

*Boundaries* are “invisible barriers that regulate the amount of contact with others” (Nichols & Schwartz, 2001, p. 103). *Circularity* refers to problems’ being maintained in the family through an ongoing series of actions and reactions, rather than by linear cause and effect. A *feedback loop* refers to how the system gets the information necessary to maintain a homeostatic state. Feedback loops can be negative or positive. A negative feedback loop maintains the equilibrium, also known as homeostasis. *Homeostasis* is the self-regulation that keeps systems in a balanced state. A positive feedback loop alters the homeostasis and the equilibrium from which the system deviates (Whitchurch & Constantine, 1993), meaning change is introduced into the system and the system’s equilibrium is offset. *Equifinality* is the idea that a goal can be met through more than one way. Nichols and Schwartz described the structure of families in terms of *subsystems*, which are determined by generation, gender, and function. An example of a generation subsystems are the grandparent subsystem, parent subsystem, and children subsystem. Gender subsystems refer to male and female subsystems within a family, while function subsystems refer to household roles (e.g. managing finances, cooking, cleaning, lawn care, child care, etc.) and careers (e.g. farmer, homemaker, attorney, etc.). *Systems* are arranged by *levels of hierarchy*. For example a collection of subsystems make up a larger system (a higher level hierarchy) called a system. Suprasystems (Whitchurch & Constantine) encompass systems beyond the family system such as extended family, racial and ethnic subcultures, community, geographic region, and national system. Subsystems, systems, and suprasystems are seen as interconnected.

### ***Major Assumptions***

The major assumptions associated with systems theory are (a) holism; (b) systems are hierarchically organized; (c) living systems are open, (d) non-determined and active; (e) human systems are self-reflective; and (f) reality is constructed (Jurich & Myers-Bowman, 1998). Holism refers to understanding the system as a whole, rather than the sum of its parts (Whitchurch & Constantine, 1993). Holism assumes that all parts of the system are

interconnected and, when one part of the system is impacted, the whole system is impacted (White & Klein, 2002). The assumption that living systems are open, non-determined, and active refers to the degree to which energy and information is exchanged within its environment (Jurich & Myers-Bowman, 1998). These authors offered the example of an open system as a spouse who is employed to make money for the family and provide expertise to his employer. This opens the family system to exchanges within the suprasystems, such as the work system. Living systems not only respond passively to stimuli from their environment, but they also engage in transactions, which they initiate. So, they are both active and reactive. Therefore, systems are, to some degree, self-determining and not solely determined by external forces. Whitchurch and Constantine (1993) explained that human systems are self-reflective because humans have the ability to reflect on their own behavior and interactions within the system. Jurich and Myers-Bowman described the final assumption that reality is constructed as a way of better understanding the world. They explained that “observations of the world are never independent of the knower and reality is constructed rather than discovered” (p. 75).

Systems theory offers breadth and openness to explain complex phenomena and it provides flexibility in its applications to research (Whitchurch & Constantine, 1993). Systems theory is circular rather than linear. It does not focus on who or what started the chain of events and the outcome that resulted (Nichols & Schwartz, 2001). Instead, it focuses on the interactions and relationships among the systems.

### ***Social Exchange Theory***

Social exchange theory can help researchers interpret the interactions between couples in a relationship and the household financial processes couples use to guide behaviors. Social exchange theory is one of the most popular social science theories to study families because of its scope and breadth (White & Klein, 2002). It is abstract enough that a researcher can fill in the content from various contexts. This theory can help to explain the interactions between the couple relationship process and the financial process domains found in the Couples and Finances Theory, which is discussed later in this chapter. Social Exchange Theory is presented now in

order to provide a helpful lens to make sense of the multiple exchanges of relationships discussed in the Couples and Finances Theory section.

### ***Concepts***

Major concepts of Social Exchange Theory are *rewards and costs*, *profit or maximizing utility*, *comparison level (CL)* and *comparison level for alternatives (CL+)*, *rationality*, *exchanges and equity*, and *generalizable sources of rewards* (White & Klein, 2002). A *reward* is something that is viewed as beneficial, pleasurable, or satisfying to an individual. A *cost* is something that is perceived as negative or hindering a person when making a decision. In many decisions, there are opportunities for both rewards and costs. For example, making a major purchase, such as a new dishwasher, can be seen as having both rewards and costs. Rewards could be considered as less time spent on washing dishes and more time spent with doing family activities. Costs may be seen as a large financial expense that may be difficult for the family to fit in their budget. Seeking a specific reward may have more costs or consequences attached to it than an alternative choice. However, the specific reward with higher costs may produce greater satisfaction than the alternative with lower costs. When choosing to purchase a dishwasher, the family may see that spending more time doing family activities is crucial to their relationship. Although there is a high financial expense or cost that will be encountered when a dishwasher is purchased, the family may be more satisfied with the specific reward of spending more time with family than choosing the alternative of not purchasing the dishwasher, even if that would leave more money in their bank account.

*Profit* is the ratio of rewards to costs for any decision (White and Klein, 2002). *Maximizing utility* refers to individuals' weighing rewards to costs and making a decision based on the alternative that will bring the greatest rewards or the least costs. *Comparison Level (CL) and Comparison Level for Alternatives (CL+)* is the perception of evaluation. CL evaluates what others in a similar position have and how well he/she is doing in comparison to them (White & Klein). CL+ is a mechanism of how well an individual is doing in comparison to others outside of his/her position and has a choice to seek out the alternative position. White and Klein provided an example of university professors' receiving a 3% raise in salaries. They explained that, using CL, university professors might ask how well they are doing in comparison to



professors at other universities. Using CL+, White and Klein explained that university professors might compare how well they were doing in comparison to others, who have similar education and training, in private or government sectors. *Rationality* suggests that, in order for decisions to be rational, an individual's perception of the rewards will outweigh their perception of the costs (White & Klein). Rationality assumes that this individual will act upon their perceptions in a logical way in order to maximize his or her profit. The value of rewards and costs change, depending on the circumstances. How a person perceives rewards and costs is important to understanding rational decision-making. One may view a particular reward, such as purchasing a dishwasher as a necessity to spend more time doing family activities, while another person may perceive that purchasing a dishwasher to spend more time with the family is frivolous. They may see that washing dishes by hand as an activity in which the whole family can participate. *Exchanges* refer to the fact that some rewards may be dependent on something being exchanged or on the cooperation of someone else (White & Klein). Equity does not necessarily mean that rewards and costs are exactly fair but they can be perceived to be so. The final concept of *generalizable sources of rewards* is the understanding of why people behave in a certain way (White & Klein). This concept helps to apply Social Exchange Theory to a groups and large numbers of people and families. Recognizing the general sources of costs and rewards allows a comprehension of why people in general make a particular decision over another one.

### ***Major Assumptions***

Social exchange theory has several basic assumptions that lend support to the notion of balancing the interdependency of the couple relationship and the financial process. Basic assumptions include, for example, that humans are motivated primarily by self-interest, humans are rational, and they are motivated by utilitarianism (White & Klein, 2002). According to Social Exchange Theory, motivation is what causes a person to make the choice he/she chooses. Choices are made to fulfill an individual's self-interests. Self-interests can be understood by understanding the person's interests and values (White & Klein). The assumption that humans are rational refers to how an individual calculates costs and rewards (White & Klein). An

individual will make a rational decision, based on the ratio of rewards to costs, as determined by the person's perceptions of their costs and rewards. A rational decision is made when selecting the choice where the rewards outweigh the costs. Utilitarianism is based on the notion that individuals have access to the information needed to make rational decisions in order to maximize their benefits (Sabatelli & Shehan, 1993).

Through the lens of Social Exchange Theory, the researcher's focus hones in to how a couple will utilize financial management roles that maximize both financial and emotional rewards in the couple's relationship. If rewards outweigh costs, then the couple chooses the financial roles that most positively impact the individual, the couple's finances, and their relationship. The decision of who acquires particular financial roles in the relationship will impact financial satisfaction and marital satisfaction, as demonstrated in the Couples and Finances Theory. See the discussion of Couples and Finances Theory below.

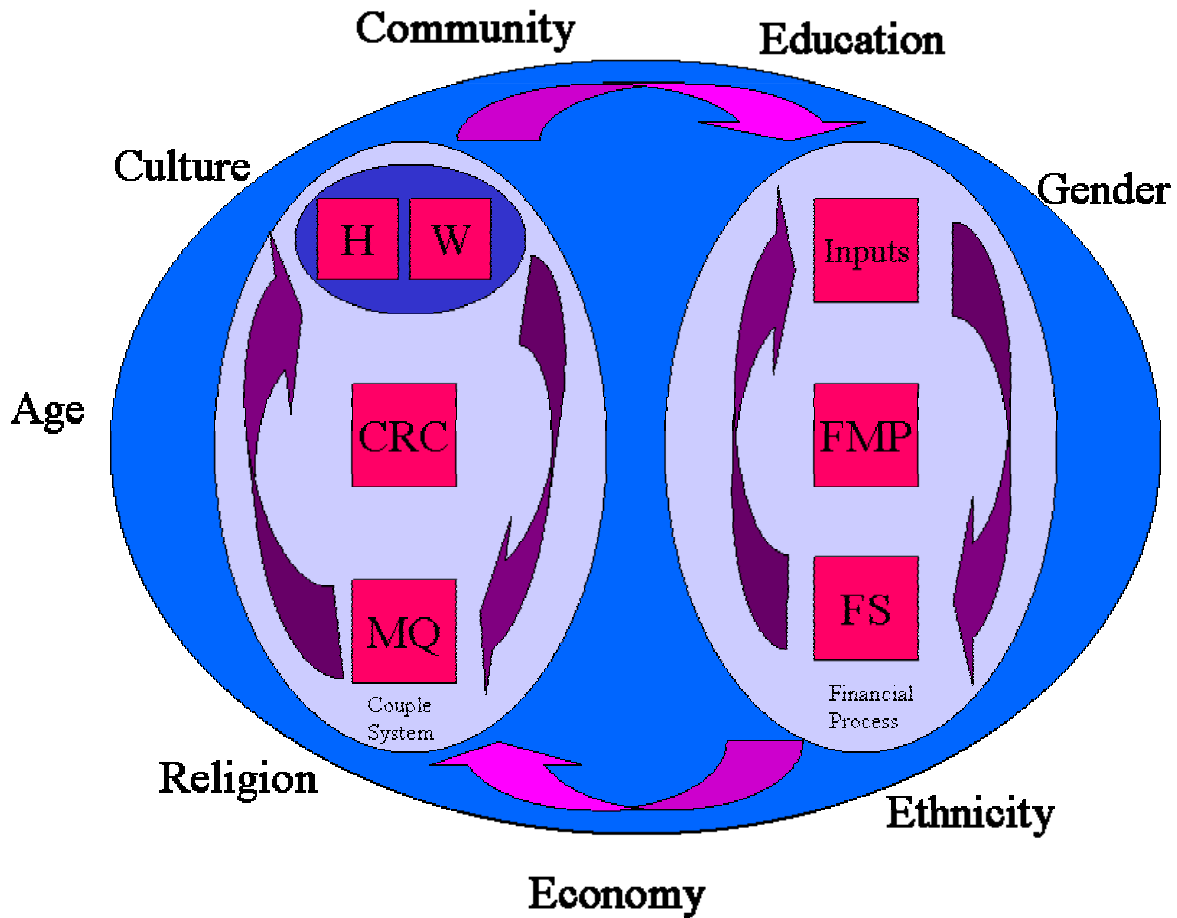
### *Couples and Finances Theory*

A strong connection between couple relationships and household finances has been demonstrated in the literature (Britt, 2005; Johnson & Booth, 1990; Kerkmann, Lee, Lown, & Allgood, 2000; Megunda & Hira, 1990; Rosenblatt & Keller, 1983). Based on empirical research, a theoretical framework, Couples and Finances Theory (CFT), was inductively created, by the author, to guide the methodology of this study. Set within an ecological framework that assumes environmental factors (e.g. education, ethnicity, income, age, gender, economy, religion, culture, and community) affect the dynamics. CFT borrows many assumptions and concepts from systems theory, which served as a foundation for the development of this theory. The overall goal of CFT is to help therapists, financial planners, financial counselors, and researchers understand the relationship between dual-earning, heterosexual, married couples and household finances. For the purposes of this study, CFT was limited to dual-earning heterosexual married couples.

CFT is presented as a mid-range theory, providing a set of interconnected propositions or organized ideas about a particular domain (Doherty, Boss, LaRossa, Schumm, & Steinmetz, 1993). Generating theory, using inductive methods, implies that theoretical propositions and

concepts are systematically organized using the research data (Glaser & Strauss, 1967). CFT provides a set of propositions, developed from empirical research, related to heterosexual married couples, including individual spousal characteristics (HW), couple relationship characteristics (CRC), marital quality (MQ), as well as to the financial process, including financial behaviors (Inputs), financial management practices (FMP), and financial satisfaction (FS). A model of CFT is displayed in Figure 2.1. This study will focus on the relationships among couple relationship characteristics, marital quality, financial management practices (i.e. financial roles), and financial satisfaction aspects of the model (See Figure 2.4). However, for the purposes of explaining CFT, concepts and propositions for individual spousal attributes and financial inputs are described below and illustrated in Figures 2.1, 2.2, 2.3, and 2.4.

Figure 2.1 Couple and Finances Model

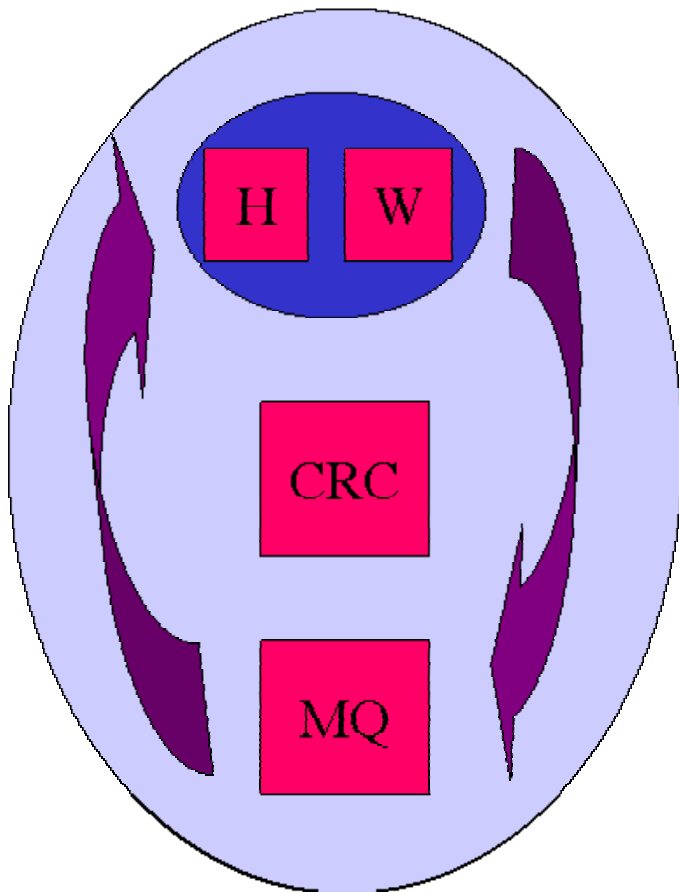


**Concepts**

To understand the CFT, its theoretical terms and concepts must be clarified and defined. The first concept of CFT is the *couple relationship*. For the purposes of this theory, the couple relationship consists of three components: the *dual-earner heterosexual married couple*, *couple relationship characteristics*, and *marital quality*. The *couple relationship* is displayed in Figure 2.2. The *dual-earner heterosexual married couple* is defined as consisting of two individuals, the husband and the wife (identified as “H” & “W” in Figures 2.1 & 2.2), who are both working to bring income into the household. Both the husband and the wife bring to the relationship individual factors or *individual spousal attributes*, such as personality, self-esteem, perceived

quality of life, family of origin, and social experiences, as well as individual financial attributes like financial behaviors and risk tolerance (Britt, 2005; Haring, Hewitt, & Flett, 2003; Joo & Grable, 2004; Pahl, 2000; Megunda & Hira, 1990; Sabatelli & Bartle-Haring, 2003). Individual spousal attributes will not be explored in this study; however, propositions for this concept are described.

**Figure 2.2 The Couple Relationship Process**

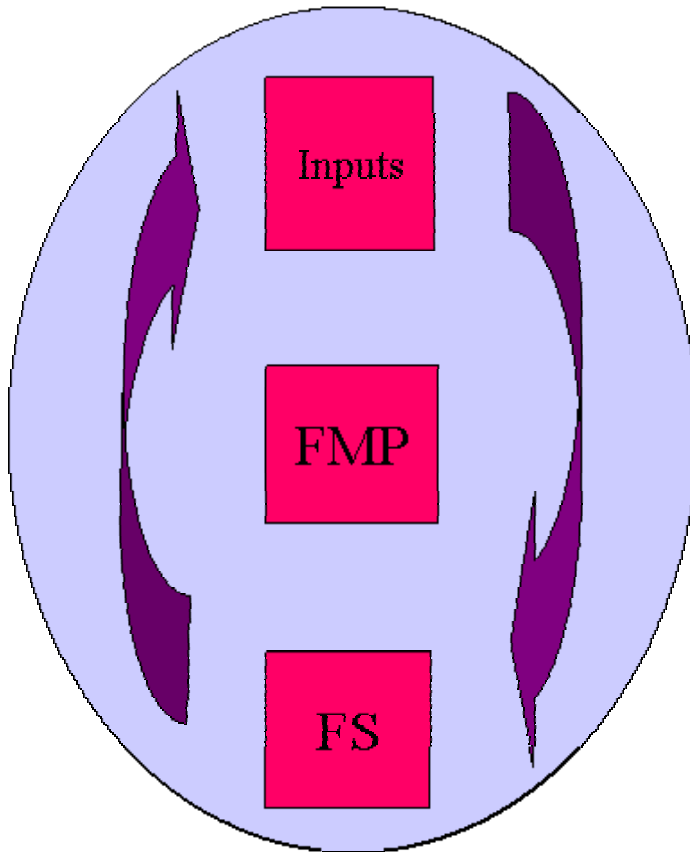


*Couple relationship characteristics* (“CRC” in Figures 2.1, 2.2, & 2.4) are defined as moderating factors, contributing to the interaction within the couple relationship. From the literature, many characteristics of the couple relationship have been identified. Previti and Amato (2003) identified aspects of the couple relationship to include love, respect, communication, friendship, shared values, commitment level, and gender roles (e.g. traditional

and egalitarian). Zimmerman, Haddock, & Current (2003) identified aspects of the couple relationship to include more egalitarian-like roles such as shared housework, mutual and active involvement in child care, joint decision-making, shared emotion work, and values placed in work-life goals. Mui-Ten Quiek and Knudson-Martin (2006) described more egalitarian relationships versus more traditional relationships to include career as central to the relationship, flexible allocation of household duties, open dialogue in regards to conflict, equal say in decision-making, and internalized processing through self-reflections. The final component of the couple relationship is *marital quality*. *Marital quality* (“MQ” in Figures 2.1, 2.2, & 2.4) refers to self-reported marital satisfaction and overall self-reported quality of the couple’s marriage.

The *financial process* consists of three components, including *financial inputs*, *financial management*, and *financial satisfaction*. The *financial process* is displayed in Figure 2.3. This process is loosely based on the systemic family resource management model created by Deacon and Firebaugh (1988) and empirical research using the model designed by Mugenda and Hira (1990). Deacon and Firebaugh used the terms input, throughput, and output to describe how the personal financial management process operates systemically. These concepts were defined as being both personal and financial. For example, they defined inputs to include values, goals, income, and net worth. Throughputs were described as planning and implementing financial strategies and developing personal capacities and evolving values. Outputs were considered to be goal achievements, personality developments, and changes in resources, such as income and net worth. The outputs were then linked back to the inputs through feedback loops. For the purposes of the CFT, the financial process is similar to the systemic nature of the Deacon and Firebaugh’s model. The financial process includes *financial inputs* (similar to inputs), *financial management practices* (similar to throughputs), and *financial satisfaction* (outputs).

**Figure 2.3 The Financial Process**



*Financial inputs* (“Inputs” in Figure 2.1 & 2.3) consist of financial knowledge, financial stress, income level and savings level. Financial inputs are not explored in this study, but propositions for financial inputs are described. *Financial management practices* (“FMP” in Figures 1, 3, & 4) include accounting practices, record-keeping, financial solvency (e.g. ability to pay bills), and access to financial resources. *Financial satisfaction* (“FS” in Figures 1, 3, & 4) refers to the satisfaction with one’s current financial situation. Satisfaction with the current financial situation could refer to the achievement of financial goals.

***Major Assumptions***

A major assumption that CFT makes is that financial difficulties are linked to couple relationship problems. Pittman and Lloyd (1988) reported, in their study of 584 married adults living in Utah, that financial stress is significant in adversely influencing marital quality. Several studies have shown that some financial behaviors appear to be positively associated with relationship problems (Cano, Christain-Herman, O’Leary, & Avery-Leaf, 2002; Geiss & O’Leary, 1981). Rosenblatt and Keller (1983) described that couples, who report greater economic distress, also report greater blaming in their marriages. Johnson and Booth (1990) explained that those who underwent financial distress showed substantial increase in their likelihood of entertaining thoughts of divorce over a 5-year period. Almost half of this effect was due to increased depression. They reported that depression led to decreases in marital quality in the case of divorce. Taking these findings into account, CFT assumes that the linkage between the couple system and the financial process are circular in nature. This means that the household finances impact the couple relationship and the couple relationship impacts the household financial domain in the relationship. In systems theory’s terms, the two sub-systems of finances and the couple relationship are interrelated.

Another theoretical assumption in the development of CFT is that the couple relationship and the financial process operate within a larger context called an “ecosystem” (White & Klein, 2002, p. 208). The ecosystem is described as an “arrangement of mutual dependencies in a population by which the whole operates as a unit and thereby maintains a viable environmental relationship” (Hawley, 1986, as cited in White & Klein, 2002, p. 208). The ecosystem contains “elements of wholeness and interdependency of parts” (White & Klein, 2002, p. 208). The elements of wholeness for CFT are both biophysical and environmental. These elements include but are not limited to age, culture, religion, economy, culture, community, education, gender, and ethnicity. These elements and the couple relationship and financial process are interdependent with each other. This is portrayed in Figure 2.1.

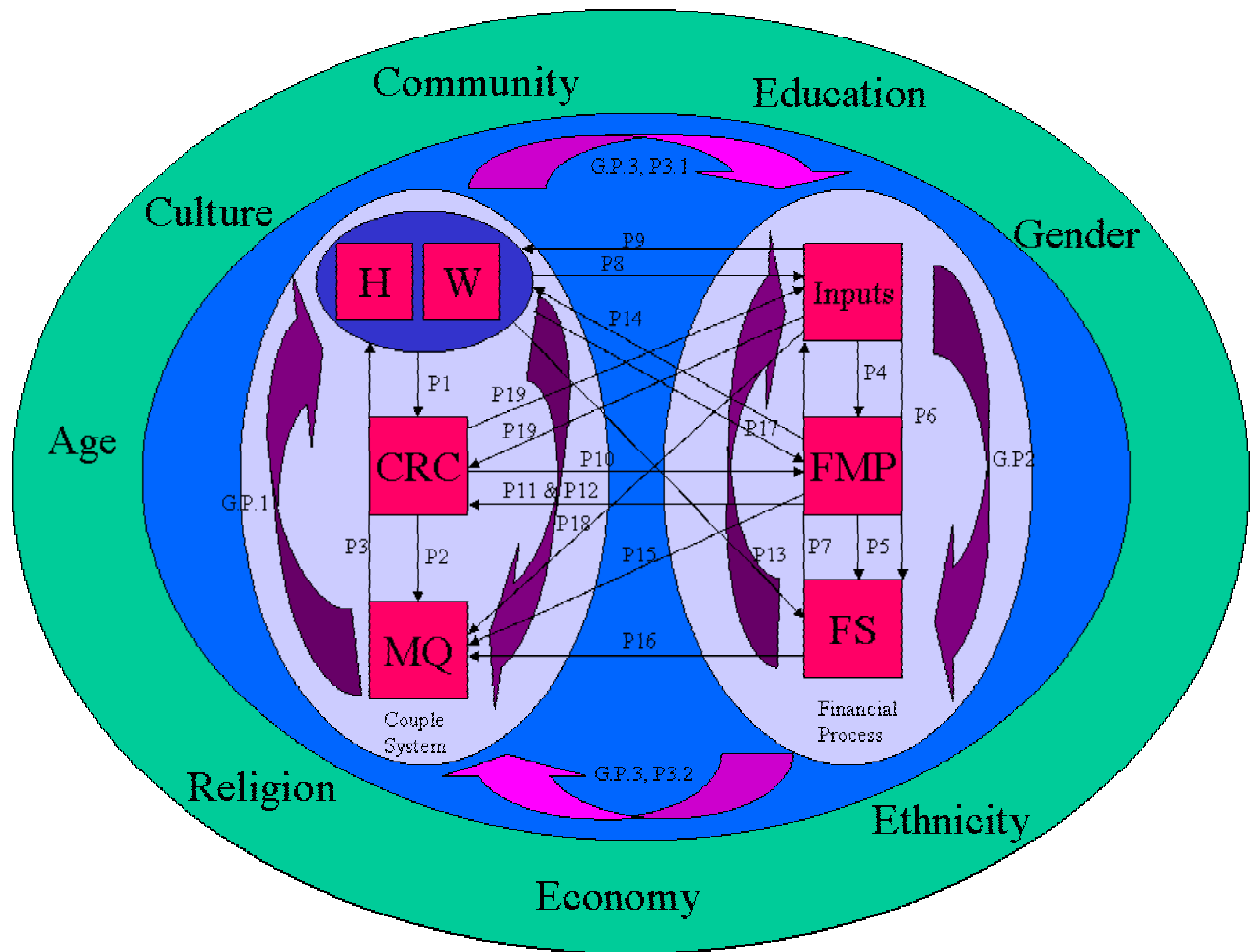
### ***Propositions***

This section will display three sets of empirical propositions which were extracted from the available literature related to couples and finances. Following each set of empirical propositions, a general proposition will be presented which connects the closely related empirical



propositions. Assumptions and empirical, general, and sub-propositions are illustrated in Figure 4. These propositions will help in establishing an understanding of the connection between couples and finances, in order to more fully understand how the marital relationship is impacted by finances.

**Figure 2.4 Couple and Finances Model with Propositions**



***The Connections within the Couple Relationship***

*Empirical Proposition 1(P.1): Individual attributes that each spouse brings into the couple relationship impacts the couple’s relationship characteristics.*

Individual attributes such as family-of-origin experiences, and personality traits have been linked to how spouses interact with each other. Husbands' and wives' family-of-origin experiences have been shown to influence marital adjustment (Sabatelli & Bartle-Haring, 2003). This finding suggested that individuals who perceived growing-up in less functional families experienced more difficulties in their intimate partnerships. Personality traits have also been linked to marital adjustment and distress. Haring, Hewitt, and Flett (2003) described perfectionism as a personality trait that is a predictor of marital adjustment for both husbands and wives. Their findings suggested that an individual's personality traits not only affect how one perceives themselves and his/her marriage but it also affects the partner's experience of the marriage.

*Empirical Proposition 2 (P.2): When couples implement positive relationship characteristics, they have higher marital quality.*

Several studies have been conducted to enhance our understanding of how marital quality or marital satisfaction is increased. Amato, Johnson, Booth and Rogers (2003) studied how marital quality has changed between 1980 and 2000. They found that increases in marital heterogamy, premarital cohabitation, wives' extended employment hours, and wives job demands were associated with declines in marital quality. Increased economic resources, decision-making equality, non-traditional gender attitudes, religiosity, and support for lifelong marriage were associated with improved marital quality. Wives' perception of marital quality appeared to improve when husband's share of housework increased. However, the inverse was true for husband's perception of marital quality when they participated in more housework. This same studied also demonstrated that marital interaction between husbands and wives decreased over the twenty year span. This finding is most likely due to the fact that couples have non-overlapping work schedules, spouses becoming more independent of each other, and increased demands by children's extra-curricular activities.

Several studies have indicated that more egalitarian roles increase marital quality. Previti and Amato (2003) studied why people stay married based on rewards and barriers. Their findings indicated that people perceived cohesiveness of their marriages in terms of rewards such as love, respect, friendship and good communication, rather than barriers or alternatives. Previti

and Amato (2003) also found that those who perceived their marriage cohesiveness in terms of rewards tended to be happier in with their marriages and thought less about divorce. Barriers cited in the study that kept couples together included staying together for the sake of the children, lack of financial resources, religious beliefs, commitment to life long marriage, and maintenance of traditional bread-winner-homemaker roles. These barriers appeared to keep unhappy couples together for a certain period of time, but then the unhappy couples were likely to find a way to overcome these obstacles.

Another study explored how dual earning married couples practiced marital partnership in ways that supported effective work-family balance (Zimmerman, Haddock, Current, & Zimba, 2003). More positive work-family balance would likely increase marital quality. Zimmerman et al (2003) discovered six themes which improved an effective balance of work and family, including shared housework, mutual and active involvement in childcare, joint decision-making, equal access to and over finances, value placed on both partners' work/life goals, and shared emotion work.

Mui-Teng Quek & Knudson-Martin (2006) conducted in-depth interviews with 29 heterosexual, dual-earner newlywed couples in Singapore, which is a collectivist culture. They argued that American couples claim to have egalitarian marriages but do not back it up with their actions. In contrast, they found that couples in Singapore reported having traditional relationships yet practice more equal relationships. Equality in this collectivist culture was demonstrated by couples carrying out dyadic processes, including career as central to the relationship, flexible allocation of household duties, equal say in decision-making open dialogue regarding conflict, and internalized processing through self-reflection. These themes provide further understanding of the egalitarian roles that ultimately increase marital quality.

Gottman, Coan, Carrere, and Swanson (1998) found in their study of 130 newlywed couples that the only variable that predicted both marital stability and marital happiness among stable couples was the amount of positive affect during conflict. They concluded that marriages which were happy and stable had a pattern of working through conflict by the wife using a softened start-up, the husband accepted influence from the wife, the husband de-escalated low-intensity negative affect, the wife was able to soothe her husband through humor, and the

husband was likely to use positive affect and de-escalation to effectively soothe himself. This pattern describes how couples manage conflict, which is considered a couple relationship characteristics as defined in this paper

*Empirical Proposition 3 (P.3): Marital quality impacts individual spousal attributes.*

Johnson and Booth (1990) found that those who underwent financial distress showed a substantial increase over a 5-year period in their likelihood of entertaining thoughts of divorce. Almost half of this effect was due to increased depression. Furthermore, they found that depression lead to decreases in marital quality in the case of divorce. Cano, Christian-Herman, O'Leary, and Avery-Leaf (2002) interviewed 41 Caucasian women, who had participated in a previous study, concerning the short-term effects of severe marital stressors. The results of this study showed that additional marital stressors, such as threats of marital dissolution, infidelity, severe financial problems, physical abuse, and alcohol abuse, occurred in the context of marital discord. This study indicated that marital discord is predictive of future marital stressors and depression. Together, these findings indicate a relationship between marital quality and individual spousal attributes such as depression.

The empirical research links the three concepts, the dual earner heterosexual marital couple (including individual spousal attributes) couple relationship characteristics, and marital quality, within the couple relationship domain together. This leads to the first general proposition:

***General Proposition 1 (G.1): The couple relationship is interrelated with the husband and wife's individual experiences (individual spousal attributes), couple relationship characteristics, and marital quality.***

General Proposition 1 is demonstrated in Figure 2.2: The couple relationship. This model demonstrates that the relationships among the findings are not linear rather they are interrelated or circular. Each element of the couple relationship domain impacts each other. Husbands and wives (H & W) impact the couple relationship characteristics (CRC) and the couple relationship characteristics impact the husband and wives as individuals. The couple characteristics impact marital quality (MQ) and marital quality impacts the carrying out of couple relationship characteristics. Furthermore, marital quality is linked back to individual spousal attributes.

### ***The Relationships in the Financial Process***

*Empirical Proposition 4 (P.4): The more financial inputs a couple has, the more likely they will have positive financial management practices.*

For the purposes of this model, financial inputs are considered to be elements entering into the financial process such as financial knowledge, financial stress, income level, and savings level. These elements are considered inputs because they influence how financial management is practiced which results in financial satisfaction. Joo and Grable (2004) studied a framework to better understand the determinants of financial satisfaction. In their study, they found that the number of financial dependents, home ownership, and income were directly related to solvency level or the ability to pay bills. Those, who reported more financial dependents, were likely to be less solvent than others. Those with higher household income and those who were homeowners were more likely to be financial solvent. A study conducted by Pahl (2000), which looked at the financial arrangements of married couples, found that the financial practices reflect the economic position of each individual. Pahl (2000) found that the less money that is available, the more tightly it is controlled and added that “the more thankless and demanding is the job of the family account” (p.511).

Megunda and Hira (1990) assessed the causal relationships among communication, money management practices, satisfaction with financial status and quality of life by interviewing 123 individuals. They found that financial knowledge was a major determinant in money management practices. They argued that financial knowledge helps people carry out money management practices.

*Empirical Proposition 5 (P.5): The more positive the couple’s financial management practices (e.g. budgeting, solvency, record-keeping, equal access to financial resources), the more likely the couple will experience higher financial satisfaction*

Joo and Grable (2004) found that the single most influential determinant of financial satisfaction was the individual’s financial practices. These financial management practices included cash management, credit management, budgeting, financial planning, and general money management. This finding suggests that those who practice more desirable financial management tend to be more satisfied with their financial situation. Joo and Grable (2004) also

found that financial solvency was directly related to financial satisfaction. As noted above, financial solvency is the ability to pay bills and was influenced by number of financial dependents, home ownership, and income.

*Empirical Proposition 6 (P.6): Financial inputs are positively associated with financial satisfaction.*

Joo and Grable (2004) stated that financial inputs, such as financial knowledge and financial stress level, directly impacted financial satisfaction. Those who assessed themselves as having higher financial knowledge than others tended to be more satisfied with their financial situation. Financial stress was related to home ownership, financial stressors, solvency, and financial behaviors, and financial management practices. Those who experienced more financial stressful events reported higher financial stress levels. The study also indicated that those who practiced better financial management reported lower levels of financial stress. In the same study, Joo and Grable (2004) reported that those who had higher income and lower financial difficulties were more satisfied with their financial situation. In contrast, those who reported lower income and higher financial difficulties reported lower financial satisfaction. Megunda and Hira (1990) found similar results. They stated that those who had high income and had no financial difficulties evaluated their financial status more positively.

*Proposition 7 (P.7): The more financially satisfied a couple is, the higher the financial inputs.*

Intuitively, it makes sense that the more financially satisfied a couple is, the higher their financial inputs are. This is because as an individual reaps the rewards (financial satisfaction) of their financial practices and existing financial inputs, they may be more likely to further increase their financial inputs such as financial knowledge and income to further increase their financial satisfaction. This would also decrease their financial stress level. Although this proposition was not fully supported by research literature found thus far, I include it as a proposition for the purposes of this theory, leading to the construction of General Proposition 2.

***General Proposition 2 (G.2): The financial process is interrelated with three components: financial inputs, financial management practices, and financial satisfaction.***

General Proposition 2 is demonstrated in Figure 2.3: the financial process. Figure 2.3 illustrates the multiple empirical connections within the financial process. The financial inputs (Inputs) impact the financial management practices (FMP); the financial management practices impact financial satisfaction (FS); and financial inputs impact financial satisfaction. The fourth proposition, financial satisfaction impacts financial inputs, was created intuitively after reviewing the literature. The combination of the four stated propositions, demonstrate that the financial process components are interrelated with one another. It is not a linear phenomena, rather it is circular.

***The Relationship between the Couple Relationship and the Financial Process***

*Empirical Proposition 8 (P.8): Individual spousal attributes lead to financial inputs.*

Several individual factors have been found to influence financial inputs such as financial behaviors, education level, and age. Finke and Huston (2003) examined data from the 1998 Survey of Consumer Finances which contained data for 4,305 households. Finke and Huston found that there is a positive relationship between greater risk tolerance and higher net worth, income, and financial assets. They described those who are willing to take greater risk have significantly higher net worth and significantly higher income.

Education and age are considered to be a theoretical assumptions in the couples and finances theory, however Finke and Huston (2003) found support that these individual attributes do impact financial inputs. They found that age indirectly impacts risk tolerance, also an individual attribute. Those who were younger were willing to take greater risk than those near retirement age. As a result, the greater risk taking of younger individuals lead to higher net worth, income, and financial assets.

Education level, an individual attribute, is distinguished from financial knowledge, a financial input, in the couples and finances theory. Education level refers to the level of formal educational attainment (i.e. high school diploma, college, graduate school). Financial knowledge refers to how much one knows about money matters and does not necessarily refer to formal training. In Finke and Huston's (2003) research, they found individuals with a college degree were more likely to take higher risks than those who had less than a high school education. Once again, education indirectly impacted financial inputs such as income and net worth because the

higher the education level, the greater the willingness to take financial risk, the higher the income and net worth.

*Empirical Proposition 9 (P9): Financial inputs impact individual spousal attributes.*

Support for the inverse relationship of previous proposition was found to also be true, where financial inputs impact individual attributes. According to Joo and Grable (2004), financial knowledge had a positive effect on risk tolerance. This finding indicated that those who were more knowledgeable about investing and financial issues tended to be more risk tolerant. Megunda and Hira (1990) provided support of this proposition in their findings, when they conducted personal interviews with 123 participated who identified themselves as the household's money managers. They reported that one's quality of life satisfaction is, in part, predicted by income. Those who came from households with higher income reported higher satisfaction with quality of life.

*Empirical Proposition 10 (P.10): The more positive relationship characteristics the couple has (good communication skills, love respect, friendship, equal decision-making), the more likely they will instill positive financial management practices.*

Megunda and Hira (1990) found that there was a positive relationship between communication, a couple relationship characteristic (CRC), and financial management practices (FMP). In their study, communication was defined as "the frequency and nature of communicate about money matters with spouse, friends, professionals and family members" (p. 350). Money management practices referred to the frequency of estimating household income and expenses, reviewing an evaluating the family's spending habits, or figure the family household's net worth. Communication was considered a primary determinant of FMP.

Heimdal and Houseknecht (2003) studied income organization or how money is managed within the household of married and cohabitating couples in Sweden and the U.S. They examined data from the 1994 International Social Survey Program. The final sample included 593 respondents from Sweden and 501 respondents from the United States. To be included in the final sample, the participant must have indicated that they were either married or cohabitating and that that at least one of the partners was employed. They found that married couples are more likely than cohabitating couples keep or "pool" their money together in both countries.



They also found that relationship experiences (i.e. married or cohabitating or either partners ever having been divorced) are more important than socio-economic factors to predict FMP. Heimdal and Houseknecht noted that relationship experiences are closely related to feelings of commitment, trust, security, and relationship expectations. These feelings would ultimately impact how a couple manages their finances.

*Empirical Proposition 11 (P.11): The more positive the financial management practices are in the couple relationship, the more likely the couple will have positive couple relationship aspects.*

*Empirical Proposition 12 (P.12): The more negative the financial practices, the more likely the couple has negative couple relationship characteristics.*

Empirical Propositions 11 and 12 are two separate propositions and are inversely related. However, they are presented together because they are supported by the same literature. For instance, Zimmerman et al (2003) reported that couples who are able to effectively balance work and family have increased joint decision-making and equal access to and influence over finances. The findings of this study indicated that striving towards marital equality is important for couples who are struggling with balancing work and family. Both relationships in propositions 11 and 12 are demonstrated in this finding, implying that positive FMP leads to positive CRC and negative FMP leads to negative CRC.

In addition, Megunda and Hira (1990) stated that communication is a main determinant of FMP. Communication about money matters was more prevalent in larger households and households with high debts. This implies that not only does communication impact FMP, but FMP impacts communication. Burgoyne, Clarke, Reibstein and Edmunds (2006) discovered in their in-depth, semi-structured interviews with forty-two heterosexual couples on the brink of their first marriage that a key factor in how couples pooled their money was based on perception of ownership of money. These researchers also found that couples' beliefs about the importance of sharing and independence within the relationship affected how they pooled their money. Furthermore, Yodanis and Lauer (2007) found, in their cross-cultural study of 12,263 married men and women, that equality of household income contribution led to shared management strategies. Yodanis and Lauer's data came from 24 countries participating in the 1994

International Social Survey Programme module on Family and Changing Gender Roles. Pahl (2000) reported that couples who have higher income where the husband is the breadwinner and in control of the finances tend to take advantage of new forms of money management (credit). As a result, the husband tends to pursue his own goals versus consulting with his partner. This finding suggests that the power differential in couples is increased, which is considered a negative CRC in terms of CFT.

*Empirical Proposition 13 (P.13): The more positive individual financial experiences each spouse has, the more financially satisfied the couple will be.*

Empirical Proposition 13 is supported by research literature specifying individual attributes, such as personal characteristics, quality of life, financial behaviors, and risk tolerance are associated with financial satisfaction. Porter and Garman (1993) tested a theoretical model, The Porter Conceptual Model of Financial Well-Being, on 506 Virginia citizens using a mail survey. This theoretical model explained 71% of the variance in financial well-being. This model was a linear combination of predicting variables including personal characteristics, objective attributes, perceived attributes, and evaluated attributes. Personal characteristics included values, goals, and personal disposition. Objective attributes encompassed income and family size. Perceived attributes were satisfaction with standard of living, savings, and investments. Finally, evaluated attributes such as the individual's assessment of how money is currently being spent and past financial experiences. One's overall perceived satisfaction of life showed significantly explain perceived financial well-being as well.

Joo and Grable (2004) found in their study, which randomly sampled 220 white-collar clerical workers, that individual attributes such as financial behaviors and risk tolerance directly impacted financial satisfaction. Higher risk tolerance and higher levels of financial stress were found to be negatively associated with financial satisfaction. This study argued that those who have higher levels of financial risk tolerance tended to also have increased financial expectations. Financial behaviors were related to personal characteristics such as paying credit card bills in full in month and comparison shopping for large purchases.

*Empirical Proposition 14 (P.14): Each spouse has more negative individual experiences when the couple has more negative financial management practices.*

Britt (2005) studied personal, partner, and couple financial behaviors influence on relationship satisfaction. She found that couples who spent higher amounts of money in the relationship had lower levels of self-esteem. She explained that respondents in her study may have recognized their overspending, but they perceived it as a way to enhance their relationship.

Johnson and Booth (1990) found that those who underwent financial distress showed a substantial increase over a 5-year period in their likelihood of entertaining thoughts of divorce. Almost half of this effect was due to increased depression. This finding indicates that when a couple faces financial difficulties due to poor financial management practices, one or both spouses are more likely to experience depression than those who do not report financial distress.

*Empirical Proposition 15 (P.15): Couples who have more positive financial management practices have higher marital quality.*

Kerkmann, Lee, Lown and Allgood (2000) tested whether financial issues affected marital satisfaction with 310 couples living in the student family housing at Utah State University. They found that how finances were managed (FMP) as well as financial problems were significantly related to marital satisfaction (MQ). In fact, they reported that financial factors explained 15% of marital satisfaction. This finding supports the notion that those with higher FMP have higher MQ.

Britt (2005) found three financial variables that were significant predictors of relationship satisfaction. How one's partner spent money appeared to have a negative association to one's relationship satisfaction. This means that, when one perceives that their partner is spending money in a fashion in which they do not agree, then relationship satisfaction lowers. Second, talking about dividing up property was negatively associated with relationship satisfaction. Finally, spending money as a couple was positively associated to relationship satisfaction. These three findings support the notion that FMP is positively related to MQ.

*Empirical Proposition 16 (P.16): Couples who have higher financial satisfaction have higher marital quality.*

Financial satisfaction has been linked to marital quality. Britt (2005) reported that financial satisfaction was positively related to relationship satisfaction or MQ. She explained

that if a person perceives one of the largest areas of the relationship, finances, to be satisfactory, then it is likely that the overall relationship will also be seen as satisfactory.

*Empirical Proposition 17 (P.17): Financial management practices are influenced by individual spousal attributes.*

Hemidal and Houseknecht (2003) found that FMP is influenced by individual attributes, such as employment, in the U.S. They reported that when the man is employed, the couple is less likely than couples with both partners employed to keep money separate. However, there was a difference where the woman was employed compared to both partners being employed. Hemidal and Houseknecht partially rationalized this finding by suggesting that in couples where only the woman was employed, the man was likely still bringing in income through retirement benefits or unemployment benefits. In relationships where the man was employed, the woman may or may not be bring income into the household. Rosen and Granbois (1983) discovered, in their qualitative study of 82 couples in Bloomington, Indiana, that sex-role attitudes and educational level were the most important factors in determining how couples handle financial matters.

*Empirical Proposition 18 (P.18): The more income the couple receives, the higher their marital quality will be.*

Britt (2005) found a curvilinear relationship in the case of income, meaning that income predicted relationship satisfaction up to a certain point, then income became a less significant predicting factor. Lower socioeconomic status has been found to be associated with a greater likelihood of divorce because additional financial strain is linked with lower income (Terling-Watt, as cited in Britt, 2005). This helps to explain why income is an important predicting factor of relationship satisfaction because a certain level of income is necessary to cover household expenses, impacting the tension in the relationship (Britt, 2005). Once this level of income is obtained, income becomes less of a predictor of how the couple perceives relationship satisfaction.

*Empirical Proposition 19 (P.19): The couple relationship characteristics impact financial inputs.*

The relationship between couple relationship characteristics and financial inputs can be seen as bi-directional, where CRC impacts inputs and inputs impact CRC. Rosenblatt and Keller (1983) reported those who experience greater economic distress report greater blaming in the marriage. This finding suggested that couples who face greater financial vulnerability have increased financial stress which increases the likelihood of one spouse blaming the other for the financial stress. The blaming in the marriage deters couples from effectively communicating or resolving conflict within the relationship. Economic stress can also lead to depression which further deteriorates the couple's ability to communicate and resolve conflict, ultimately decreasing marital quality (Johnson & Booth, 1990). This final empirical proposition leads to General Proposition 3:

***General Proposition 3 (G.3): The linkage between the couple relationship and the financial process are reciprocal.***

Empirical propositions 8 through 13 demonstrate the reciprocal nature of the couple relationship and the financial process. This relationship is illustrated in Figure 2.4. In addition, all of the empirical propositions (1-19) are combined and illustrated in Figure 2.4. The linkages between the couple relationship and the financial process are not one-way rather they are bi-directional. As shown in the couples and finances theoretical model, the arrows (empirical propositions) point both ways, whereas the couple relationship impacts the financial process and the financial process impacts the couple relationship. These two relationships are indicated in sub-propositions 3.1 and 3.2:

*Sub-Proposition 3.1 (GP3.1): The couple relationship impacts the financial management process.*

*Sub-Proposition 3.2 (GP3.2): The financial management process impacts the couple relationship.*

### ***Summary of Couple and Finances Theory***

In constructing the couples and finances theory, relevant literature was reviewed and two general assumptions were developed. The first assumption stated that there was a link between the couple relationship and the financial process, which made the development of the theory worthwhile. The second assumption stated that ecological or contextual factors such as age, gender,

culture, ethnicity, religion, community, education, and the economy impacted the entire theory. In this study, ecological and contextual factors are not addressed for the most part. Next, empirical research was examined to identify current themes related to couples and finances. Common terms found in the literature were clearly defined in this model to enhance the focus, clarity, and utility of the model. Inductive methods were used to develop empirical propositions based on the research literature. The empirical propositions were then collapsed to form three general propositions relating to the couple relationship, the financial process, and the connection between the couple relationship and the financial process.

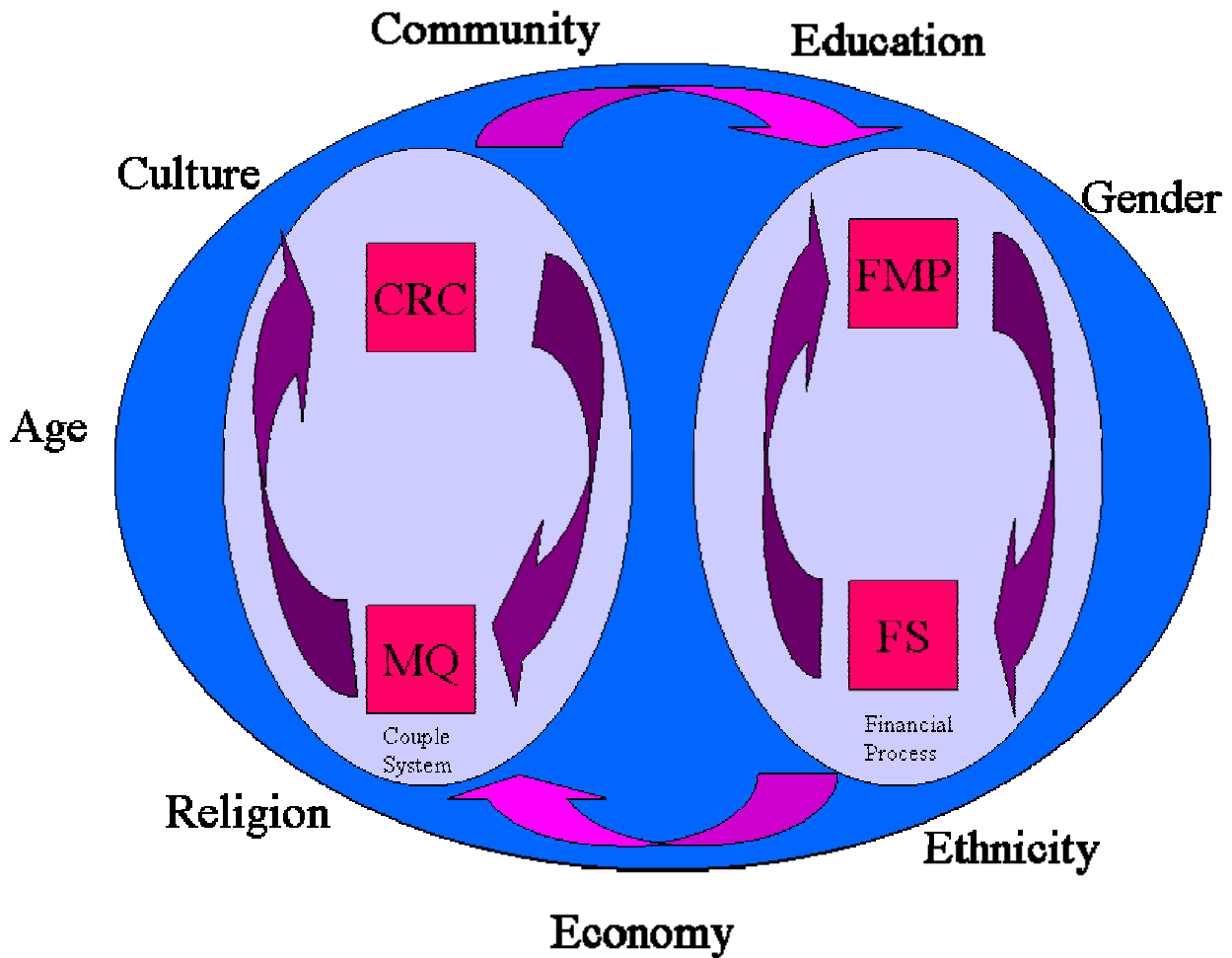
The couple and finances theory focuses on the relationship among individual spousal attributes, couple relationship characteristics, and marital quality. This theory also explores the relationships among financial inputs, financial management practices, and financial satisfaction. Finally, this theory suggests that the link between the couple relationship and the financial process is reciprocal.

### *Using CFT as a Framework*

The Couple and Finances Theory was used to guide this study. CFT was constructed to apply to a broad population of heterosexual married couples. However, in the current study, rural and farm families were selected to evaluate parts of the CFT framework because of the unique complexities within the dynamics of their relationships that are described earlier in this chapter. As stated above, more evidence needs to be found to support the propositions of the theory as well as to support the assumption that the couple relationship and the financial process are interdependent. The overarching goal of the current study was to discover how marital quality and financial management roles are associated. CFT makes assumptions based on systems theory and through empirical evidence that the link between these two concepts are circular rather than linear, meaning that as one variable changes the other variable changes to balance the system (circular) rather than variable A leads to variable B (linear). CFT makes sense to use in this study to support the possible interdependency between marital quality and financial management roles. As stated above, only CRC, MQ, FM, and FS are analyzed in this study. See Figure 2.5. Marital quality was examined using both couple relationship characteristics (CRC), through the Sound

Relationship House Scales (Gottman, 2005), and marital satisfaction (MQ), through the use of the Kansas Marital Satisfaction Scale (Schumm, Paff-Bergen, Hatch, Obiorah, Copeland, Meens, & Bugaighis, 1986). Financial management roles reflected the Financial Management Practices (FMP) and were measured using a Likert-type scale for level of involvement and satisfaction of level of involvement. Financial satisfaction was also measured and analyzed in this study to further explore the interdependency of the couple relationship and financial process domains. FS was measured using a one item scale. More information about each of these scales and the hypotheses developed for this study are provided in the Methodology chapter.

**Figure 2.5 Couples and Finances Model without Individual Contributions**



## **Summary**

The review of literature suggested that marital quality is multifaceted. The literature has also established that multiple aspects of finances, including financial stressors, income, financial satisfaction, income organization, and gender roles impact marital quality. Several studies have indicated that economic distress impacts rural and farm couple's marital quality (Bokemeier & Maurer, 1987; Johnson & Booth, 1990; Rosenblatt & Keller, 1983). Further understanding of how financial management roles are specifically associated with marital quality will enable increased insight into the process of how couples strategize when managing their finances. This research was important for marriage and family therapists, financial planners, agriculture economists, and others who work with farm families. These professionals face the challenges of working with farm families. Because the farm business unit and the family unit are so closely linked, financial professionals often find themselves struggling to work through the relational and emotional issues that farm families present and that are convoluting the financial process. Relationship and mental health professionals often experience difficulty in working with farm families because they do not understand the financial process and do not speak the business language in which farm families can relate. This study was an attempt to assist both groups of professionals in their respective tasks.



## CHAPTER 3 - Methodology

The overall goal of this research project was to understand how household financial management roles and heterosexual marital quality were associated among farm and rural couples. Based on the Couples and Finances Theory (CFT) introduced previously, the following seven questions were formulated to examine this overarching question:

(a) how are the spouses' contribution of responsibility in managing the household finances (financial management practices) associated with financial satisfaction and marital quality? (CFT General Propositions 2 & 3)

(b) how is a couples' perceived satisfaction with the level of financial management involvement associated with his/her marital quality and financial satisfaction? (CFT General Propositions 2 & 3)

(c) how are financial satisfaction and marital quality associated? (CFT General Proposition 3)

(d) how are conflict and communication (couple relationship characteristics) associated with financial role satisfaction? (CFT Proposition 3)

(e) how is shared meaning associated with financial role satisfaction? (CFT General Proposition 3)

(f) what are the effects of couple relationship characteristics (i.e., communication and conflict strategies, and shared meaning in the relationship), level of involvement in household financial management roles, and financial role satisfaction on marital satisfaction? (CFT General Proposition 1 & 3)

(g) what are the effects of couple relationship characteristics (i.e., communication and conflict strategies, and shared meaning in the relationship), level of involvement in household financial management roles, and financial role satisfaction on financial satisfaction? (CFT General Proposition 2 & 3)

## Procedure

### *Sample*

The sample was one of convenience. Possible respondents were randomly selected from a database retrieved from an Oklahoma based financial services organization. This organization asked to remain anonymous. The database contained 173,251 rural, urban, and farm families. The database reflected three levels of organizational involvement: (a) voting member status, (b) non-voting member status, and (c) non-member status. To be a voting member of the organization, individuals must have received more than 50% of their income from agriculture production. Others, who did not meet voting criteria, could choose to be a member or a non-member of the organization. For the purposes of this study, and based on limitations within the dataset, the non-voting membership and the non-membership categories were not separated. The database also distinguished among member types. In this study, the database was divided into eight types of members or sub-types (i.e., “Farming, Greater than 50%” with voting privileges; “Retired” with voting privileges; “Corporation over 50%” with voting privileges; “Part-time Farming;” Agriculture Worker;” Ag, Unrelated Occupation;” Non-Producing Agriculture;” and “Other”). The final sample was generated from three of the member types, including “Farming, Greater than 50%,” “Ag, Unrelated Occupation;” and “Non-Producing Agriculture.” The largest sub-type was “Ag, Unrelated Occupation;” with a total of 122,999 individuals. The smallest sub-type was “Non-Producing Agriculture;” with a total of 471 individuals. The “Farming, Greater than 50%” sub-type contained 33,085 individuals. These three member types were chosen because they were thought to contain urban, rural, and farm couples. Although surveys were sent to three member types, only data from those who indicated they lived in a farm or rural area were examined, since rural and farm couples were the target of this study. It is likely that these respondents were considered “Farming, Greater than 50%,” but there is no way of knowing with certainty because member type was not asked on the questionnaire.

Several similarities and differences existed between Oklahoma residents and the national population. For 2005, the percent of the population residing in rural areas was higher for the state of Oklahoma (36.6%), as compared to the percent of the national population living in rural

areas (17.02%) (USDA Economic Research Service, 2006). Income data from 2004 showed that rural Oklahomans made slightly less (\$23,223) than the national rural population (\$25,105). Approximately 4% of the nation's farms are located in Oklahoma. In 2005, Oklahoma reported having 83,500 farms and national data reported 2,113,470 farms in the U.S. Top commodities in Oklahoma were similar as compared to national commodities. The top commodities in 2005 in the state of Oklahoma were: (a) cattle and calves, (b) hogs, (c) broilers, (d) wheat, and (e) dairy products. In the U.S., the top five commodities were (a) cattle and calves, (b) dairy products, (c) broilers, (d) corn, and (e) soybeans.

In other ways, the Oklahoma sample was representative of national rural farm families. According to the U.S. Census Bureau (2006), the percent of females in Oklahoma (50.7%) was equal to the national percent of females (50.7%) in 2006. Persons older than 65 years of age were slightly higher in the state of Oklahoma (13.2 %) than the national population (12.4%) in 2006. European Americans living in Oklahoma (78.3%) was slightly lower than the national percentage of European Americans (80.1%). Native Americans represented the second largest racial grouping in Oklahoma (8%), which was larger than the national population of Native Americans (1%). At the time of the study, there were 55 distinct tribes living in the state of Oklahoma, each of which spoke their own language (Rural Assistance Center, 2008). The population of Blacks in Oklahoma (7.8%) was lower than the national population of Blacks (12.8%). The Hispanic and Latino population in the state (6.9%) was lower than the national population of Hispanic and Latino (14.8%). In regards to education level in 2000, those age 25 or over having completed a high school education in Oklahoma (80.6%) was similar to the national average (80.4%). However, the average number of persons age 25 and over completing a bachelor's degree in the state (20.3%) was less than the national average (24.4%).

### ***Data Collection***

Two thousand twenty-four survey packets were mailed to households randomly selected from the "Farming, Greater than 50%," "Ag, Unrelated Occupation;" and "Non-Producing Agriculture" member types. One thousand survey packets were mailed to the randomly selected sample from "Farming, Greater than 50%" category. Although the intent of the research was to

examine how financial management roles were associated with marital quality among rural and farm couples, the researcher did not know the marital status of the sample. Therefore, households received a survey packet, which included two paper-pencil surveys (one for each partner) and two addressed stamped envelopes (one for each partner). Respondents, who were in a relationship, were asked to have their partners also complete a survey. The surveys were numerically coded for Partner 1 and Partner 2 in order to facilitate future matching of survey data. For the purposes of this study, only data from individuals, who indicated being married, were examined.

The survey packet contained a letter (Appendix A) inviting recipients to respond to the survey (Appendix B). The survey included an informed consent statement. The survey asked respondents about basic socioeconomic and demographic background information, farm operation, financial management roles, financial satisfaction, financial stressors, communication, and marital quality. Demographic information included in the survey included gender, age, marital status, years married, net farm income, highest level of education completed, religious affiliation, religiosity, race (e.g. African-American, Native-American, Asian, Hispanic, European-American, etc.), ethnicity (e.g. urban, rural, farm), number of persons living in household, years in farming, generations of farm life, number of generations involved in farming, acquisition of farm, and farm composition. Procedures to increase response rates included incentive postcards (Appendix C), where those who participated in the survey were invited to enter a drawing for one of three prizes, including a grand prize of \$100 or one of two \$50 prizes. Respondents could also indicate that they would like to receive the results of the survey. In addition, follow-up postcards (Appendix D) were sent three weeks following the initial mailing (Dillman as cited in Nelson & Allred, 2005). The follow-up postcards also included information that the deadline to return the survey was extended to allow more time for respondents to complete the survey.

### ***Measurements***

A number of personal socioeconomic and demographic characteristics were used as control variables in this study. Gender was coded as male = 1, otherwise 0. Marital status was

dummy coded so that married respondents were coded 1, otherwise 0. Education was dummy coded so that those holding a bachelor's degree or higher were coded as 1, otherwise 0. Household gross income categories ranged from less than \$20,000 to \$100,000. Household income was used as an ordinal measured variable. Years married and age were entered as continuous measured variables. Table 3.1 demonstrates the coding for demographic variables used in this study.

**Table 3.1 Demographic Variables and Coding**

Demographic Variables	Coding Used
Gender	Female = 0 Male = 1
Marital Status	Single/Never Married, Separated, Divorced, Widowed, Not married but living with significant other = 0  Married and Remarried = 1
Education	Some High School, High School Diploma, Some College, and Associates Degree = 0  Bachelor's Degree, Some Graduate School, Master's Degree, Ph.D. Degree = 1
Household Gross Income	Less than \$20,000 = 1 \$20,000-\$30,000 = 2 \$30,000-\$40,000 = 3 \$40,000-\$50,000 = 4 \$50,000-\$60,000 = 5 \$60,000-\$70,000 = 6 \$70,000-\$80,000 = 7 \$80,000-\$90,000 = 8 \$90,000-\$100,000 = 9 More than \$100,000 = 10
Years married	As indicated by respondent
Age	As indicated by respondent

Five standardized marital-relationship measurements were used in this study, including the Kansas Marital Satisfaction Scale (KMS) (Schumm, Paff-Bergen, Hatch, Obiorah, Copeland, Meens, & Bugaighis, 1986) and seven scales from the Sound Relationship House Scales (SRH

Scales) (Gottman, 2005). Financial management role involvement and financial management role satisfaction, and financial satisfaction were assessed using Likert-type scales. Type, number, and level of the significant impact of financial stressors, as well as depression, suicidal thoughts, anxiety, locus of control, hopefulness, and risk behaviors were also assessed, but were not included in the analysis of this study. To help maintain the flow and consistency of the survey, the questions that addressed these areas were included at the end of the survey, but before the demographic section. Each of the measures used in this study is described in further detail below.

### ***Kansas Marital Satisfaction Scale***

The purpose of the KMS is to measure marital satisfaction (Corcoran & Fischer, 2000; Schumm, et al, 1986). The KMS is a 3-item instrument, designed to measure the satisfaction dimension of marital quality. Each item was measured using a 7-point Likert-Type scale. The summated scale was scored with a possible range of 3 to 21 (Corcoran & Fischer). Higher scores reflected greater marital satisfaction. As previously reported in the literature, the KMS appears to have excellent internal consistency with an alpha of .93 (Corcoran & Fischer). Test-retest data were not available at the time of the survey. In the current study, the scale's Cronbach's alpha was .929, which matches well with previous reported reliability scores. The KMS also appeared to have excellent concurrent validity. According to Corcoran & Fischer, the KMS was significantly correlated with the Dyadic Adjustment Scale and the Quality of Marriage Index. The KMS correlated positively with a measure of marital social desirability, suggesting some degree of bias towards socially acceptability (Corcoran & Fischer).

### ***The Sound Relationship House Scales***

Seven of sixteen scales from Gottman's (2005) reduced Sound Relationship House Scales were included in the survey. The Sound Relationship House (SRH) Scales were based on the theory outlined in *The Marriage Clinic* (Gottman, 1999). The goal of SRH Scales was to obtain a profile of the communication processes in a couple's relationship, which was a major interest in this study. Sixteen scales comprised the SRH Scales and fit within one of four categories: Friendship & Intimacy, Conflict, Conflict Processes, and Meaning (Gottman, 2005). Five scales were selected for use in the current study. These scales included: Harsh Start-up, Gridlock on

Perpetual Issues, Compromise, Shared Meaning Roles, and Shared Meaning Goals. These scales were specifically chosen to identify perceptions of conflict patterns and shared views about roles, goals, and money within the relationship. The scales of Harsh Startup, Gridlock on Perpetual Issues, and Compromise scales fit within the “Conflict” category of the SRH Scales. The scales of Shared Meaning Roles, Shared Meaning Goals, and Shared Meaning Symbols fit within the “Meaning” category of the SRH scales. Participants responded by indicating “True” or “False” to the condensed Harsh Start-up, Gridlock, Compromise, Shared Meaning Roles, and Shared Meaning Goals scales. In the original condensed SRH scales, each scale had a husband and a wife component. For the purposes of this study, the words “spouse,” “husband” or “wife” were changed to the word, “partner” and did not distinguish between husband and wife in the phrasing of the statements.

The response of “True” was given a numerical code of 1 and the response of “False” was numerically coded as 0. Each scale was summed and could range from 0-5, with the exception of the Compromise scale, which could range from 0-4. Further detail about each of the five scales used in the study is provided below.

### ***Conflict Scales***

The scales of Harsh Startup, Gridlock on Perpetual Issues, and Compromise scales fit within the “Conflict” category of the SRH Scales. These scales assessed regulation of conflict. Harsh Start-up refers to whether the initial engagement of conflict is negative or not. One statement from the condensed scale was omitted and replaced by another question that came from the longer scale. The statement omitted was, “I find my partner’s negativity unnerving and unsettling.” This statement was replaced by, “I think my partner can be totally irrational.” Based on the profile of potential respondents, the researcher concluded that the replacement statement was easier to comprehend. Internal consistency of the five scales was measured using Cronbach’s alpha (Gottman, 2005). Internal consistency was also measured for longer scales, which were found in the Gottman’s (1999) *The Marriage Clinic*. A shorter version of each scale and the internal consistency scores was used for the purposes of this study (Gottman, 2005). Most of the Cronbach’s alpha scores were very similar for this study as compared to previously reported scores. Gottman distinguished internal consistency for husbands and wives. The Harsh

Start-up had internal consistency of .76 for husbands and .75 for wives. In this study, internal consistency for husbands and wives was not distinguished. For the whole sample, internal consistency was .84. Omitting an original question from the condensed Harsh Start-up Scale and replacing it with another question from the longer version appears to have had a positive impact on the increased internal consistency.

Gridlock on Perpetual Issues refers to the emotional disengagement in which partners employ while in conflict (e.g. does the partner feel respected during conflict, does the couple keep hurting each other, etc.). For the Gridlock on Perpetual Issues, the internal consistency was .65 for husbands and .72 for wives. In the current study, internal consistency was .77. Compromise measures how well each spouse is at finding middle ground with his/her partner. For survey brevity, one statement from the Compromise condensed scale was omitted. The Compromise scale had internal consistency of .69 for husbands and .77 for wives. However, in this study, Cronbach's alpha was .39. Omitting a question from the condensed Compromise scale may have lowered the internal consistency.

### ***Meaning Scales***

Shared Meaning Roles, Shared Meaning Goals, and Shared Meaning Symbols scales fit within the "Meaning" category. These scales assess a couple's ability to honor one another's dreams and to create meaning together. The condensed Shared Meaning Roles scale had an internal consistency of .57 for husbands and .64 for wives. In this study, internal consistency was .69. Of the five statements in the Shared Meaning Goals scale, three statements were measured using dichotomous response categories of "True" or "False." The condensed Shared Meaning Goals scale, consisting of five statements had an internal consistency of .58 for husbands and .81 for wives. Shared Meaning Symbols had an internal consistency of .59 for Husbands and .57 wives. Overall, the "Meaning" scales had an internal consistency of .87 for husbands and a .93 for wives. Spouses' responses to the SRH scales were strongly related to how spouses scored on the Locke-Wallace marital satisfaction scale, the Weiss-Cerreto divorce proneness scales and the SCL-90 psychopathology checklist (Gottman, 1999). As such, these scales were found to demonstrate reasonable concurrent validity.



The two remaining statements from the Shared Meaning Goals scale and two statements from the Shared Meaning Symbols scale also were included in the survey. These statements were measured using a 7-point Likert-type scale to add a deeper level of understanding to how much these concepts contribute to a couple's relationship. A 1 indicated "Strongly Disagree," while a 7 indicated "Strongly Agree." The items were used to evaluate the importance and meaning about money and similar values about autonomy and independence. A factor analysis was conducted in order to validate the scales. Factor analysis identifies commonalities among groups of variables (Field, 2005). According to Field, factor analysis has three primary uses, including

"(1) to understand the structure of a set of variables, (2) to construct a questionnaire to measure an underlying variable, and (3) to reduce a data set to a more manageable size while retaining as much of the original information as possible" (p. 619).

Results from the factor analysis (see Chapter 4) provide partial support for Gottman's SRH scales, with one interesting difference. A new scale emerged from the analysis. The new scale used four statements, measured with a 7-point Likert-type scale, from the Shared Meaning Goals and Shared Meaning Symbols scales. This new scale was entitled *Shared Goals & Values*. The four items within this scale were summed. Response scores could range from 4-28, with lower scores indicating less agreement on life goals and values and higher scores reflecting more agreement on these issues. The mean score was 23.28 and the standard deviation was 4.94. Internal consistency was measured using Cronbach's alpha, which was .88, indicating high level of reliability. The four statements included in this scale were:

- (a) we have similar financial goals.
- (b) our hopes and aspirations, as individuals and together for our children, for our life in general, and for our old age are quite compatible.
- (c) we have similar values about the importance and meaning of money in our lives.
- (d) we have similar values about "autonomy" and "independence."

### ***Financial Management Roles***

Financial management roles were assessed using two different 7-point Likert-type scales. The first component of the Financial Management Roles (FMR) assessment asked respondents to indicate the level of spousal involvement in specific financial management roles from a list of 19

topics (e.g. bookkeeping, financial decision-making, taxes, etc.) (See Table 1). Financial management roles were identified in previous research of farm women (Archuleta, 2005). A score of “1” indicated that the financial management role was primarily the participant’s responsibility. A score of “7” indicated that the role was the participant’s partner’s primary responsibility.

Variances were calculated for each role the participant indicated involvement. A score of 1 (participant’s primary involvement) was recoded to -3; a score of 4 (joint involvement between two spouses) was recoded to 0; and a score of 7, (partner’s primary responsibility) was recoded to 3. The purpose of recoding the scores was to allow the researcher to identify whose responsibility the role belonged to and to calculate variance. Because not each participant was involved in every financial management role, an average variance FMR score was computed to indicate whether or not a participant was highly responsible or less responsible for the financial management roles in their household. Likewise, an average was calculated for financial management role satisfaction.

The second component of the FMR assessment asked respondents his/her level of satisfaction of his/her involvement in each specific financial role (FMRS). A score of “1” indicated that the participant was extremely unsatisfied in his/her involvement. A score of “7” indicated that the participant was extremely satisfied in his/her involvement. No pre-existing reliability data was available for these scales; however, in this study, Cronbach’s alpha was .93 for FMR and .776 for FRMS.

### ***Financial Satisfaction***

Financial satisfaction (FS) was measured by asking respondents to determine how satisfied they were with their present financial situation, using a 10-point stair step question (Joo, 1998; Joo & Grable, 2004; Porter & Garman, 1993). A score of “1” indicated “extremely unsatisfied” and a score of 10 indicated “extremely satisfied. Given that the measure was a one-item scale, no reliability data was available for this measure; however, previous uses of the measure have shown strong validity in predicting subsequent behavior.

## **Analysis**

Data from married farm couples was analyzed for the purposes of this study. SPSS 13.0 (SPSS, 2004) and SPSS Answer Tree 3.1 (SPSS, 2001), statistical software for social research, was used to aid in the analysis of this study. First, a factor analysis was run to evaluate the construct validity of four of the statements, selected from two of the Sound Relationship House scales (Gottman, 2005), used in this study. Second, correlation analysis using Pearson product-moment correlation coefficient was used to determine the relationship between each variable to test hypotheses 1-12. Third, a Classification and Regression Tree method was used to identify predicting factors of marital satisfaction and financial satisfaction. Finally, a multiple regression method was used to test evaluate the strength of the predicting variables on marital satisfaction and financial satisfaction. A description of each method utilized in this study is provided in the following sections, starting with a discussion of the Classification and Regression Tree method and followed by a discussion of the correlation and regression analyses methods.

### ***Factor Analysis***

Four statements from the Sound Relationship House scales were altered, utilizing a 7-point Likert-type scale, rather than dichotomous response categories (True/False). These alterations were made to gain a more complete picture of how couples viewed money. As a result, two statements were selected from the Shared Meaning Goals scale and two statements from the Shared Meaning Symbols scale. One statement from the Shared Meaning Goals scale and one statement from the Shared Meaning Symbols scale specifically addressed the concept of money. These specific statements were of particular interest of the researcher because they dealt with the current study's topic. A factor analysis was conducted in order to evaluate the construct validity of the new scale. As reported earlier, construct validity was confirmed and the new scale was entitled, Shared Goals & Values scale.

### ***Classification and Regression Tree***

A Classification and Regression Tree (CRT) method was used to identify determinants of marital satisfaction and financial satisfaction. Classification tree usage began at the University of California, San Diego Medical Center as a way to identify high-risk patients or those who

would not survive at least 30 days according to the initial 24-hour data from an emergency room visit (Brieman, Friedman, Olshen, & Stone, 1998). When a patient was admitted to the hospital for a heart attack, 19 variables were measured during the first 24 hours. The decision tree method helped identify variables that were the best predictors of a high-risk patient. If a patient answered “yes” to the first of three questions, then it would lead to asking a second question, if the second was affirmative, then a third question would be asked. If the third question was answered with a “yes,” then the patient was considered “high-risk.” The purpose of classification analysis is to “understand what variables or interactions of variables drive the phenomenon” (Brieman et al., p. 6). In the current study, AnswerTree 3.0 was used to perform classification analysis to understand which variables predicted marital satisfaction, financial satisfaction, and financial management role satisfaction. This nonparametric method was used to pre-identify the key variables and prediction for subsequent use in the regression analysis.

AnswerTree is statistical software that creates classification systems and displays the data using decision trees (SPSS, 2001). Decision trees are formed by building decision rules that predict future observations. A Gini splitting criterion was set and no penalty was given to the variables. In order to account for the relatively small sample size, the parent node was set at 10 respondents and the child nodes were set at 5 respondents. Lewis (2000) reported that decision trees are created by assigning respondents into categories. Categories continue to split until no other groups can be formed or until certain stopping limits are reached. In this study, possible trees were limited to five splits; however, the method did not reach the limit during any trial. The primary advantage associated with the CRT method is that the procedure can “handle numerical data that are highly skewed or multi-modal, as well as categorical predictors with either ordinal or non-ordinal structure” (Lewis, p.5). Also, unlike traditional regression methods, issues of sample size and multicollinearity are of less importance. CRT methods are nonparametric, which is beneficial for conducting exploratory research and in cases where sample restrictions may limit the application of regression methods. The decision tree method does not require previous modeling or functional forms of relationship to create group rules. With a small sample size, CRT can help identify the most significant independent variables when many independent variables are present. SPSS (2001) defines the CRT method as:

“choosing the split at each node such that each child node is more pure than its parent node. Here purity refers to the values of the target variable. In a completely pure node, all of the cases have the same value for the target variable. CRT measures the impurity of a split at a node by defining an impurity measure” (p. 192).

For this study, all of the measured variables and scales were entered into AnswerTree to predict the target variable of financial management role satisfaction: age, gender, household gross income, education level, average role responsibility, financial satisfaction, Kansas Marital Satisfaction scale, Shared Goals and Values scale, Harsh Start-up scale, Gridlock scale, Compromise scale, Shared Meaning Roles scale, and Shared Meaning Goals scale. To predict financial satisfaction, financial satisfaction was removed from the predicting variables and entered as the target variable. Along with the 13 variables listed above, financial management role satisfaction was entered as a predicting variable. To predict marital satisfaction, the Kansas Marital Satisfaction Scale was entered as the target variable and financial satisfaction was included as a predicting variable. Results of the decision tree can be found in Chapter 4. Based on the results of the decision tree analysis, hypotheses 13 and 14 utilized a multiple regression method to evaluate the strength of the predicting variables for marital satisfaction and financial satisfaction

### ***Correlation and Regression***

The testing of hypotheses 1 through 12 utilized Pearson Product-Moment correlations to determine the relationship between each variable. Pearson r correlation is used to assess how well two measures change together or covary (Nardi, 2005). Regression analyses were used to determine the contribution to change in the dependent variable brought about by each independent variable (Nardi). Field (2005) explained that simple regression seeks to predict an outcome variable (dependent variable) using a single predicting variable (independent variable). Regression can tell about the power of predicting variables. Based upon the results of the decision tree analysis, hypotheses 13 and 14 utilized a multiple regression method to evaluate the strength of the determinants for marital satisfaction and financial satisfaction. Multiple regression analysis can be used to evaluate interval level data and can be used to assess the

relationships between two or more independent variables and one dependent variable (Nardi). This process serves as a confirmation process of the decision tree method.

Table 3.1 describes the measurements that were used to assess each hypothesis. Following each hypothesis, the general proposition for the Couples and Finances Theory, which was introduced in Chapter 2) is indicated. The table also indicates which unit of measurement was utilized as independent and dependent variables. For hypothesis 13, the independent variables were used to predict and explain the dependent variable of marital satisfaction (See Table 3.1). For hypothesis 14, the independent variables were used to predict and explain the dependent variable of financial satisfaction (See Table 3.1).

**Table 3.2 Measurement & Analysis of Hypotheses**

Hypothesis	Measurement
1. The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her financial satisfaction. (CFT General Proposition 2)	Financial Management Role Involvement Scale (FMR) (Independent Variable) & Financial Satisfaction Scale (FS) (Dependent Variable)
2. The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her marital relationship. (CFT General Proposition 3)	FMR (Independent Variable) & Kansas Marital Satisfaction (KMS) (Dependent Variable)
3. The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her financial satisfaction. (CFT General Proposition 2)	Financial Management Role Satisfaction Scale (FMRS) (Independent Variable) & FS (Dependent Variable)
4. The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her relationship. (CFT General Proposition 3)	FMRS (Independent Variable) & KMS (Dependent Variable)
5. The more satisfied one is financially, the more satisfied he/she will be in the relationship. (CFT General Proposition 3)	FS (Independent Variable) & KMS (Dependent Variable)
6. When one spouse engages in “harsh startup,” the less satisfied he/she will be in his/her financial roles. (CFT General Proposition 3)	Harsh Startup Scale (HS) (Independent Variable) & FMRS (Dependent Variable)
7. When one spouse is able to engage in compromise, the more satisfied he/she will be with his/her financial roles. (CFT General Proposition 3)	Compromise Scale (Independent Variable) & FMRS (Dependent Variable)
8. When one spouse engages in negative conflict processes, the less satisfied he/she will be with his/her financial roles. (CFT General Proposition 3)	Gridlock on Perpetual Issues (Independent Variable) & FMRS (Dependent Variable)
9. When one spouse perceives “shared meaning” about his/her roles with his/her spouse, then he/she will be more satisfied in his/her financial roles. (CFT General Proposition 3)	Shared Meaning Roles Scale (SMR) (Independent Variable) & FMRS (Dependent Variable)
10. When one spouse perceives “shared meaning” about his/her goals with his/her spouse, then he/she will be more satisfied in his/her financial roles.	Shared Meaning Goals Scale (SMG) (Independent Variable) & FMRS (Dependent Variable)

11. When one spouse perceives “shared meaning” about money with his/her spouse, then he/she will be more satisfied with his/her financial roles. (CFT General Proposition 3)	Shared Goals & Values Scale (Independent Variable) & FMRS (Dependent Variable)
12. When one spouse perceives “shared meaning” about autonomy and independence with his/her spouse, he/she will be more satisfied with his/her financial roles. (CFT General Proposition 3)	Shared Goals & Values Scale (Independent Variable) & FMRS (Dependent Variable)
13. The more one spouse engages in effective communication and conflict strategies, the higher he/she perceives shared meaning in the relationship, the more involved and satisfied he/she is with his/her financial roles, and the more financially satisfied one is, the more satisfied he/she will be in his/her relationship. (CFT General Proposition 3)	HS, Gridlock, Compromise, SMR, SMG, Shared Meaning about Money, Shared Meaning about Autonomy and Independence, FMR, FMRS, FS Scales (Independent Variables), & KMS (Dependent Variable)
14. The more one spouse engages in effective communication and conflict strategies, the higher he/she perceives shared meaning in the relationship, the more involved and satisfied he/she is with his/her financial roles, and the more satisfied one is in his/her relationship, the more satisfied he/she will be financially. (CFT General Proposition 3)	HS, Gridlock, Compromise, SMR, SMG, Shared Meaning about Money, Shared Meaning about Autonomy and Independence, FMR, FMRS, KMS Scales (Independent Variables), & FS (Dependent Variable)

### *Summary*

The overall goal of this study was to explore the relationship between financial management roles and marital quality among rural and farm couples. In order to understand this phenomenon, this study was designed to investigate the relationships between and among financial management roles, financial management role satisfaction, financial satisfaction, marital satisfaction, and dyadic couple process (i.e. Harsh Start-up, Gridlock, Compromise, and Shared Meaning). The data were analyzed using AnswerTree 3.0 and SPSS 13.0 statistical software. The results of the study were used to understand how couples negotiate financial tasks within their marriage and how it impacts marital quality.



## CHAPTER 4 - Results

### Sample Characteristics

Data were obtained by mailing 4,048 surveys to 2,024 households in the state of Oklahoma. Each household was sent a survey packet containing two paper-pencil surveys. This strategy was taken because the researcher did not know the marital status of the household member receiving the packet. A total of 126 surveys were returned useable; 27 survey packets were returned undeliverable and 23 surveys were returned unusable with missing data. The response rate is difficult to determine for this sample because the second paper-pencil survey included in the packet may have been irrelevant if the household had only one adult. For example, sending a survey packet with two surveys to one household with a single individual may result in a skewed response rate. The single individual received the survey but no one received the second survey. The purpose of the study was to examine financial management roles and marital quality of among farm couples. As a result, the sample was delimited to respondents who indicated that they were married and lived in a rural or farm area ( $n = 55$ ).

Complete descriptive statistics and coding for the demographic variables of the sample are presented in Table 4.1. The average age of respondents was 55.87 ( $SD = 11.03$ ) years. The average years couples were married was 26.98 ( $SD = 15.22$ ). Forty-nine percent of the sample were male and 51% were female. As mentioned in Chapter 3, the highest level of education was dummy coded so that attainment of a bachelor's degree and above was equal to 1; otherwise, 0. Forty-eight percent of the sample reported holding a bachelor's degree or higher level of education. Nearly all of the sample reported their ancestry as European-American (85.5%,  $N = 1$ ), while 10.9% identified themselves as Native American or Alaskan Native ( $N = 6$ ). The average household gross income fell in the range of \$50,000-\$60,000 ( $M = \$56,600$ ,  $SD = 3.08$ ). The average number of years involved in a farming or ranching operation was 29.81, while the total number of acres owned or rented was 1,148.

**Table 4.1 Demographic Characteristics of Sample**

Variable and Codes	N	Mean	SD
Age	55	55.87	11.03
Years Married	55	26.98	15.22
Gender Female =0 Male =1	55	.49	.51
Level of Highest Education  Some High School, High School Diploma, Some College, and Associates Degree=0  Bachelor's Degree, Some Graduate School, Master's Degree, Ph.D. Degree=1	54	.48	.50
Primary Ancestry  European-American = 1 American Indian or Alaska Native=2 Asian=3 Pacific Islander=4 Hispanic/Latino=5 African-American=6 Other=7	54 47 6 0 0 0 0 0 1	1.22 87% 10.9% 0 0 0 0 1.9%	.86
Household Income  Less than \$20,000=1 \$20,000-\$30,000=2 \$30,000-\$40,000=3 \$40,000-\$50,000=4 \$50,000-\$60,000=5 \$60,000-\$70,000=6 \$70,000-\$80,000=7 \$80,000-\$90,000=8 \$90,000-\$100,000=9 More than \$100,000=10	53	5.66	3.08
Years Involved in Farming/Ranch Operation	37	29.81	16.52
Total Number of Acres Owned and/or Rented	32	1148.34	1431.64

All respondents reported being involved in more than one financial management role (e.g. bookkeeper, estate planning, decision-making, etc). Table 4.2 displays complete descriptive characteristics for each financial management role. As reported in Chapter 3, respondents scaled

their level of involvement on a 7-point Likert-type scale. For the purpose of analysis, roles were coded with -3 as the participant's primary responsibility, 0 as joint responsibility, and 3 as the partner's responsibility. For the majority of the roles listed, most respondents indicated that they held primary responsibility for the role or that the role was a joint task. Crop production was the only financial management role that was reported to be more in the direction of the partner's primary responsibility ( $M = .09$ ,  $SD = 2.66$ ). Estate planning appeared to be a joint effort ( $M = .00$ ,  $SD = 1.45$ ), while financial decision-making leaned more in the direction of the respondent's primary responsibility ( $M = -.19$ ,  $SD = 1.33$ ). More than 80% of respondents reported some involvement in the roles of bookkeeper, record tracking, bill paying, financial decision-making, taxes, farm related insurance, family related insurance, equipment purchases and sales, estate planning, and communication to others. Table 4.2 also displays an absolute value average scale score for financial management role involvement ( $M = 1.01$ ,  $SD = .82$ ), ranging from 0 to 3. An absolute value of 0 is considered joint and an absolute value of 3 is considered individual responsibility. The mean scores reflect more joint responsibility than individual responsibility. The financial management role involvement scale was calculated to reflect absolute values for the purposes of the methodology, including correlations, decision trees and multiple regressions.

**Table 4.2 Financial Management Role Involvement Characteristics**

Item	Mean	SD	Coding
Bookkeeper N = 50	-.64	2.46	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Record Tracking N = 47	-.77	2.14	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Bill Paying N = 51	-.69	2.36	-3 = Participant's Primary Responsibility 0 = Joint 3=Partner's Primary Responsibility
Employee Wages N = 29	-.21	1.93	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Financial Decision Making N = 54	-.19	1.33	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility

Taxes N = 49	-0.27	2.41	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Farm Related Insurance N = 45	-0.13	2.07	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Family Related Insurance N = 51	-0.24	1.86	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Equipment Purchases and Sales N = 46	-0.04	2.10	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Buying and Selling Commodities N = 35	-0.57	2.25	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Marketing N = 33	-0.30	2.38	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Information Gathering N = 37	-0.65	2.18	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Livestock Purchases and Sales N = 36	-0.14	2.43	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Crop Production N = 32	0.09	2.66	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Computer Database Management N = 32	-0.22	2.79	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Retirement Planning N = 50	-0.08	1.55	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Estate Planning N = 42	0.00	1.45	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Execution of Legal Proceedings N = 43	-0.02	1.34	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Communication to Spouse, Corporation, Employees, Landowners, Partners, Family Members, etc.	-0.16	1.22	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility

N = 45			
Other N = 10	-.50	1.43	-3 = Participant's Primary Responsibility 0 = Joint 3 = Partner's Primary Responsibility
Average Scale Score N = 55	-.28	1.28	Min Value = -3 Max Value = 3
Absolute Value Average Scale Score N = 55	1.01	.82	Min Value = 0 Max Value = 3

Respondents appeared to be satisfied with their level of participation in each financial management role. Satisfaction of financial management role involvement was measured with a 7-point Likert-type scale, with 1 being “extremely unsatisfied” and 7 representing “extremely satisfied.” Overall, respondents reported a mean satisfaction level of 5.20 ( $SD = 1.14$ ). Respondents appeared to be least satisfied with their role of record tracking ( $M = 4.82$ ,  $SD = 1.74$ ) and most satisfied with their involvement in equipment purchases and sales ( $M = 5.69$ ,  $SD = 1.16$ ). Complete descriptive statistics for financial management role satisfaction are provided in Table 4.3.

**Table 4.3 Financial Management Role Satisfaction Characteristics**

Item	Mean	SD	Coding
Bookkeeper N = 47	5.11	1.74	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Record Tracking N = 44	4.82	1.74	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Bill Paying N = 49	5.47	1.65	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Employee Wages N = 27	5.22	1.48	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Financial Decision Making N = 54	5.29	1.29	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Taxes N = 45	5.16	1.72	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Farm Related Insurance N = 41	5.32	1.42	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Family Related Insurance	5.30	1.63	1 = Extremely Unsatisfied

N = 47			7 = Extremely Satisfied
Equipment Purchases and Sales N = 42	5.69	1.16	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Buying and Selling Commodities N = 32	5.22	1.52	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Marketing N = 30	5.23	1.46	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Information Gathering N = 34	5.26	1.54	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Livestock Purchases and Sales N = 33	5.42	1.28	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Crop Production N = 30	5.13	1.31	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Computer Database Management N = 29	4.86	1.87	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Retirement Planning N = 46	4.98	1.64	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Estate Planning N = 39	5.08	1.56	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Execution of Legal Proceedings N = 41	4.88	1.81	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Communication to Spouse, Corporation, Employees, Landowners, Partners, Family Members, etc. N = 41	5.39	1.61	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Other N = 10	4.90	1.91	1 = Extremely Unsatisfied 7 = Extremely Satisfied
Average Scale Score N = 51	5.20	1.14	Min Value = 1.5 Max Value = 7

Respondents appeared to be very satisfied with their marriages ( $M = 18.67$ ,  $SD = 3.90$ ). Descriptive statistics for each item on the Kansas Marital Satisfaction Scale (KMS) (Schumm et al., 1986) are reported in Table 4.4. The possible range in scores for the KMS is 3 through 21. A test of reliability of the KMS revealed a Cronbach's alpha score of .93.

**Table 4.4 Kansas Marital Satisfaction Scale Characteristics**

Item	Mean	SD	Coding
1. How satisfied are you with your relationship?	6.24	1.29	1 = Extremely Dissatisfied 4 = Mixed 7 = Extremely Satisfied
2. How satisfied are you with your significant other as a partner?	6.21	1.41	1 = Extremely Dissatisfied 4 = Mixed 7 = Extremely Satisfied
3. How satisfied are you with your relationship your partner?	6.25	1.43	1 = Extremely Dissatisfied 4 = Mixed 7 = Extremely Satisfied
Total Scale Score $\alpha = .93$	18.673	3.90	Min. Value = 3 Max Value = 21

Descriptive statistics and the test for reliability for Gottman's (2005) condensed Sound Relationship House Scales are provided for the scales of Harsh Start-up, Gridlock on Perpetual Issues, Compromise, Shared Meaning Roles, and Shared Meaning Goals in Tables 4.5, 4.6, 4.7, 4.8, and 4.9, respectively. A score of 1 equaled the response of "true" and the score of 0 represented the response of "false." For the scales of Harsh Start-up and Gridlock, a mean score on each item closer to 1 can be interpreted as the participant's perception that he/she and his/her spouse did engage in harsh start-ups and gridlock. Total scores for the Harsh Start-up and Gridlock on Perpetual Issues could range from 0 to 5. Overall, respondents appeared more likely than not to engage in harsh start-up and gridlock when in conflict ( $M = 4.22$ ,  $SD = 1.42$ ;  $M = 4.057$ ,  $SD = 1.41$ ). A test for reliability revealed Cronbach's alpha scores for these two scales to be highly reliable, with .84 for Harsh Start-up and .77 for Gridlock on Perpetual Issues.

**Table 4.5 Harsh Start-up Scale Characteristics**

Item	Mean	SD	Coding
1. Arguments often seem to come out of nowhere.	.80	.40	True = 1 False = 0
2. I seem to always get blamed for issues.	.82	.39	True = 1 False = 0
3. My spouse criticizes my personality.	.89	.32	True = 1 False = 0
4. Our calm is suddenly shattered.	.89	3.20	True = 1 False = 0
5. I think my partner can be totally irrational.	.80	.40	True = 1 False = 0
Total Scale Score A = .84	4.22	1.42	Min Value = 0 Max Value = 5

**Table 4.6 Gridlock on Perpetual Issues Scale Characteristics**

Item	Mean	SD	Coding
1. We keep hurting each other whenever we discuss our core issue.	.85	.36	True = 1 False = 0
2. My partner has a long list of basically unreasonable demands.	.91	.29	True = 1 False = 0
3. I don't feel respected when we disagree.	.77	.42	True = 1 False = 0
4. My partner often acts in a selfish manner.	.81	.39	True = 1 False = 0
5. When we discuss our issues, I feel I am right and my partner is wrong.	.69	.47	True = 1 False = 0
Total Scale Score A = .77	4.06	1.41	Min Value = 0 Max Value = 5

For the scales of Compromise, Shared Meaning Roles and Shared Goals, a mean score on each item closer to 1 can be interpreted as the participant and his/her spouse being more likely to engage in elements of compromise and having similar views on roles within the relationship and on goals for one's life. Respondents appeared to be more likely to engage in aspects of compromise than not, although item 4 of yielding power appeared more difficult ( $M = .46$ ,  $SD = .50$ ). However, a total mean score of 2.87 ( $SD = 1.0$ ) indicated that respondents and their partners



were somewhat likely to engage in compromise. Scores could range from 0-4 on the Compromise scale. However, this scale's reliability was low ( $\alpha = .39$ ).

Respondents reported having very similar views on roles within the relationship and goals for one's life. The Shared Meaning Roles Scale revealed a total scale score mean of 4.43 ( $SD = 1.06$ ), ranging from 0-5. However, the scale's reliability was moderate ( $\alpha = .69$ ). The scale of Shared Meaning Goals produced similar results. Respondents viewed that they and their partners were likely to see eye-to-eye on personal goals ( $M = 2.75$ ,  $SD = .65$ ), on a scale from 0-3. This scale also had moderate reliability ( $\alpha = .67$ ).

**Table 4.7 Compromise Scale Characteristics**

Item	Mean	SD	Coding
1. We are usually good at resolving our differences.	.87	.34	True = 1 False = 0
2. We both believe in meeting each other halfway when we disagree.	.65	.48	True = 1 False = 0
3. In discussing issues, we can usually find our common ground of agreement.	.87	.34	True = 1 False = 0
4. Yielding power is very difficult for me.	.46	.50	True = 1 False = 0
Total Scale Score $\alpha = .39$	2.87	1.0	Min Value = 0 Max Value = 4

**Table 4.8 Shared Meaning Roles Scale Characteristics**

Item	Mean	SD	Coding
1. We share many similar values in our roles as intimate partners.	.93	.26	True = 1 False = 0
2. My partner and I have compatible views about the role of work in one's life.	.89	.32	True = 1 False = 0
3. My partner and I have similar philosophies about balancing work and family life.	.80	.41	True = 1 False = 0
4. My partner supports what I would see as my basic mission in life.	.87	.34	True = 1 False = 0
5. My partner shares my views on the importance of family and kin (sisters, brothers, moms, dads) in our life together.	.95	.23	True = 1 False = 0
Total Scale Score $\alpha = .69$	4.426	1.06	Min Value = 0 Max Value = 5

**Table 4.9 Shared Meaning Goals Scale Characteristics**

Item	Mean	SD	Coding
1. If I were to look back on my life in very old age, I think I would see that our paths in life had meshed very well.	.87	.34	True = 1 False = 0
2. My partner values my accomplishments.	.98	.14	True = 1 False = 0
3. My partner honors my very personal goals, unrelated to my relationship.	.89	.32	True = 1 False = 0
Total Scale Score $\alpha = .67$	2.75	.65	Min Value = 0 Max Value = 3

### Factor Analysis Results

In order to ascertain whether the measures still retained construct validity in this study, as conceptualized by Gottman (2005), a factor analysis, using SPSS 13.0 (SPSS, 2004), using varimax rotation was conducted. This resulted in six factors being extracted, which explained 77% of the overall variance. Table 4.10 shows the variables loading on each of the six factors. Six of the Sound Relationship House scales (Gottman, 2005) were used in the current study's survey; however, the analysis produced a factor structure with items loading on various factors

other than Gottman's original factors (i.e., Harsh Start-up, Gridlock on Perpetual Issues, Compromise, Shared Meaning Roles, Shared Meaning Goals, and Shared Meaning Symbols scales). The first factor reflected statements aimed toward disagreement resolution. The nine items found in the first factor were comprised of Gottman's Harsh Start-up, Gridlock on Perpetual Issues, and Shared Meaning Roles scales. These items were: (a) we are usually good at resolving our differences, (b) our calm is suddenly shattered, (c) arguments often seem to come out of nowhere, (d) we keep hurting each other whenever we discuss our core issues, (e) my partner and I have compatible similar philosophies on balancing work and family, (f) we find our common ground of agreement, (g) I don't feel respected, (h) my partner often acts selfish, and (i) I always get blamed for issues.

The second factor appeared to reflect validation of personal feelings and goals. The second factor was comprised of items from the Harsh Start-up Gridlock on Perpetual Issues, Shared Meaning Roles, and Shared Meaning Goals scales. The specific items were: (a) my spouse criticizes my personality, (b) my partner has unreasonable demands, (c) my partner shares my views on the importance of family and kin (sisters, brothers, moms, dads, in our life together), (d) my partner values my accomplishments, and (e) my partner honors my very personal goals, unrelated to my relationship.

The third factor appeared to reflected similar views about goals and values. These items were derived from the Shared Meaning Goals and Shared Meaning Symbols scales. The specific items in this factor were: (a) our hopes and aspirations, as individuals and together for our children, for our life in general, and for our old age are quite compatible, (b) We have similar values about the importance and meaning of money in our lives, (c) we have similar financial goals, and (d) we have similar values about "autonomy" and "independence,"

The fourth factor appeared to reflect common views and compromise. The items found in this factor came from Gottman's Shared Meaning Roles, Shared Meaning Goals, and Compromise scales. The specific items for the fourth factor included: (a) we have compatible views about the role of work in one's life, (b) we share similar values in our roles as intimate partners, (c) we both believe in meeting each other halfway when we disagree, and (d) if I were

to look back on my life in very old age, I think I would see that our paths in life had meshed very well.

The fifth factor appeared to reflect rationality or whether or not couples saw each other as reasonable. The items in this factor came from Gottman's Shared Meaning Roles and Harsh Start-up scales. These items included: (a) my partner supports what I would see as my basic mission in life, and (b) I think my partner can be totally irrational.

The sixth and final factor indicated individual power in the relationship. This factor was comprised of items taken from the Compromise and Gridlock on Perpetual Issues scales. These items were: (a) yielding power is very difficult for me, and (b) when we discuss our issues, I feel I am right and my partner is wrong.

Although differences were found from Gottman's evaluation of these scales, the researcher kept the scales in their original format, except for four statements taken from the Shared Meaning Goals and Shared Meaning Symbols scales. Characteristics and test of reliability for the scales (i.e., Harsh Start-up, Gridlock on Perpetual Issues, Compromise, Shared Meaning Roles, and Shared Meaning Goals) included in this study, in which response categories remained in their original form (i.e., True/False), were reported earlier.

**Table 4.10 Factor Analysis of Sound Relationship House Scales**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
(11) We resolve our differences	.92	.16	.06	.20	.13	-.14
(4) Calm is suddenly shattered	.77	.28	.31	.11	.20	-.15
(1) Arguments come out of nowhere	.72	.31	.29	-.22	.02	.08
(6) We keep hurting each other	.69	.21	.33	.06	.15	-.19
(17) Similar philosophies on balancing work and family	.66	.36	-.07	.41	.04	.19
(13) We find our common ground of agreement	.64	-.29	.12	.28	-.15	.23
(8) I don't feel respected	.63	.33	.41	.00	.22	.11
(9) My partner often acts selfish	<b>.58</b>	.39	.26	.14	.46	.12
(2) I always get blamed for issues	<b>.57</b>	.52	.31	.20	.11	.28
(3) My spouse criticizes my personality	.25	<b>.75</b>	.35	-.14	.13	.32
(7) My partner has unreasonable demands	.25	<b>.75</b>	.35	-.14	.13	.32
(19) Share importance on the importance of family and kin	.24	<b>.71</b>	-.05	.24	.29	-.10
(21) My partner values my accomplishments	.16	<b>.70</b>	.07	-.02	.11	.34
(22) My partner honors my personal goals	.15	<b>.65</b>	.24	.33	.08	.10
(24) Our hopes and aspirations are compatible.	.22	.23	<b>.82</b>	.26	.15	.03
(25) We have similar values about the meaning of money.	.28	.15	<b>.82</b>	-.01	.25	.12
(23) We have similar financial goals.	.09	.10	<b>.81</b>	-.03	.10	.24
(26) We have similar values about "autonomy" and "independence"	.32	.18	<b>.61</b>	.40	-.22	-.07
(16) We have compatible views about the role of work	-.09	.16	.05	<b>.88</b>	.03	.27
(15) Share similar values in our roles as intimate partners	.18	-.16	.28	<b>.78</b>	.10	-.19
(12) We believe in meeting each other halfway when we disagree	.39	.13	-.09	<b>.58</b>	.26	.08
(20) Looking back, I would see our paths in life had meshed well	.40	.47	.09	<b>.53</b>	.39	-.05
(18) My partner supports my basic mission in life	.02	.38	.10	.18	<b>.74</b>	.13
(5) My partner can be irrational	.36	.12	.38	.04	<b>.67</b>	-.13
(14) Yielding power is difficult for me	.03	-.20	-.07	-.12	.16	-.80
(10) I am right and partner is wrong	.05	.06	.21	-.01	.34	<b>.72</b>

Results of the factor analysis led to the conclusion that there was adequate construct validity for Gottman’s scales because multidimensionality in how couples interact with each other was shown. Because the four items from the Shared Meaning Goals and Shared Meaning Symbols scales were set apart from the traditional Sound Relationship House Scales (Gottman, 2005), a second factor analysis was conducted to determine how well the items fit together into a scale. Table 4.11 displays the factor loading for each item. All item factor weights were above .70, indicating that the items fit well together. As a result, a new scale was formed and entitled *Shared Goals & Values*. A test of reliability using Cronbach’s coefficient alpha for the scale indicated high reliability (.88). A higher score on the Shared Goals & Values scale was used to show that respondents were more likely to agree than disagree with their partners about financial goals, the meaning of money, autonomy and independence, and hopes and aspirations. Respondents reported a total mean score of 23.28 ( $SD = 4.94$ ) on the scale. Responses could range from 4 to 28. Descriptive statistics for the Shared Goals & Values scale are displayed in Table 4.12.

**Table 4.11 Factor Loading for One-Factor Principal Components Solution**

	Factor 1
Factor 1 Shared Goals & Values ( $\alpha=.88$ )	
1. We have similar financial goals.	.91
2. Our hopes and aspirations, as individuals and together for our children, for our life in general, and for our old age are quite compatible.	.89
3. We have similar values about the importance and meaning of money in our lives.	.89
4. We have similar values about “autonomy” and “independence.”	.79

**Table 4.12 Shared Goals & Values Scale Characteristics**

Item	Mean	SD	Coding
1. We have similar financial goals.	5.8	1.42	1 = Strongly Disagree 4 = Mixed 7 = Strongly Agree
2. Our hopes and aspirations, as individuals and together for our children, for our life in general, and for our old age are quite compatible.	5.95	1.34	1 = Strongly Disagree 4 = Mixed 7 = Strongly Agree
3. We have similar values about the importance and meaning of money in our lives.	5.67	1.68	1 = Strongly Disagree 4 = Mixed 7 = Strongly Agree
4. We have similar values about “autonomy” and “independence.”	5.89	1.30	1 = Strongly Disagree 4 = Mixed 7 = Strongly Agree
Total Scale Score $\alpha = .88$	23.28	4.94	Min Value = 8 Max Value = 28

### **Analyses for Hypotheses**

Pearson’s Product-Moment Correlations Coefficients and coefficients of determination were used to evaluate hypotheses 1 through 12. Classification and Regression Tree (C&RT) and multiple regression methods were utilized to test hypotheses 13 and 14. The statistics were analyzed using SPSS 13.0 (SPSS, 2004). In the cases of hypotheses 13 and 14, AnswerTree 3.0 (SPSS, 2001) was used to help identify variables most important in impacting the dependent variables of marital satisfaction and financial satisfaction. Multiple regressions were used to test the decision tree models and to gain insight into how effectively each model predicted the dependent variables.

#### ***Hypothesis 1***

*The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her financial satisfaction.*

The relationship between financial management roles and financial satisfaction was tested by examining the correlation between the Financial Management Roles Involvement scale (FMR) and the Financial Satisfaction (FS) scale. A negative correlation ( $r = -.03$ ,  $\rho = .84$ ) was

found between FMR and FS. The relationship was not statistically significant. Table 4.13 displays Pearson's correlation coefficient, significance, and coefficient of determination statistics for the dependent variable, financial satisfaction. The negative correlation reflected the lower scores (joint responsibility = 0) reported on the FRM and the higher scores (very satisfied = 10) on the FS. Therefore, the results partially supported the hypothesis.

**Table 4.13 Association between FRM & Financial Satisfaction**

Scale	r	P	R <sup>2</sup>
Financial Management Role Involvement	-.03	.84	.00

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

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

### ***Hypothesis 2***

*The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her marital relationship.*

The relationship between financial management role involvement and marital satisfaction was tested with a correlation test between FMR and the Kansas Marital Satisfaction scale (KMS). Results indicated that there was an insignificant inverse relationship between financial management role involvement and marital satisfaction ( $r = -.08$ ,  $\rho = .59$ ). The negative correlation reflected lower scores (joint responsibility = 0) on the FRMS and higher scores (very satisfied = 7) on the KMS. Table 4.14 shows the correlation and coefficient of determination for KMS as the dependent variable displays this data. This hypothesis was partially supported.

**Table 4.14 Association between FMR & KMS**

Scale	r	$\rho$	R <sup>2</sup>
Financial Management Role Involvement	-.08	.59	.01

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

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



### ***Hypothesis 3***

*The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her financial situation.*

The relationship between financial role involvement satisfaction and financial satisfaction was tested using Pearson's Product-Moment Correlation Coefficient and coefficient of determination tests. Financial management role satisfaction was measured with the Financial Management Role Involvement Satisfaction Scale (FMRS). Pearson's  $r$  revealed a significant correlation between FMRS and financial satisfaction ( $r = .37, \rho = .008$ ). Perceived financial management role satisfaction explained approximately 14% of variance for financial satisfaction. In this study, Hypothesis 3 was supported. Table 4.15 outlines this data.

**Table 4.15 Association between FRMS & Financial Satisfaction**

Scale	$r$	$\rho$	$R^2$
Financial Management Role Satisfaction	.37**	.008	.14

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

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

### ***Hypothesis 4***

*The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her relationship.*

The relationship between satisfaction of financial role involvement and marital satisfaction was examined using the FMRS and the KMS. Results showed that the variables related positively ( $r = .25, \rho = .08$ ), but the association was not significant at the .05 level. The evidence supported Hypothesis 4, and the coefficient of determination indicated that financial management role satisfaction explained 6% of variance in marital satisfaction. This hypothesis was supported but not at the .05 level. Table 4.16 displays this data.

**Table 4.16 Association between FMRS & KMS**

Scale	r	$\rho$	$R^2$
Financial Management Role Satisfaction	.25	.08	.06

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

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

### ***Hypothesis 5***

*The more satisfied one is financially, the more satisfied he/she will be in the relationship.*

The relationship between financial satisfaction and marital satisfaction was examined by correlating the FS with the KMS. Results suggested a small positive relationship ( $r = .24$ ,  $\rho = .09$ ); however, the relationship was not statistically significant at the .05 level. The evidence partially supported Hypothesis 5. The coefficient of determination suggested that financial satisfaction explained 6% of variance for marital satisfaction. Table 4.17 shows this data.

**Table 4.17 Association between Financial Satisfaction & KMS**

Scale	r	$\rho$	$R^2$
Financial Satisfaction	.24	.09	.06

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

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

### ***Hypothesis 6***

*When one spouse engages in “harsh start-up,” the less satisfied he/she will be in his her financial roles.*

The relationship between harsh start-ups, while in conflict, and financial management role satisfaction was tested by correlating the Harsh Start-up scale (HS) and the FRMS. Results concluded that there was a small but positive non-significant relationship between these two variables ( $r = .18$ ,  $\rho = .28$ ). The statistic,  $R^2$ , indicated that only 3% of variance for financial management roles satisfaction was explained by harsh starts. The data did not support this hypothesis. Instead, the results indicated that when one spouse perceived harsh starts in the relationship, they were more satisfied with their financial roles. However, this finding was

statistically insignificant. Table 4.18 displays each Sound Relationship House scale's relationship to financial management role satisfaction.

**Table 4.18 Associations between SRH scales & Financial Management Role Satisfaction**

Scale	r	$\rho$	R <sup>2</sup>
Harsh Start-up	.18	.29	.03
Compromise	.14	.35	.02
Gridlock on Perpetual Issues	.14	.34	.02
Shared Meaning Roles	.40**	.004	.16
Shared Meaning Goals	.09	.53	.01
Shared Goals & Values (shared meaning about money and shared meaning about “autonomy” and “independence”)	.33*	.018	.11

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

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

### ***Hypothesis 7***

*When one spouse is able to engage in compromise, the more satisfied he/she will be with his/her financial roles.*

The relationship between compromise and satisfaction of financial management roles was examined with the Compromise scale and the FRMS. Results led to the conclusion that there was a small positive correlation ( $r = .14$ ,  $\rho = .35$ ) between compromising and satisfaction with one's financial management roles, but it was not statistically significant. This finding means that when a spouse perceives compromise in the relationship, he or she is somewhat likely to be satisfied with his/her financial management roles. Further analysis of coefficient of determination found that compromise accounted for 2% of variance for one's financial role satisfaction. See Table 4.18.

### ***Hypothesis 8***

*When one spouse engages in negative conflict processes, the less satisfied he/she will be with his/her financial roles.*

The relationship between negative conflict processes and financial management role satisfaction was analyzed by correlating the scale of Gridlock on Perpetual Issues and the FRMS. Results suggested that there was a small, positive relationship between the two variables ( $r = .14$ ,  $\rho = .34$ ). The findings were insignificant; nonetheless, the results indicated that when a spouse perceived increased gridlock or negative conflict processes in the relationship, financial role satisfaction increased. Although the correlation findings did not support the hypothesis, the coefficient of determination suggested that engaging in negative conflict processes accounted for 2% of the variance for financial role satisfaction. See Table 4.18.

### ***Hypothesis 9***

*When one spouse perceives “shared meaning” about his/her roles with his/her spouse, then he/she will be more satisfied in his/her financial roles.*

The relationship between shared meaning of roles and financial management role satisfaction was studied by correlating the scale of Shared Meaning Roles and the FRMS. A positive relationship was noted ( $r = .40$ ,  $\rho = .004$ ). The coefficient of determination indicated that one's perception of shared meaning about roles in one's relationship accounted for 16% of variance for one's financial management role satisfaction. Findings were significant at the .01 level and support for this hypothesis was found. See Table 4.18.

### ***Hypothesis 10***

*When one spouse perceives “shared meaning” in his/her goals with his/her spouse, then he/she will be more satisfied with his/her financial management roles.*

The relationship between shared meaning about goals in one's relationship and financial management role satisfaction was analyzed by correlating the Shared Meaning Goals scale and the FRMS. Findings indicated that there was no relationship between these two variables ( $r = .09$ ,  $\rho = .53$ ,  $R^2 = .01$ ). The results did partially support the hypothesis that increased shared

meaning about one's life goals increased one's financial management role satisfaction. See Table 4.18.

### ***Hypotheses 11***

*When one spouse perceives “shared meaning” about money with his/her spouse, then he/she will be more satisfied with his/her financial management roles.*

A correlation analysis was used to test the relationship between one's perception of shared meaning about money and financial management role satisfaction utilizing the Shared Goals & Values scale and the FRMS. Results showed a positive and significant relationship ( $r = .33$ ,  $p = .018$ ) between Shared Goals & Values scale and FRMS. This finding indicated that the more a spouse perceived shared meaning about money, the more satisfied he/she was with their financial management roles. A test of the coefficient of determination showed that the Shared Goals & Values explained 11% of variance for financial management role satisfaction. See Table 4.18.

### ***Hypothesis 12***

*When one spouse perceives “shared meaning” about autonomy and independence with his/her spouse, he/she will be more satisfied with his/her financial roles.*

This hypothesis was tested by correlating the Shared Goals & Values scale with the FRMS, like hypothesis 11. This tested the relationship between one's perception of shared meaning about autonomy and financial management role satisfaction. Results showed a positive significant relationship between Shared Goals & Values and FRMS. This finding implied that when spouses shared similar views about autonomy and independence, then the respondent was more satisfied with their financial management roles. A test of coefficient of determination found that Shared Goals & Values explained 11% of variance for financial management role satisfaction. See Table 4.18.

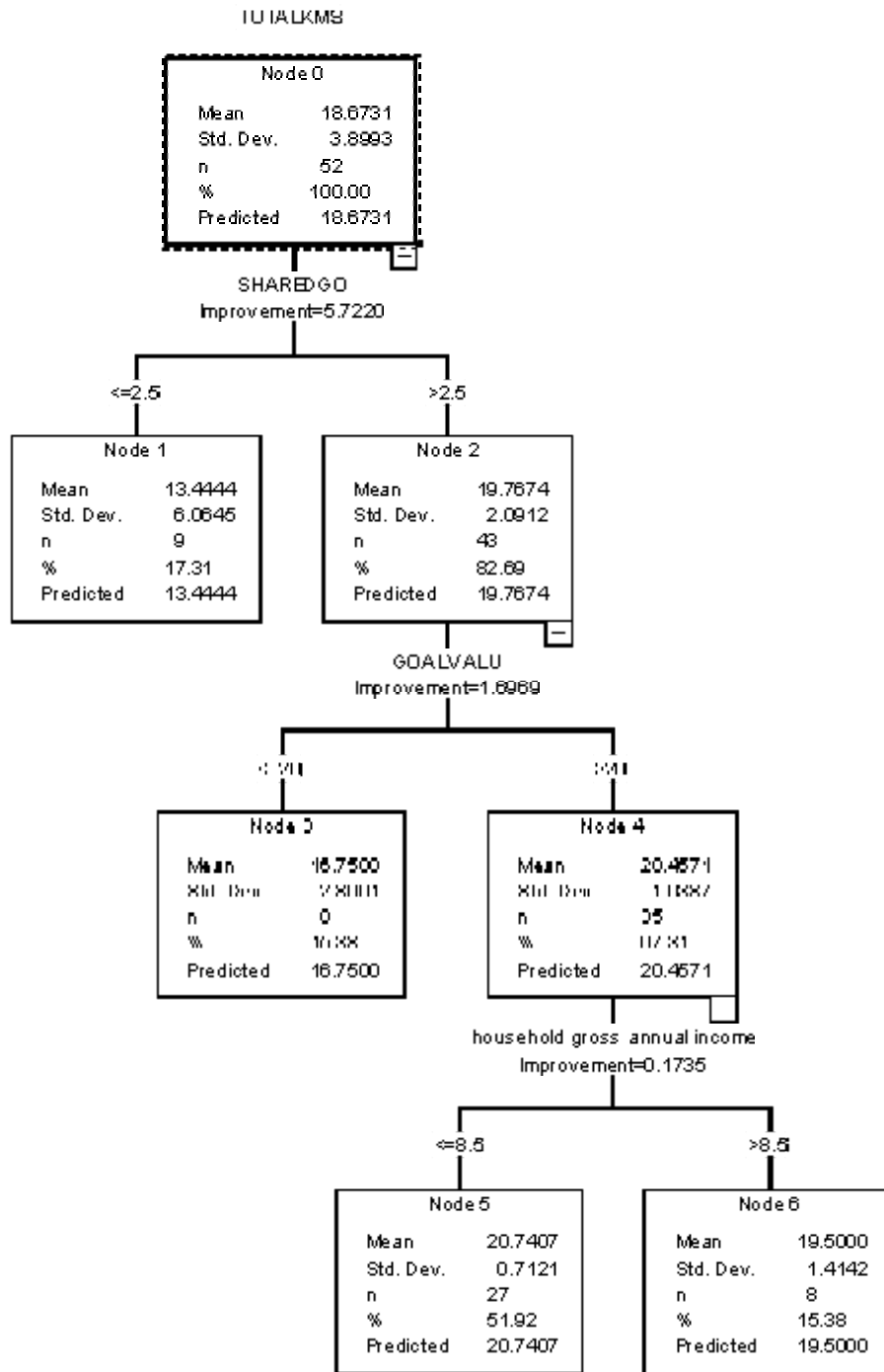
### ***Hypothesis 13***

*The more one spouse engages in effective communication and conflict strategies, the higher he/she will perceive shared meaning in the relationship, the more involved and satisfied*

*he/she will be with his/her financial management roles, and the more financially satisfied one will be, the more satisfied he/she will be in his/her relationship.*

A Classification and Regression Tree methodology was used to address this hypothesis. C&RT was used to reduce the number of variables to an acceptable number for use in regression models. Demographic variables (i.e. age, gender, household gross income, years married, religiosity, and education), as described in the literature review, as well as the condensed Sound Relationship House scales, Financial Management Role Involvement scale, Financial Management Role Satisfaction scale, and financial satisfaction scale were entered as possible independent variables influencing the dependent variable (i.e., Kansas Marital Satisfaction scale). The decision tree (Figure 4.1) illustrates the importance of the shared meaning of goals as the most important factor influencing marital satisfaction. Shared Meaning Goals produced a level of prediction improvement of 5.72 ( $M = 19.77$ ). If a respondent scored a 2.5 or higher (Node 2) on shared meaning goals (maximum value = 3), then they were predicted to be more satisfied with their marriage than those who had a lower score (Node 1). For those scoring 2.5 or higher, Shared Goals & Values became the next important factor. The Shared Goals & Values scale produced a prediction improvement of 1.70. Those with higher shared views on the meaning of money and autonomy in the relationship (Node 4) were more satisfied than those who had less compatible views (Node 3). For those scoring higher than a 20 on the Shared Goals & Values scale (min. value = 3, max value = 28), then household gross annual income became a predicting factor. Household income provided a level of prediction improvement of .17. If income was more than 8.5 (corresponding to income in the range of 80,001 to 90,000) (Node 6), then perceived marital satisfaction was lower than those who had less household income (Node 5). The tree was found to explain 51.14% of marital satisfaction.

**Figure 4.1 Decision Tree for Marital Satisfaction**



Given that the decision tree produced three variables, which were most important to marital satisfaction, multiple regression analysis was conducted to test the robustness of these three variables (i.e. Shared Goals & Values, Shared Meaning Goals, and Annual Household Income) as predictors of KMS. Partial support for Hypothesis 13 was revealed with this model. Forty-four percent of marital satisfaction was explained by these variables. In other words, increased shared views about meaning of money and autonomy in the relationship, shared meaning about goals in one’s life, and relatively high household income resulted in more satisfaction one will have with their relationship. This model was found to be statistically significant ( $F = 11.84, \rho = .00$ ). When evaluated individually, the Shared Goals & Values scale and the Shared Meaning Goals scale were each found to be significant. However, annual household gross income was not significant at the .05 level. Table 4.19 displays the statistics.

**Table 4.19 Summary of Regression Analysis for Individual Variables Predicting Marital Satisfaction**

Variable	B	SE B	$\beta$	$\rho$
Shared Goals & Values Scale	.32	.10	.41*	.001
Shared Meaning Goals Scale	2.33	.71	.40*	.002
Annual Household Gross Income	.02	.15	.01	.90

\*  $p < .05$

### ***Hypothesis 14***

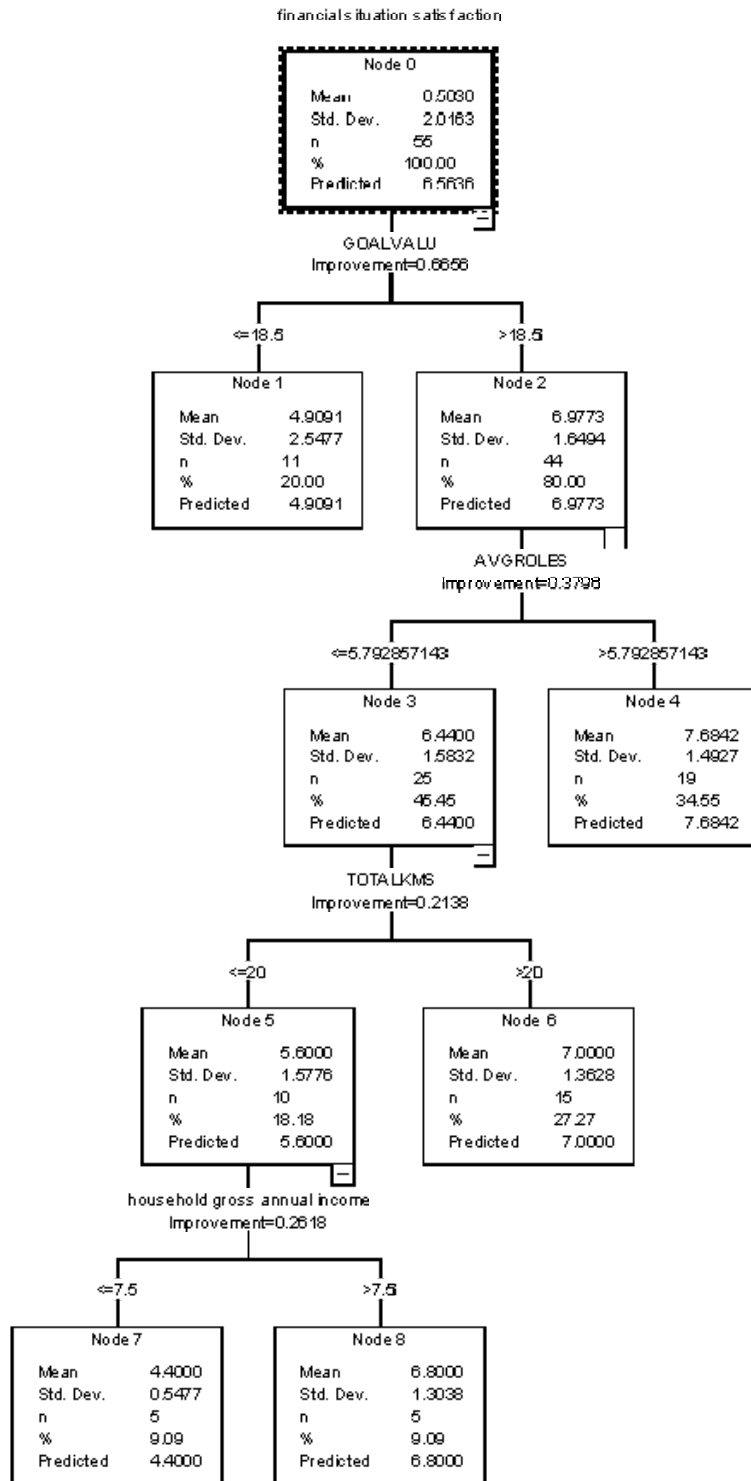
*The more one spouse engages in effective communication and conflict strategies, the higher he/she will perceive shared meaning in the relationship, the more involved and satisfied he/she will be with his/her financial management roles, and the more satisfied one will be in his/her relationship, the more satisfied he/she will be financially.*

A joint CRT and regression modeling approach, as taken with Hypothesis 13, was undertaken with Hypothesis 14. A decision tree was formed after entering the same demographic variables and scale measurements as in the decision tree for marital satisfaction in Hypothesis



13. These variables were entered as predictors of financial satisfaction. The final decision tree identified four major variables as primarily influencing financial satisfaction (see Figure 4.2). The most important influencing factor was Shared Meaning about Goals & Values. This scale produced a level of prediction improvement of .67 ( $M = 6.98$ ). Those who scored higher than 18.5 on the scale (min value = 3, max value = 28) (Node 2) were more likely to be satisfied with their financial situation than those who scored lower than 18.5 (Node 1). For those scoring higher than 18.5, financial management role satisfaction became the next most important factor. FRMS produced a level of prediction improvement of .38. Those who were more satisfied with their role involvement ( $>5.79$ ) (Node 4) were more likely to be financially satisfied than those who scored lower ( $<5.79$ ) on the scale (Node 3). The KMS produced a level of prediction improvement of .21. For those who scored less than 5.79, the next most important factor for financial satisfaction was marital satisfaction. Those who scored higher than 20 on the KMS (Node 6) were more likely than those who scored less than 20 to be financially satisfied (Node 5). Finally, household gross annual income was an important factor for those who scored lower ( $<20$ ) on the KMS. Household income produced a level of prediction improvement of .26. Those with higher household income (between 70,001 and 80,000) (Node 8) were more likely to be financially satisfied than those who had less (Node 7). The final tree explained 36.72% of variance in financial satisfaction.

**Figure 4.2 Decision Tree for Financial Satisfaction**



The four variables identified in the decision tree were entered as independent variables in a multiple regression analysis of financial satisfaction. Partial support for Hypothesis 14 was determined. With all four factors (i.e. Shared Goals & Values, FRMS, KMS and household income) entered simultaneously, this model accounted for 20% of the explained variance in financial satisfaction. While the model was statistically significant ( $F = 2.67$ ,  $\rho = .045$ ), none of the individual variables were significant at the  $\rho < .05$  level. This meant that a positive relationship among shared views about money and autonomy, financial management role satisfaction, marital satisfaction, and household income existed at a statistically significant level only when all these variables were considered together. Individually, none of the variables were significant. Table 4.20 displays the results for the multiple regression analysis.

**Table 4.20 Summary of Regression Analysis for Individual Variables Predicting Financial Satisfaction**

Variable	B	SE B	$\beta$	$\rho$
Shared Goals & Values Scale	.05	.06	.144	.40
Financial Management Role Satisfaction	.35	.24	1.45	.15
Kansas Marital Satisfaction Scale	.08	.08	.17	.33
Annual Household Gross Income	.13	.09	.21	.14

The lack of significance for independent variables was puzzling; the findings contradicted the C&RT analysis. A further analysis of the data was conducted to assess possible multicollinearity that might have been present. As a result, correlation analyses among the independent variables were conducted to identify any highly correlated variables. Results indicated that the Shared Goals & Values scale and the KMS were highly significantly correlated at the  $\rho < .01$  level. Table 4.21 displays correlations among these independent variables.

**Table 4.21 Correlations among Predictors for Financial Satisfaction**

Predictors	1	2	3	4
1. Shared Goals & Values	-	.33*	.56**	.03
2. Financial Management Role Satisfaction		-	.25	.12
3. Kansas Marital Satisfaction			-	-.01
4. Annual Household Gross Income				-

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

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

As such, a second multiple regression analysis was conducted to evaluate the model without the KMS as an independent variable. The KMS was eliminated from the model because the C&RT model showed that the Shared Goals and Values scale was more important as a predictor of financial satisfaction than the KMS. With three factors entered (i.e., Shared Goals & Values, FRMS, and household income), the second multiple regression model also confirmed partial support for Hypothesis 14, however, this time, with stronger statistical significance ( $F = 4.25, \rho = .01$ ). The final model accounted for 22% of the explained variance in financial satisfaction. In this model, the Shared Goals & Values scale and the FRMS were found to be significant predictors of financial satisfaction at the  $\rho < .10$  level, but annual household gross income was not statistically significant. Table 4.22 displays results for the multiple regression analysis. A subsequent multiple regression analysis, not shown, was conducted in which the Shared Goals & Values scale was removed and the KMS was entered as an independent variable, along with FRMS and annual household gross income. This model showed weaker statistical significance than the previous model but was still significant at the  $\rho < .05$  level ( $F = 3.35, \rho < .03$ ). KMS was the only statistically significant independent variable at the  $\rho < .10$  level. A possible interaction effect between the Shared Goals & Values and KMS scales was explored through multiple regression, which is not shown. However, statistical significance was not found.

**Table 4.22 Summary of Regression Analysis for Individual Variables Predicting Financial Satisfaction**

Variable	B	SE B	$\beta$	$\rho$
Shared Goals & Values Scale	.10	.05	.26	.07
Financial Management Role Satisfaction	.42	.23	.25	.08
Annual Household Gross Income	.12	.08	.18	.17

### **Summary of Results**

Several methods and techniques of analysis were used in this study, including a factor analysis, Pearson's Product-Moment Correlation Coefficients, Correlations and Regression Trees, and multiple regressions. Results of the factor analysis provided support for a new scale entitled Shared Goals & Values. Correlational analysis found confirmation for hypotheses 3 and 9, while partial support was found for hypotheses 1, 2, 4, 5, and 10. Hypotheses 6 and 8 were not supported utilizing correlation analysis. A joint modeling approach, using C&RT and multiple regression analyses, provided partial support for hypotheses 13 and 14. A discussion of the results can be found in Chapter 5.

## CHAPTER 5 - Discussion

This discussion relates the results of this study to the literature and theoretical framework discussed in Chapter 2. The discussion deals with how findings from the study support, partially support, or do not support relationships formulated by the general propositions within the Couple and Finances Theory (CFT). In addition, a discussion about the limitations related to this study, implications for practitioners, and future directions for research are presented.

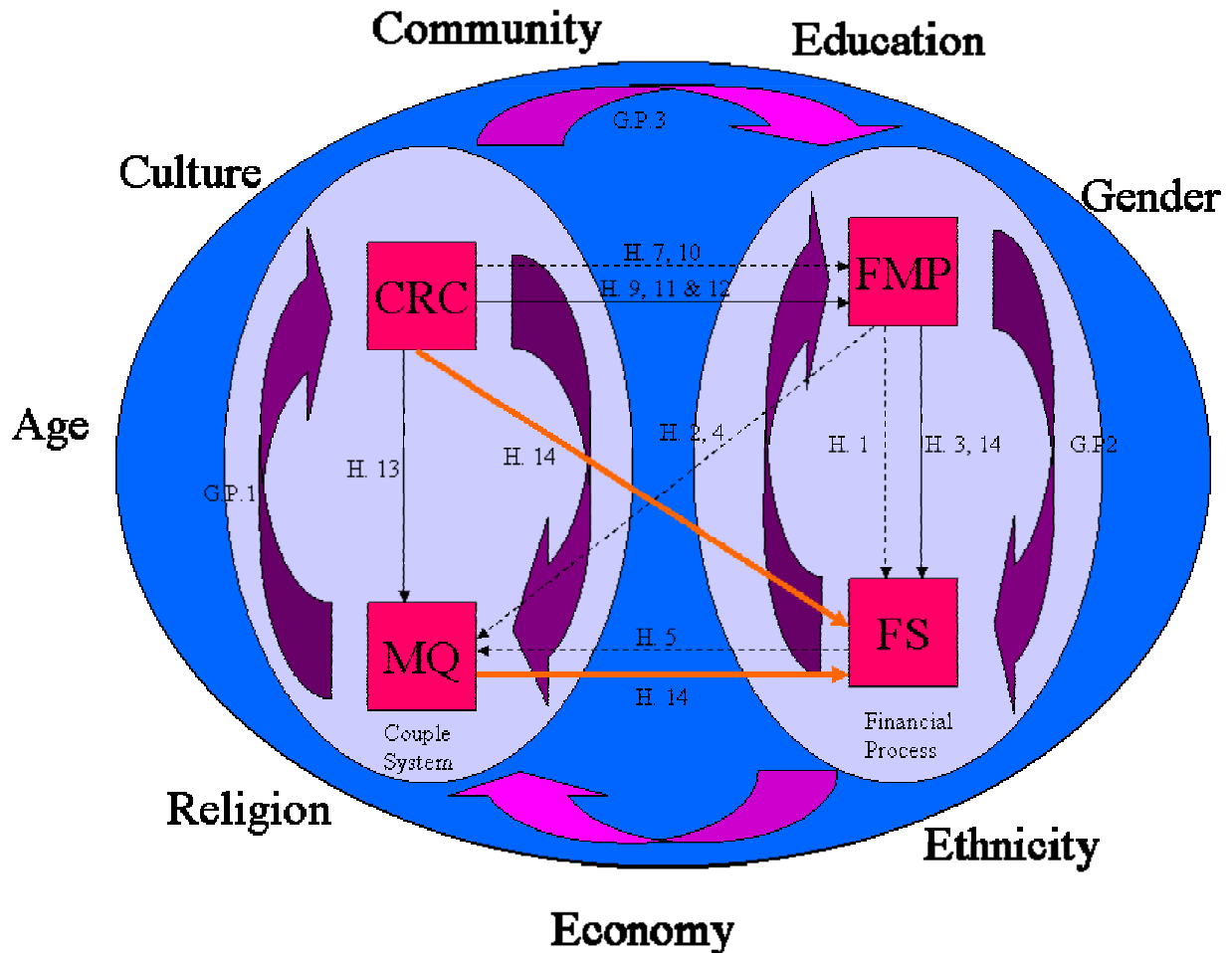
The current study investigated the relationship between financial management roles and marital quality. Respondents were recruited by sending two paper-pencil surveys to 2,024 households in Oklahoma. Respondents, who returned completed surveys and indicated that they were married and living in a rural or farm geographical location, were included in this study (N = 55). In regards to gender, the sample was relatively balanced with slightly more females (51%) participating than males. The delimited sample mirrored the state of Oklahoma and national statistics in respect to gender. Females represented 50.7% of the population both statewide and nationally (U.S. Census Bureau, 2006). The majority of respondents identified themselves as European American (85.5%) or Native American (10.9%). These percentages were higher than the statewide data where European Americans accounted for 78.3% of the population and Native Americans accounted for 8%. Slightly less than half (48.2%) of the sample reported having attained a bachelor's degree or higher. This was significantly higher than the state average of 20.3% and the national average of 24.4%. The mean and median household income for this sample was in the \$50,000-\$60,000 range. Household income was also higher than both the 2004 state average income (\$23,223) and the national average household income (\$25,105) for those living in rural areas (USDA Economic Research Service, 2006). Respondents were slightly older in age (55.87 years) than the national 2002 data for farmers (55.3) (National Agricultural Statistics, 2004). The average number of years (N = 37) respondents reported being involved in a farm/ranch operation was 29.81 years. The total number of acres owned and/or rented for farming/ranching purposes was 1,148.34 acres in this sample. This was higher than the 2002 Oklahoma average, which showed the average size of a farm in Oklahoma was 404 acres (U.S.

Department of Agriculture, 2002). In addition, the average number of years married for this sample was 26.98 years, including those who were both married and remarried.

### **Dynamics among the Couple System and Financial Process**

The Couples and Finances Theory was used as a theoretical framework for this study. Two domains, the couple system and the financial process, comprise the model. For more detail of how the theory works, please refer to Chapter 2 – Theoretical Framework. Models illustrating the dynamics within the model can also be found in Chapter 2. Figure 5.1 illustrates the supported and partially supported relationships among the variables found in this study. The confirmation of Hypothesis 14 adds new empirical evidence and two new relationships within the model. These new findings are represented in the figure with solid orange arrows. The solid black arrows represent the supported findings in this study that provide additional support for relationships that already existed in the literature. The dashed arrows represent the partially supported links found in this study. A brief summary of the supported, partially supported, not supported hypotheses is provided below. Then, a more detailed discussion of the findings relating to the existing literature and new contributions to the literature found within and between the couple system and financial process domains is offered. The entire model could not be tested in this study due to its complexity and the study's sample size. However, new links among elements within the model were supported and additional support for already existing links was provided.

**Figure 5.1 Couples and Finances Model with Support for Relationships**



The results of the study supported hypotheses 3 and 9. Respondents, who reported having a higher satisfaction level with their financial management roles, reported being more satisfied with their financial situation. This confirmation provided additional support for general proposition 2 of the CFT model, which indicated that the elements of the financial process (i.e. inputs, financial management practices, and financial satisfaction) are interrelated. Respondents, who perceived a higher level of shared meaning about roles within their relationship, reported being more satisfied with their financial management role involvement. This finding indicated support for CFT General Proposition 3, which stated that the two domains of the couple



relationship process and the financial process are interrelated. Hypotheses 11 and 12 were analyzed, using the new Shared Goals & Values scale that was developed based on a factor analysis. Data analysis found support for both of these hypotheses. Individuals, who perceived having common goals and values about money and autonomy and independence within the relationship, reported having higher satisfaction with their financial management role involvement. This finding indicated support for CFT General Proposition 3.

Partial support was found for hypotheses 1, 2, 4, 5, 10, 13, and 14. Partial support referred to relationships that between variables that were predicted in the same direction, regardless of effect size, but were not found to be statistically significant. For hypotheses 1, 2, 4, 5, and 10, partial confirmation indicated by correlation analyses discovered relationships, which reflected the hypotheses statements, but were not significant in strength. Hypothesis 1 provided some support for CFT general proposition 1, while hypotheses 2, 4, 5, and 10 provided some support for CFT general proposition 3. For hypotheses 13 and 14, partial confirmation indicated that some of the independent variables listed were found to be predictors of the dependent variables. However, with a small sample, not all independent variables could be tested in the regression model. As a result, only a few variables were entered into each of the regression models. These two models were both found to be significant and therefore, partial confirmation was indicated. These two models provide additional support for CFT General Propositions 1 and 3. Hypotheses 6 and 8 were not supported. Table 5.1 displays each hypothesis the Couples and Finances Theory (CFT) general proposition to which it relates, and the status of the results (i.e. supported, partially supported, not supported).

**Table 5.1 Support for Hypotheses**

Hypothesis	Results
1. The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her financial satisfaction. (CFT General Proposition 2)	Partially Supported
2. The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her marital relationship. (CFT General Proposition 3)	Partially Supported
3. The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her financial satisfaction. (CFT General Proposition 2)	Supported
4. The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her relationship. (CFT General Proposition 3)	Partially Supported
5. The more satisfied one is financially, the more satisfied he/she will be in the relationship. (CFT General Proposition 3)	Partially Supported
6. When one spouse engages in “harsh startup,” the less satisfied he/she will be in his her financial roles. (CFT General Proposition 3)	Not Supported
7. When one spouse is able to engage in compromise, the more satisfied he/she will be with his/her financial roles. (CFT General Proposition 3)	Partially Supported
8. When one spouse engages in negative conflict processes, the less satisfied he/she will be with his/her financial roles. (CFT General Proposition 3)	Not Supported
9. When one spouse perceives “shared meaning” about his/her roles with his/her spouse, then he/she will be more satisfied in his/her financial roles. (CFT General Proposition 3)	Supported
10. When one spouse perceives “shared meaning” about his/her goals with his/her spouse, then he/she will be more satisfied in his/her financial roles. (CFT General Proposition 3)	Partially Supported
11. When one spouse perceives “shared meaning” about money with his/her spouse, then he/she will be more satisfied with his/her financial roles. (CFT General Proposition 3)	Supported
12. When one spouse perceives “shared meaning” about	Supported

autonomy and independence with his/her spouse, he/she will be more satisfied with his/her financial roles. (CFT General Proposition 3)	
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13. The more one spouse engages in effective communication and conflict strategies, the higher he/she perceives shared meaning in the relationship, the more involved and satisfied he/she is with his/her financial roles, and the more financially satisfied one is, the more satisfied he/she will be in his/her relationship. (CFT General Proposition 3)	Partially Supported
14. The more one spouse engages in effective communication and conflict strategies, the higher he/she perceives shared meaning in the relationship, the more involved and satisfied he/she is with his/her financial roles, and the more satisfied one is in his/her relationship, the more satisfied he/she will be financially. (CFT General Proposition 3)	Partially Supported

### ***The Couple System***

Although Hypothesis 13 was aimed toward CFT General Proposition 3, results associated with the hypothesis supported a relationship between Couple Relationship Characteristics (CRC) and marital quality, which added strengthened General Proposition 1 in the CFT. CRC was measured using Gottman’s (2005) condensed Sound Relationship House Scales consisting of Harsh Start-up, Gridlock on Perpetual Issues, Compromise, Shared Meaning Roles, and Shared Meaning Goals. In addition, a new scale was formed and entitled Shared Goals & Values. (See Chapter 4 for more detail of how the scale was developed. In this chapter, there will be more discussion on the implications for this scale.) These scales measured how couples interacted when conflict arose and during conflict. The scales also measured shared meaning on relationship roles, goals in one’s life, money, and autonomy. The Shared Goals & Values Scale and the Shared Meaning Goals scale, along with household gross income, were found to be significant predictors of marital satisfaction. In fact, this model explained 44% of marital satisfaction. Household gross income is considered a “financial input” in the CFT and was not considered for interpretation in this study. (See explanation in Chapter 2 and Figure 2.5.) Respondents of this study scored high on both the Shared Goals and Values ( $M = 23.28$ , Range from 3 to 28) and the Shared Meaning Goals ( $M = 2.75$ , Range from 0 to 3) scales. Respondents also scored high on the Kansas Marital Satisfaction scale ( $M = 18.673$ , Range from 3 to 21). The

high scores may reflect social desirability in completing the survey or more of a willingness to complete the survey because they were able to report positive attributes about their relationship.

The positive and significant association between CRC and marital satisfaction can be explained by Gottman's theoretical, research, and clinical work. Gottman's scales are geared to help couples communicate more effectively and increase marital satisfaction. The shared meaning scales are important because these evaluate partners' views on various topics such as relationship roles, goals in one's life, money, as well as autonomy and independence in the relationship. Gottman (1999) explained that honoring each other's life dreams is important in creating positive affective interaction within a couple. This does not mean that a couple has to agree on all of each other's dreams. A spouse can provide support and tolerance for a partner's life's dreams or share in them fully. Even if a couple disagrees on a subject, they can provide nurturance and caring for the other spouse to support their life's dreams and views about various subjects. This is similar to Previti and Amato's (2003) findings where those who perceived cohesiveness in their marriage tended to be happier in their relationship. Cohesiveness, as defined by Previti and Amato, was viewed as love, respect, friendship, and good communication.

The link between couple relationship characteristics (CRC) and marital quality adds new information to the already existing literature for farm couples. Shared meaning about goals in one's life and the views about money, autonomy, and independence in the relationship appeared to be more important than any other CRC variable, including how couples approach and work through conflict. This finding is important because it means that, for couples to increase their marital satisfaction, couples need to respect and support their spouse's views, even if they do not agree with them. Shared meaning could be a more important variable than other CRC variables because, when a couple has shared meaning, the way they communicate and handle conflict may look different from couples who do not have shared meaning. Shared meaning may soften a couple's affect and, therefore, lowering harsh start-up and gridlock on perpetual issues. Likewise, if shared meaning is in place, a couple may be more likely to negotiate differences or compromise so that both spouses win in an argument, rather than one spouse's winning and the other losing, or both spouses' giving up something in order to meet in the middle.

### *The Financial Process*

Several findings in this study supported CFT General Proposition 2, which fits in the financial process domain of the theory. Hypothesis 1 of this study was partially supported. Hypothesis 1 stated, “The more involved both spouses are with his/her financial management roles, the more satisfied he/she will be with his/her financial satisfaction.” In the current study, the more spouses perceived their roles as joint, the higher their financial satisfaction tended to be. Although the hypothesis was supported, this result was not found to be statistically significant. In this sample, respondents were more likely to indicate that they shared responsibility of each financial management role with their spouse, but they were more likely to take slightly more responsibility for each of the roles (see Table 4.2). This means that those who participated in the study may have had more ownership of each role, yet they often shared the roles’ responsibility with their spouses. It is possible that with a larger sample or a more diverse sample, the findings may change and significance may be increased. Further exploration of this dynamic should be explored.

Confirmation for both hypotheses 3 and 14 were found that specifically related to the financial process domain. Hypothesis 3 stated, “The more satisfied one is with his/her perceived level of financial involvement, the more satisfied, he/she will be in his/her financial situation.” Respondents in this study were fairly satisfied (5.2, Range from 1 to 7) with their financial management role involvement and moderately satisfied with their financial situation (6.56, Range from 1 to 10). Because Hypothesis 14 also took into account financial management role satisfaction as a predictor for financial satisfaction, partial support for the hypothesis was found. Further discussion about Hypothesis 14 is found later in this chapter.

Confirmation of Hypothesis 3 adds new support for the function of financial management role involvement in relation to financial satisfaction. When a spouse perceives satisfaction with their financial role involvement, their perception of satisfaction with their financial situation will likely also increase. Nearly all research on household financial management has focused on how couples pool their money, egalitarian versus traditional roles in managing money (Heimdal & Houseknecht, 2003; Pahl, 2000; Yodanis & Lauer, 2007), and the type of financial practices (e.g. budgeting, financial planning, and debt management) employed (Joo & Grable 2004). Perceived

satisfaction of one's involvement in the various financial management tasks has not been taken into consideration, thus, making this finding noteworthy. This finding is important because it helps to explain how couples can effectively employ financial management practices. As indicated earlier, spouses do not take full responsibility for their financial management roles; however, they do take some responsibility for them. This may be an indicator that spouses take responsibility for roles about which they have more knowledge, interest in doing, or talent in performing, meaning they may be "specializing" in certain roles. These individual level factors may contribute to satisfaction in one's financial role involvement. It is possible that when a role becomes overwhelming or one is uncertain of how to fulfill certain aspects of the role, they can turn to their partner for help or guidance. This aspect may be explained by the partial confirmation of Hypothesis 14 that related CRC variables from the couple system domain to financial satisfaction (FS) of the financial process domain. Further discussion is provided below.

### ***Association between the Couple System and the Financial Process***

CFT General Proposition 3 explains the relationship between the couple system and financial process domains. Additional support for this general proposition in the CFT model was found, including partial support for Hypotheses 5, 7, 10, and 14 as well as full support for Hypotheses 9, 11, and 12. Interestingly, Hypotheses 6 and 8 were not supported. Hypothesis 5 stated that the more satisfied one is financially, the more satisfied he/she will be in the relationship. Although the correlation between financial satisfaction and marital satisfaction was not statistically significant, financial satisfaction was found to explain 6% of the variance for marital satisfaction. This finding is similar to Britt's (2005) findings, indicating that those who perceived their financial situation as satisfactory would be likely to perceive their overall relationship as satisfactory. Britt's findings coupled financial knowledge, financial stressors, and financial satisfaction together to explain 4% of relationship satisfaction. Archuleta and Tonn (2006) found that financial satisfaction accounted for 5% of explained variance in marital stability. In the present study, marital stability referred to whether or not a person would stay in the marriage or leave it. An interaction effect between financial satisfaction and financial stressors was also found by Archuleta and Tonn. The researchers discovered that this interaction

accounted for 2% of variance in marital stability. This finding suggested that financial satisfaction was negatively impacted by the number of financial stressors experienced by a respondent. As financial stress increased, marital stability and financial satisfaction decreased. The partial confirmation in the current study provides further evidence that a link between financial satisfaction and marital quality does exist. A larger sample size could have produced an increased significant impact on the variance. Also, financial stressors were not considered in this study. This could also have an interaction effect with financial satisfaction, like Archuleta and Tonn's study, which could have an impact on the significance of this finding.

Both Hypotheses 7 and 10 linked Gottman's Compromise and Shared Meaning Goals scales to financial management role involvement satisfaction. Results provide partial support for CFT General Proposition 3. The Compromise and Shared Meaning Goals scales reflect CRC variables in relation to the CFT, whereas FRMS reflects Financial Management Practices (FMP). Positive relationships were found between both the scales and the FRMS. This finding is interesting because it is possible that couples specialize in their financial management roles, discussed earlier, which in turn impacts FRMS. There is no existing prior research linking these variables together. Speculation by the researcher suggests that specializing in roles could stem from couples' compromising and having mutual respect and understanding for each other's life goals. Couples may negotiate or compromise to determine who will take the responsibility and how much responsibility they will take for the various financial management roles. Respecting and understanding a partner's life goals may provide a point of reference for whom would be better fitted for carrying out the responsibility within a particular role. This finding could also imply that couples use compromise with each other when carrying out role tasks or making decisions that involves the other spouse. Having a Shared Meaning on Goals may make the joint effort to compromise easier because the affect of the conversation would be lower. All of these implications would have a direct impact on financial management role satisfaction.

Hypothesis 14 took the CRC and FMP variables of this study (i.e. 5 Condensed Sound Relationship House Scales, Shared Goal & Value Scale, KMS, FRMS) into account to test how they were associated with financial satisfaction. Due to the small sample size, only a partial confirmation of Hypothesis 14 could be found because not all of the variables could be tested



simultaneously. However, the analysis indicated that shared views about money, autonomy, and hopes for family and goals within the relationship; FRMS; and marital satisfaction were predictors of financial satisfaction. This model accounted for 20% of the variance in financial satisfaction. The link between FRMS and FS was described earlier. Two new empirical links were found within the CFT. A link between CRC and FS was found as well as a link between marital quality (MQ) and FS. The Shared Goals & Values scale reflected CRC in this study and the Kansas Marital Satisfaction scale reflected MQ. These two findings are exciting because they add empirical evidence that the two domains of the couple system and the financial process are interrelated. The Shared Goals & Values scale refers to having similar views about the meaning of money and how it should be used; having similar views on the function of autonomy, independence; and having shared views about hopes and aspirations for family and future relationship goals. According to this study, having increased shared goals and values increases one's perception about their financial satisfaction. Since this is a new empirical finding and cannot be explained by prior existing empirical evidence, the researcher speculates, that when a couple has common beliefs about money, they can have increased financial satisfaction because arguments about money are likely to decrease. In regards to marital satisfaction, theoretically it makes sense increased marital satisfaction would increase financial satisfaction. This is likely because, when a couple reports that financial satisfaction increases marital satisfaction (Britt, 2005; Archuleta & Tonn, 2006), like in Hypothesis 5, the happier couple (increased marital satisfaction) will have fewer arguments about money. In turn, this further increases financial satisfaction or stabilizes it. These two findings are important for both marriage and family therapists and financial professionals because the way a couple views money and how much they are satisfied in their relationship does matter for financial satisfaction. If a couple reports dissatisfaction with their financial situation, then there are couple system variables to pay attention to, rather than focusing only on financial management practices. Further understanding of this dynamic should be explored in future studies.

Full support for Hypotheses 9, 11 and 12 were supported. These hypotheses linked shared meaning about roles within the relationship and shared goals and values about the meaning and utilization of money, shared views on autonomy within the relationship, and hopes about family

and future couple relationship goals to financial role satisfaction. These hypotheses provide additional empirical evidence for the association between CRC and FMP. As stated earlier in this chapter, financial role satisfaction has not been widely reviewed in the literature. The link between shared meaning about roles and FRMS is interesting because it specifically linked couple relationship characteristics to financial role satisfaction. Zimmerman et al. (2003) reported that couples who are able to balance work and family have increased joint decision-making and equal access to and influence over household finances. Having shared views about relationship roles includes having similar philosophies about balancing work and family life. The finding in the current study is similar to Zimmerman's findings yet different because, instead of looking at joint decision-making (i.e. a financial management role), it associated sharing similar views about the role of work and family with the satisfaction of the financial management roles. In other words, it adds another layer of depth to the complexity of the financial process.

The Shared Goals & Values scale also related CRC to FMP. When couples create shared meaning about money and autonomy, it makes sense that they would be more satisfied with their financial management roles. With an increased sense of mutual respect and understanding about the meaning of money in one's life, a couple may find it easier to work together on financial management tasks or have an increased sense of why a partner carries out a role in a certain way. On one hand, spouses may find peace of mind knowing that their partner will work towards similar financial goals. On the other hand, spouses most involved in a particular role may have decreased anxiety about how they carry out tasks because their partner respects their way of doing things. Farmers have equated a sense of success with independence in making decisions and in self-sufficiency (Bauer et al., 2003; Lorenz, et al., 1993; Lovelace, 1995; Meek, 2004; Rogers, 2004). These findings may hold true for the rural and farm respondents in this study. Spouses may have a need for independence and autonomy in carrying out financial management roles successfully. Having a common sense of independence and autonomy in the relationship would then increase satisfaction with one's roles. Buryone et al. (2006) discovered that a couple's beliefs about the importance of sharing and independence within the relationship affected how they pooled their money. This may also affect how satisfied they are with their financial management role.

Hypotheses 6 and 8 that linked harsh start-up and gridlock on perpetual issues to FRMS were not supported. In fact, increased harsh start-up and increased gridlock on perpetual issues led to increased satisfaction in one's role involvement, although the association was weak. This result was not expected. When harsh start-up and gridlock are decreased, one would think that role satisfaction would increase because a couple would be more likely to communicate more effectively about their roles. However, if arguments about one's financial role are brought up and the argument is approached with harsh start-up or the argument is frozen in gridlock, then one may decide to avoid the conflict because they believe the other spouse is incompetent in that particular financial role. A sense of competency or specialization in a particular role may lead to increased financial satisfaction as described earlier.

### **Shared Goals & Values**

The development of the Shared Goals & Values scale adds to the existing body of knowledge. The scale was based on Gottman's (2005) condensed Sound Relationship House Scales. The new Shared Goals & Values scale adapted two questions about financial goals and common hopes and aspirations for family and relationship goals from the Shared Meaning Goals scale. In addition, two other questions were derived from the Shared Meaning Symbols. One statement assessed having compatible values about the meaning of money and the other addressed having similar values about "autonomy" and "independence." A factor analysis indicated that these four statements held together very well and the scale was very reliable. It is interesting to note that the two questions that were taken from the Shared Meaning Goals scale held together better with the two questions from the Shared Meaning Symbols scale than they did with the three other questions from the Shared Meaning Goals scale. These four statements were assessed on a 7-point Likert-type scale. Respondents could indicate if they strongly disagreed with the statement, if they had mixed feelings about the statement, or if they strongly agreed with the statement. Being able to assess the degree to which respondents agreed with the statement added an additional layer of depth and richness to the data.

As mentioned in the previous section, the Shared Goals & Values scale was found to be significantly associated with financial management role satisfaction, marital quality, and

financial satisfaction. These findings are important because it means that having common perceptions about the meaning of money, similar hopes and dreams for one's life, and having similar values about autonomy and independence in the relationship is more important than communication techniques used. Gottman (1999) explained that couples don't necessarily have to see eye-to-eye in all of these areas. However, spouses can have mutual respect, support, and caring for the other's differing views. The statements in the scale appear to measure very different concepts: money, hopes and dreams for family and relationship, and autonomy and independence. Thus, the Shared Goals & Values scale could actually have assessed the concept of respect rather than if a couple agrees with each other on particular issues. Further development and understanding of the scale should be further explored.

### **Summary**

A model of the proposed relationships among the variables as they are related to the CFT is presented in Figure 5.1. Due to the small sample size and the complexity of testing multiple variables in a systemic model, the entire CFT could not be tested. Individual level concepts, such as spousal attributes in the couple system domain and financial inputs in the financial process domain, were excluded for interpretation in this study. In addition, ecological variables, such as ethnicity, economy, gender, religion were not considered for this study. The purpose of this study was to gain further understanding of the relationship between financial management roles and marital quality. In terms of CFT, the focus was to explore associations among process concepts, such as couple relationship characteristics and financial management practices and outcome concepts, such as marital quality and financial satisfaction. Two new associations were found to support the interdependency of the couple system and financial process domains. A new link between CFT concepts of CRC and financial satisfaction, confirming that a positive relationship exists between a couples shared goals and values and shared meaning goals with financial satisfaction, was noted. Another new link was found between the CFT concepts of marital quality and financial satisfaction with a positive relationship between marital satisfaction and financial satisfaction. Additional support was provided for positive associations between the CFT concepts of CRC and marital quality, FMP and financial satisfaction, and CRC and FMP.

A new scale was developed, based on Gottman's (2005) condensed versions of the Shared Meaning Goals and Shared Meaning Symbols scales. The condensed versions of these scales originated from the Sound Relationship House scales (Gottman, 1999). Two statements from the Shared Meaning Goals scale and two statements from the Shared Meaning Symbols scale were measured using a 7-point Likert scale, rather than the True-False measurement Gottman used. These four statements measured respondents' perceptions of shared views on financial goals, hopes for family and as a couple, similar values about the meaning of money, and similar values about autonomy and independence. These four statements were found to fit very well together and were collapsed into a scale, entitled Shared Goals & Values. Having shared goals and values was found to be very significant in predicting both marital satisfaction, financial management role satisfaction, and financial satisfaction.

### **Limitations**

Decisions were made during the design phase of this study, like any other study, that had potential affects on the findings in regards to generalizability of the results. Factors that may have affected this study included the location of the sample, attributes of the respondents, social desirability, sample size, decision to focus on only rural and farm couples, and choice of measures. Each of these factors is discussed in further detail in the following sections.

### ***Generalizability***

The generalizability of the study's findings is limited for several reasons. First, the majority of respondents were at least moderately satisfied in their marriage and with their financial situation. The study employed a random sampling strategy. Most of the respondents reported being highly involved with their financial management roles and moderately to very satisfied with the roles in which they participated. This could reflect social desirability of the sample, in which the sample thought it was "good" to be satisfied in all of these areas. Another possibility is that being satisfied in these areas created more of a willingness to participate in the survey. It is also possible that respondents perceived their role responsibility as higher than it actually was and that their spouse's role responsibility was lower than it actually was. Although, the surveys were mailed to randomly selected households, those who completed the surveys were

volunteers. The self-selection bias for a volunteer in a study may have had an impact on generalizability.

Secondly, the sample was ethnically homogeneous even though random sampling methods were used. The majority of respondents (85.5%) defined themselves as European American. This is higher than the state average (78.3%). Native American was the second most reported ethnicity (10.9%). This is also higher than the state average (8%). One person described themselves as “other,” but there were no other ethnicities reported.

Thirdly, the results of the study may have been impacted by perception, rather than objectivity. For example, a couple received the survey packet and the wife completed both of the surveys, rather than completing one survey and the husband’s completing the other survey. As a result, the surveys could have been completed from the wife’s perception for filling out the wife’s survey and the wife’s perception of how she believed her husband would have answered the questions in the spouse’s survey. In addition, the sample was comprised of couples, where both spouses completed the survey, and single spouses, where only one spouse completed the survey. Having both couple data and single spouse data may also have negatively impacted generalizability.

Another factor affecting generalizability was that those who farmed reported farming a greater number of acres than the state average. First, those who farmed a larger number of acres may have been more willing to participate because they could have farm employees that help decrease the amount of labor outside of the home. Second, they may have more diversity on their farms in terms of livestock and crops and the timing of the survey could have been better for these respondents than others who did not complete the survey. Third, there could be individual characteristics of farmers, who have larger farms, such as being more open to new ideas, having a higher risk tolerance, and being willing to participate in a survey that would have implications for the larger community. Being open to new ideas and having a higher risk tolerance may lead to an increased desire to take a survey developed by a university from another state. Finally, both spouses may have active roles in household and business financial management and encouraged one another to complete the survey.

### *Sample Size*

The number of respondents was much lower than the researcher anticipated. In all, 126 individuals completed the survey. After the sample was narrowed to examine rural and farm families only, the sample contained 55 respondents. The decision to limit the sample to rural and farm family was based on the researcher's interest in learning more about the associations between marital relationships and financial management roles among rural and farm families. In addition, the theoretical framework was tested on a rural and farm sample because of the unique complexities these couples face. Several possibilities have been considered to explain the low number of respondents. First, the survey could have been too long. Many questions were asked that were not related the current study but, instead, were intended for use in future research. The length of the study may have deterred individuals from responding because it may have taken too much time. Second, parts of the survey may have appeared complicated. This may have been especially true for the financial management role measurement. Although, the intention of this measurement was to make it easy for respondents to identify the roles they participate in, their level of involvement, and their satisfaction level, the number of roles listed on the measurement may have been intimidating.

Third, the U. S. Department of Agriculture's Census of Agriculture survey was also mailed and due near the same time as the current study's questionnaire was mailed. The Census of Agriculture was required by the U.S. government for those with farming interest to complete. This is a fairly lengthy survey, which may have also deterred individuals from completing the current study's survey.

Fourth, Americans receive mass amounts of mailings, advertising, and solicitations for consumers to buy products. As a result, it is reasonable to assume that those who received the survey packets may have believed that the survey was junk mail, although the return address was from a university. This leads to a fifth possibility. Recipients may not have been as willing to participate in the survey because the survey packet was developed at a university in another state. A sixth possibility is that Americans have increased awareness of identity theft. Numerous newscasts have reported on the dangers of revealing personal information to unknown sources. Although no identifying information was requested in the current study's survey, it is possible

that individuals were less likely to discuss personal matters when they do not have a personal connection to the source.

Finally, it has been the researcher's clinical experience that couples are more willing to talk about their sexual relationship than their financial relationship. The researcher has observed that issues of money are deeply rooted emotionally and individuals have difficulty expressing their personal beliefs and feelings about the meaning of money and why they manage the money the way they do. All of the possibilities described in this section are reasonable explanations as to why the number of responses was lower than expected.

### *Measurements*

The types of measurements in the study could also have impacted the findings in this study. Some of Gottman's (2005) scales used in this study had moderate to high reliability (e.g., .88), while others had low reliability (e.g. .39). The decision to use these scales was based on their widespread use in the MFT profession. Furthermore, these scales are among the only measurements of perceptions of communication and conflict processes as well as shared views on money, goals, roles, autonomy. These scales are unique in the way they capture process level information without conducting an in-person interview. The low reliability may also have been an artifact of the sample.

The decision to assess respondent's perceptions about money, autonomy, and compatibility using a 7-point Likert scale rather than using the original response categories of True/False may have had an impact on the factor analysis and the development of the new scale, "Shared Goals & Values." Although the development of the Shared Goals & Values scale was presented as a stand alone scale, it is unclear as to whether the development of this scale was a result of the four items, which comprised the scale, fitting well together because they were assessed differently (i.e., a 7 point Likert-type scale as opposed to a True/False scale) or whether they actually fit well together on their own.

Marital quality could have been measured using any number of scales that would have captured more dimensions of marital quality other than marital satisfaction, including the Dyadic Adjustment Scale (Spanier, 1976), the Relationship Assessment Scale (Hendrick, 1988), and the



Marital Adjustment Scale (Corcoran & Fischer, 1987; Lock & Wallace, 1959) to name a few. The decision to include only the Kansas Marital Satisfaction Scale (Schumm et al., 1986) was made because the KMS is comprised of only three items, it is simple to use, it has good psychometric characteristics, and its inclusion would not lengthen the survey. The KMS also captured the main interest of the researcher, which was to measure marital satisfaction.

### **Implications for Practitioners**

There are many practical implications of this study for clinical practitioners, financial planners, and economists who work with rural and farm couples. Part of the rationale for conducting this study was to increase understanding and awareness about the possible associations between financial management roles and marital quality. A second rationale was to provide additional support to the inductively developed theoretical framework that guided this study. This section outlines practical implications for those who work directly with rural and farm families as helping professionals and those who work indirectly with them as researchers.

#### ***Clinical Implications***

The findings from this study provide many implications for marriage and family therapists and other mental health professionals who work with rural and farm families. On average, respondents reported moderate financial satisfaction, moderate satisfaction with role involvement, and high marital satisfaction. This implies that those with moderate to high satisfaction with financial management roles and financial situation are less likely distressed in their marriage. The reverse was also found to be true in that those who were less distressed in their marriage were less distressed about their financial situation. Clinicians should be aware that, when clients report financial problems, the way a couple shares their views and beliefs about the meaning of money may have a larger impact than other variables on financial satisfaction and marital satisfaction. When rural and farm couples present to therapy with financial problems, therapists should refer to a financial planner with rural and farm knowledge or a farm financial management specialist in order to provide more comprehensive treatment. However, their potential interpersonal problems should not be overlooked.

Financial issues are a common source of complaints when couples enter therapy. Clinical practice should include an assessment of how couples perceive the meaning of money in the relationship and how they have come to common financial goals. Clinicians may feel uncertain as to how to address household financial issues because of lack of training. However, having shared goals and values may be more related to how spouses show respect for each other, rather than the actual budgeting and savings methods, pooling of resources, or other financial planning practices that couples may employ. Respect can be signified in multiple ways including accepting influence from the other and turning toward your partner in conflict rather than away (Gottman et al, 1998). Clinicians can assess a couple's shared goals and values about money through the newly developed Shared Goals & Values scale.

The findings of this study provide further evidence of the link between household finances and marital relationship issues. This evidence contributes to growing support for bridging of two fields, relationship therapists and financial services professionals. Because the two processes, the couple relationship and the financial process, are interdependent, relationship therapists and financial services professionals should work together in the treatment of couple financial problems. These professions should utilize each other's expertise to provide more effective and efficient treatment. Moreover, these professions should consider working together, where a relationship therapist and financial professional are present at the same time in the same room with clients they share. This concept would be similar to conducting co-therapy, where two therapists work with the same client(s). Providing dual professional treatment would increase efficiency, coherency, and consistency in helping couples work through financial problems. It may also lower the cost of treatment for couples because financial problems would be treated together, rather than seeking services separately at different entities. Furthermore, lower costs may increase couples likelihood to seek help. Dual professional treatment could help couples gain a deeper understanding into how and why they manage money the way they do, and increase their likelihood of following through with a financial plan.

Couples could gain further insight into how and why they manage money the way they do through a variety of systemic therapy models, including intergenerational therapies, Emotionally Focused Therapy, Structural therapy, and Strategic therapy. Intergenerational

therapies can help clients to understand family dynamics surrounding money in previous generations (Nichols & Schwartz, 2001). A client may have trouble talking to their spouse about money and through the use of an intergenerational model, like Bowen therapy, they could begin to understand that their parents did not discuss money. Their parents may not have had sufficient monetary funds to pay bills and, rather than discussing how they were going to pay bills, they did not open the bills and pretended as though they did not exist. Therefore, money may produce anxiety for the client presently because they never learned how to manage money wisely. Understanding why they feel anxious about money can decrease the anxiety and help the client communicate more effectively about money in the relationship.

Emotionally Focused Therapy (EFT) can be used to identify the emotions underlying the financial behavior (Nichols & Schwartz, 2001). For example, a wife overspends and the couple is regularly overdrawn in their account, resulting in the couple's engaging in high conflict. The husband blames the wife for overspending and the wife blames the husband because he will not let her buy what she wants. A therapist, using EFT, can identify the emotions that are contributing to the overspending and the emotions regulating the couple's dynamics. The wife may be overspending because it temporarily makes her feel good. However, later she feels guilty for spending money the couple does not have, so, again, she spends to make herself feel better. The husband may escalate arguments into high conflict because he feels shameful that their account is overdrawn. The emotions regulating the couple's dynamics are guilt and shame.

In Structural therapy, couples can benefit from implementing hierarchy and boundaries in regards to money (Nichols & Schwartz, 2001). Consider the example of the couple where the wife overspends. The couple may benefit from structural therapy techniques to build boundaries around spending behavior. The therapist may direct the couple to build boundaries by setting spending rules. The husband and the wife may each have an allowance where no questions are asked of the other on how the allowance is spent. Once the allowance is spent, there is no more money allotted to each person. The spouse, who tracks all of the outflow of the money, including bill payments, must communicate with the other spouse on a regular basis about their financial situation, so that both are involved in the financial decision making process. This ultimately leads to the couple's regaining control over their money.

In Strategic therapy, the therapist focuses on the maladaptive recursive cycle and seeks to disrupt that cycle (Nichols & Schwartz, 2001). For example, a couple in conflict may learn that the wife has a gambling problem and, therefore, they are regularly overdrawn in their account. In general, a Strategic therapist would identify the “function of the symptom.” In other words, what purpose does the gambling serve in the relationship? The therapist may learn that the husband works long hours and the wife has become lonely in the relationship, so she has turned to gambling to help fill a void in her life. This has created a maladaptive recursive cycle in the couple’s relationship. It is cyclical because both the husband and the wife contribute to the pattern, it is recursive because the pattern happens repeatedly, and maladaptive because both are unhappy with their current situation. The Strategic therapist would discuss the reasons for the wife’s gambling, namely the husband’s long hours leaving her lonely. The wife can be told that the husband’s reasons for working long hours is to better support the wife and the family. This approach gives a positive connotation for each spouse’s maladaptive behavior. Therefore, the husband and wife can be on the same side and can collaboratively negotiate a middle ground, namely the husband’s spending more time with the family and the wife’s ceasing her gambling.

Solution-Focused therapy (SF) focuses on the couple’s strengths, goal setting, and focusing on the future rather than looking at one’s past (Nichols & Schwartz, 2001). SF could encourage couples to utilize the strengths they already possess in order to manage their finances more effectively. The husband may manage the day-to-day budget but not communicate to the wife that they are regularly overdrawn in their account. Rather than pointing out the deficiencies in each marital partner, the SF therapist focuses on each individual’s strengths and redirects the couple to focus on their ultimate goal, namely sound fiscal policy for the family. In this situation, the SF therapist could help the couple identify strengths in their relationship to assist them communicate more effectively or help the couple recognize that the husband is not very good at budgeting, but the wife is very good at budgeting. This can help lower the conflict in the relationship and increase relationship satisfaction.

### ***Other Professional Implications***

In regards to other helping professionals who work with rural and farm families (e.g. extension agents, financial planners, and economists), the findings of this study also have practical implications. Helping professionals not trained to work with the complexity of couple relationships should be aware that relationship characteristics do have impacts on one's financial satisfaction. Often, these professionals are concerned with the household or business financial management practices that couples employ and the financial satisfaction couples have. Success may be viewed with how satisfied one is with their financial situation. These helping professionals must be aware that relationship factors can play a major part in both financial management practices and financial satisfaction. The Shared Goals & Values scale can aid financial professionals in understanding if couples have shared views about money. If couples differ in their perceptions about money, traditional financial planning techniques may be contraindicated; instead, relationship factors may be of concern. Rather than ignoring these relationship variables, helping professionals should form trusted relationships with their clients and make referrals to relationship therapists, who understand rural and farm life as well as financial problems. In addition, financial professionals should consider working with relationship therapists to provide dual professional treatment as described under clinical implications.

Policy makers could find the results of this study of interest for several reasons. First, policymakers could provide funding to encourage relationship therapists and financial professionals to work collaboratively. Programs could be developed where couples, experiencing financial problems, might seek help from professionals from both fields at the same time. Treatment for financial issues utilizing dual professionals was discussed in the previous section. Policymakers could also fund education courses for premarital couples and married couples to help lower divorce rates. Providing education for premarital couples would emphasize the importance of talking about views about money, financial goals, how a couple plans to divide the financial management roles, and how to effectively communicate about household finances. Continuing education for married couples would encourage couples to discuss the same topics as premarital couples. However, an additional component could address "how to overcome financial problems already present in the relationship."

## **Future Directions**

This study provides new insight into how couples negotiate financial management practices, otherwise known in this study as financial management roles and role satisfaction, financial satisfaction and the associations with couple relationship characteristics and marital quality. These findings suggested several possible directions for future research.

First, The Couples and Finances Theory has important implications for future research and theoretical development. CFT, which was introduced in this study, helps to explain why couples report financial problems as one of the major causes of divorce. More research should be conducted on the relationships between the two domains. About 1 to 3 studies were found for each empirical proposition. More evidence to support these propositions would help increase the validity of the relationship between the two domains: the couple relationship and the financial process. In addition, links that have not yet been found between the two domains and within the each domain should be explored, such as how marital quality and financial satisfaction impact couple relationship characteristics and financial management practices.

Second, more research on the impact of contextual factors such as age, culture, religion, education, and gender on the reciprocal relationship between the couple relationship and the financial process. Although some literature addresses how age and education influence the financial process (Finke & Huston, 2003), no literature that the author has found, thus far, provides empirical evidence among these factors and the linkage between the two domains of couples and finances.

Third, only part of the CFT was used in this study. Individual level factors were not interpreted. In order to increase the validity and practicality of the model, it is important that research confirm the links within all aspects of the model be studied, including individual factors.

Fourth, further exploration and understanding in regards to the newly developed Shared Goals & Values scale should be conducted. First, further research should be conducted on how couples can come to share similar goals and values, especially about money, when they do not in their present situation. Second, giving the assessment to a more diverse sample may produce varying results than the findings in this study. Giving the assessment to a clinical population may

also produce different results. Testing with a clinical sample may give evidence to clinicians for how they can treat couples experiencing financial difficulties. Finally, further exploration of whether the Shared Goals and Values scale should be assessed using a 7-point scale or using the original dichotomous response category of True/False is warranted. Further research could evaluate the strength of using the Sound Relationship House scales in this study on a 7-point Likert scale, compared to the True/False response category, as suggested in the published scales.

Finally, CFT can help therapists, financial counselors, financial planners, and researchers understand the couples and finances phenomena better. In the current environment of evidence-based practice, especially for therapists, further exploration research should be conducted to provide a foundation in order to build an evidence-based model for treating couples with financial difficulties. The couple and finances theory can provide a framework in which to develop such a model.

### **Summary of Discussion**

The overall goal of this study was to examine the relationship between financial management roles and the marital quality. The findings have added to the preexisting literature on couples and household finances. Two new relationships within Couples and Finances Theory (CFT) were found, including a link where couple relationship characteristics impact financial satisfaction and a link where marital satisfaction impacts financial satisfaction. Many already existing links within CFT were also supported or partially supported. These links connected couple relationship characteristics to financial management practices, financial management practices to marital quality, financial management practices to financial satisfaction, and financial satisfaction to marital quality. The relationships found in this study increase the validity of the model, as well as the usefulness of it to relationship therapists and other professionals, including financial professionals, who work with rural and farm couples experiencing financial problems. The interdependency between the couple system and the financial process provides support for dual professional treatment (i.e. relationship therapists and financial professionals working together) in order to provide comprehensive treatment for rural and farm couples.

A new scale, “Shared Goals & Values” was also developed as a result of this study. Having similar values and perceptions about financial goals, the meaning of money, and individuality (i.e., autonomy and independence) was found to increase both perceptions of marital satisfaction and financial satisfaction. The development of this scale can be useful for both clinicians and financial professionals to assess couples’ shared meaning about money and individuality within the relationship. This scale can be a starting point for these professions to begin networking with each other and building referral sources or collaborative partnerships in order to provide better services to rural and farm clients. The scale can also serve as a launching point for clinical and educational programs to premarital and married couples to come towards mutual respect and encourage the development of shared meaning about money in the relationship.



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## Appendix A - Invitation to Respond to Survey

### The Midwestern Survey of Financial Decision Making and Relationships

Dear Survey Participant:

We need your assistance with a research study! As a native Oklahoman, I am aware of many of the critical financial decisions that you make. The purpose of the study is to assess the choices available to consumers as they make decisions about various financial issues. By participating in this survey you will help researchers at Kansas State University learn more about things consumers like you consider when they are making financial decisions. Results from the survey will be used in developing financial education materials and in advising public policy makers. We anticipate sharing the results of the study with other researchers through trade publications and academic journals. It is very important that each questionnaire be **completed** and **returned** by **March 15, 2008**. If you are in a committed intimate relationship, we ask that your partner also complete the survey. It is important that both you and your partner complete the survey in order to gain a full understanding of partners' perceptions of making financial decisions. You do **NOT** need to be in a committed relationship to complete this survey. We ask that males complete the green survey and females complete the cream colored surveys. Please be assured that:

- Your participation is voluntary...but we value your opinion so much that we will ask you twice!!
- Your responses will remain **strictly anonymous**. Since we don't know your name, it will never be associated with either the responses or the results.
- Only the research team will have access to the information you provide.
- There are no foreseeable risks in participating in this study.
- The survey takes an average of **20 to 30 minutes** to complete.

We realize that this questionnaire appears long, so as an incentive to answer the items you will be entered into a drawing for the chance to win one of two \$50 cash prizes or for a grand prize of \$100 for your efforts!

This research has been approved by the Institutional Review Board for Research Involving Human Subjects at Kansas State University. By completing this questionnaire and returning it, you acknowledge your voluntary agreement to participate in this study, and you give consent for your results to be used in data analysis. We anticipate little or no risk in completing this survey. However, in the case that extraordinary stress is triggered from participating in this survey, we recommend calling the *Reachout Hotline* at 1-800-522-9054. This hotline is designed for Oklahomans to gain emotional support as well as mental health information and referral sources.

We will be happy to answer any questions you have, so please call or e-mail. You may also request a summary of findings from this survey by writing to us. If you have questions about the rights of subjects, please contact Rick Scheidt, University Research Compliance Office, Room 1, Fairchild Hall, (785) 532-3224 or [comply@ksu.edu](mailto:comply@ksu.edu).



We look forward to receiving your completed survey by **March 15, 2008**. Thank you for your assistance.

Sincerely,

Kristy Archuleta  
Principal Investigator

## **Appendix B - The Midwestern Survey of Financial Decision Making and Relationships**

### **The Midwestern Survey of Financial Decision Making and Relationships**

Dear Survey Participant:

Thank you for taking the time to complete this important questionnaire. ***We ask that if you are in a relationship that your partner complete the additional questionnaire***, which is included in this packet. It is important for both you and your partner to each complete a questionnaire to gain pertinent information. Throughout this questionnaire, you will be asked questions concerning yourself, your occupation, your finances and your marriage. All answers to these questions will be kept confidential and used only for research or statistical purposes. Your response is voluntary and failure to provide some or all of the requested information will not in any way adversely affect you. However, we do appreciate your effort to answer all of the questions.

The time needed to complete this survey varies according to individual circumstances, but the average time is estimated to be 15 to 25 minutes. If you have comments regarding this survey, you may write to the principal investigators listed on the front page.

#### ***Instructions***

- ✓ Answers should be based on your opinions, experiences, and attitudes.
- ✓ You may use either a pen or pencil.
- ✓ Directions are provided for each question.
- ✓ If you need to change an answer, please make sure that your old answer is either completely erased or clearly crossed out.

Thanks again for your help!

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In this section, we would like to learn more about you personally.

**SECTION I. Financial Satisfaction**

*We would like to assess your level of financial satisfaction. This section asks questions concerning your financial roles and financial satisfaction. Please circle the number that best represents your answer. There are no RIGHT or WRONG answers.*

How satisfied are you with each of the following:

1. Amount of money you have saved

1	2	3	4	5	6	7	8	9	10
Extremely <i>Unsatisfied</i>					Extremely Satisfied				

2. Amount of debt you have

1	2	3	4	5	6	7	8	9	10
Extremely <i>Unsatisfied</i>					Extremely Satisfied				

3. Your ability to meet long-term goals

1	2	3	4	5	6	7	8	9	10
Extremely <i>Unsatisfied</i>					Extremely Satisfied				

4. Your preparedness to meet emergencies

1	2	3	4	5	6	7	8	9	10
Extremely <i>Unsatisfied</i>					Extremely Satisfied				

5. Your financial management skills

1 2 3 4 5 6 7 8 9 10  
Extremely *Unsatisfied* Extremely Satisfied

6. Your income level

1 2 3 4 5 6 7 8 9 10  
Extremely *Unsatisfied* Extremely Satisfied

7. Amount of money you spend for fun

1 2 3 4 5 6 7 8 9 10  
Extremely *Unsatisfied* Extremely Satisfied

8. Your financial situation

1 2 3 4 5 6 7 8 9 10  
Extremely *Unsatisfied* Extremely Satisfied

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**SECTION II. Family Financial Roles**

Please check the box beside each task(s) in which you participate. Identify the level of participation in each task as well as your satisfaction level with your involvement.

Financial Management Roles		<b>What is your level of involvement in each task? On a scale from 1-7, indicate if you have primary responsibility of the task, the same amount of responsibility of the task as your partner, or your partner has primary responsibility?</b> 1= Your Primary Responsibility 4=Joint 7= Your Partner's Primary Responsibility	<b>On a scale from 1-7, what is your level of satisfaction with each task you perform?</b> 1= Extremely Unsatisfied 4=Joint 7= Extremely Satisfied
<i>EXAMPLE: Bookkeeper</i>	X	1 2 3 4 5 6 7	1 2 3 4 5 6 7
Bookkeeper		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Record Tracking		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Bill Paying		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Employee Wages		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Financial Decision-Making		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Taxes		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Farm Related Insurance		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Family Related Insurance		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Equipment Purchases/Sales		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Buy/Sell Commodities		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Marketing		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Information Gathering (tracking prices, futures, new production and marketing methods, etc.)		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Livestock Purchases/Sales		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Crop Production (planting, chemicals, harvesting, selling, etc.)		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Computer Database Management		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Retirement Planning		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Estate Planning		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Execution of Legal Proceedings (Wills, Probate, Trusts, etc.)		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Communicating to Spouse, Corporation, Employees, Landowners, Partners, Family Members, etc.		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Other:		1 2 3 4 5 6 7	1 2 3 4 5 6 7
Other:		1 2 3 4 5 6 7	1 2 3 4 5 6 7

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**SECTION III. Relationship Satisfaction**

Are you current involved in a committed intimate relationship?    Yes                      No

If yes, please complete this section. If you are not in a relationship, please skip this section and go to **Section IV**.

Please circle the answer the best describes your relationship currently.

1.      How satisfied are you with your relationship?

Extremely Dissatisfied	Very Dissatisfied	Somewhat Dissatisfied	Mixed	Somewhat Satisfied	Very Satisfied	Extremely Satisfied
1	2	3	4	5	6	7

2.      How satisfied are you with your significant other as a partner?

Extremely Dissatisfied	Very Dissatisfied	Somewhat Dissatisfied	Mixed	Somewhat Satisfied	Very Satisfied	Extremely Satisfied
1	2	3	4	5	6	7

3.      How satisfied are you with your relationship with your partner?

Extremely Dissatisfied	Very Dissatisfied	Somewhat Dissatisfied	Mixed	Somewhat Satisfied	Very Satisfied	Extremely Satisfied
1	2	3	4	5	6	7

**Please circle “T” if the following statement is true of you. Please circle “F” if the statement is not true of you.**

*When we discuss our relationship issues:*

- |  |   |   |
|--|---|---|
| 4.      Arguments often seem to come out of nowhere. | T | F |
| 5.      I seem to always get blamed for issues.      | T | F |
| 6.      My spouse criticizes my personality.         | T | F |

- |     |  |   |   |
|-----|--|---|---|
| 7.  | Our calm is suddenly shattered.  | T | F |
| 8.  | I think my partner can be totally irrational.                          | T | F |
| 9.  | We keep hurting each other whenever we discuss our core issues.        | T | F |
| 10. | My partner has a long list of basically unreasonable demands.          | T | F |
| 11. | I don't feel respected when we disagree.                               | T | F |
| 12. | My partner often acts in a selfish manner.                             | T | F |
| 13. | When we discuss our issues, I feel I am right and my partner is wrong. | T | F |

*During our attempts to resolve conflict:*

- |     |   |   |   |
|-----|---|---|---|
| 14. | We are usually good at resolving our differences.                         | T | F |
| 15. | We both believe in meeting each other halfway when we disagree.           | T | F |
| 16. | In discussing issues, we can usually find our common ground of agreement. | T | F |
| 17. | Yielding power is very difficult for me.                                  | T | F |

*We want you to think about how well you and your partner have been able to create a sense of shared meaning in your lives together.*

- |     |   |   |   |
|-----|---|---|---|
| 18. | We share many similar values in our roles as intimate partners. | T | F |
|-----|---|---|---|

- |     |  |   |   |
|-----|--|---|---|
| 19. | My partner and I have compatible views about the role of work in one's life.   | T | F |
| 20. | My partner and I have similar philosophies about balancing work and family life.                                     | T | F |
| 21. | My partner supports what I would see as my basic mission in life.  | T | F |
| 22. | My partner shares my views on the importance of family and kin (sisters, brothers, moms, dads) in our life together. | T | F |
| 23. | If I were to look back on my life in very old age, I think I would see that our paths in life had meshed very well.  | T | F |
| 24. | My partner and I have compatible views about the role of work in one's life.   | T | F |
| 25. | My partner values my accomplishments.  | T | F |
| 26. | My partner honors my very personal goals, unrelated to my relationship.  | T | F |

**Please indicate your level of agreement with the following statements:**

27. We have similar financial goals.

1	2	3	4	5	6	7
Strongly Disagree			Mixed		Strongly Agree	



28. Our hopes and aspirations, as individuals and together for our children, for our life in general, and for our old age are quite compatible.

1 2 3 4 5 6 7  
Strongly Disagree Mixed Strongly Agree

29. We have similar values about the importance and meaning of money in our lives.

1 2 3 4 5 6 7  
Strongly Disagree Mixed Strongly Agree

30. We have similar values about “autonomy” and “independence.”

1 2 3 4 5 6 7  
Strongly Disagree Mixed Strongly Agree

31. When things begin to go rough in my relationship, I can see that I had a part to play in it.

1 2 3 4 5 6 7  
Strongly Disagree Mixed Strongly Agree

32. It seems to me that maintaining a smooth functioning relationship is simply a skill; things like luck don't come into it.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree





4. I have been concerned or worried about my health.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

5. I often feel unsure of myself even in situations I have successfully dealt with in the past.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

6. Making money in stocks and bonds is based on luck.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

7. I lack some important capabilities that may keep me from being successful.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

8. Much of the time I don't feel as competent as many of the people around me.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

9. I have felt tired, worn out, used up, or exhausted.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		

10. I have more confidence in myself than most people I know.

1	2	3	4	5	6	7
Strongly Disagree				Strongly Agree		



17. I am more comfortable putting my money in a bank account than in the stock market.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

18. When I think of the word "risk" the term "loss" comes to mind.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

19. In general, I have been in excellent spirits.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

20. I feel sad or blue.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

21. Not having enough money is always a worry for me.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

22. In terms of investing, safety is more important than returns.

1 2 3 4 5 6 7  
Strongly Disagree Strongly Agree

23. I have been bothered by nervousness or my “nerves.”

1	2	3	4	5	6	7	
Strongly Disagree					Strongly Agree		

24. The thought of taking a risk is exciting to me.

1	2	3	4	5	6	7	
Strongly Disagree					Strongly Agree		

**How likely are you to ...**

25. Betting a day’s income at the horse races.

1	2	3	4	5	6	7	
Very Unlikely			Unsure		Very Likely		

26. Chasing a tornado or hurricane by car to take dramatic photos.

1	2	3	4	5	6	7	
Very Unlikely			Unsure		Very Likely		

27. Investing 10% of your annual income in a moderate growth mutual fund.

1	2	3	4	5	6	7	
Very Unlikely			Unsure		Very Likely		

28. Betting a day’s income at a high stake poker game.

1	2	3	4	5	6	7	
Very Unlikely			Unsure		Very Likely		

29. Going on vacation in a third-world country without prearranged travel and hotel accommodations.

1	2	3	4	5	6	7	
Very Unlikely			Unsure		Very Likely		

30. Going down a ski run that is beyond your ability or closed.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

31. Investing 5% of your annual income in a very speculative stock.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

32. Going whitewater rafting during rapid water flows in the spring.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

33. Investing 5% of your annual income in a conservative stock.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

34. Periodically engaging in a dangerous sport (e.g., mountain climbing or sky diving).

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

35. Gambling a week's income at a casino.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

36. Trying out bungee jumping at least once.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	

37. Piloting your own small plane, if you could.

1	2	3	4	5	6	7
Very Unlikely			Unsure		Very Likely	



**38. Which of the following statements comes closest to the amount of financial risk that you are willing to take when you save or make investments?**

1. Take substantial financial risk expecting to earn substantial returns.
2. Take above average financial risks expecting to earn above average returns.
3. Take average financial risks expecting to earn average returns.
4. Not willing to take any financial risks.

SECTION V. Financial Situation

*This section is designed to help us understand more about your financial situation. Please choose the answer. Remember there is no RIGHT or WRONG answer.*

<u>Financial Stressors</u>	Check all of the stressors that apply	Please indicate the impact of the stressor on your financial situation? 1=Not significant 5=Extremely significant
My income decreased.		1 2 3 4 5
I changed my job.		1 2 3 4 5
I had an investment and/or business loss.		1 2 3 4 5
I was seriously injured on the job.		1 2 3 4 5
I was diagnosed as disabled.		1 2 3 4 5
I was seriously ill.		1 2 3 4 5
A family member got married.		1 2 3 4 5
I experienced divorce or separation from my spouse or partner.		1 2 3 4 5
A family member went to college.		1 2 3 4 5
A family member retired		1 2 3 4 5
A family member lost a job.		1 2 3 4 5
A family member died.		1 2 3 4 5
I moved from one residence to another.		1 2 3 4 5
I had a major house repair.		1 2 3 4 5
I had a major vehicle repair expense.		1 2 3 4 5
My vehicle was repossessed.		1 2 3 4 5
My home mortgage loan was foreclosed.		1 2 3 4 5
My wages were garnished (paycheck money withheld).		1 2 3 4 5
I filed for personal bankruptcy.		1 2 3 4 5
I had serious medical bills.		1 2 3 4 5
I received an overdue notice from a creditor.		1 2 3 4 5
I had a legal problem.		1 2 3 4 5
None of the above events happened to me or family during the past year.		1 2 3 4 5
I (or my partner) gave birth to a child.		1 2 3 4 5

SECTION VI. Information About You

*In this section, we would like to learn more about you personally.*

1. How many years of formal education have you completed? \_\_\_\_\_ (For example, 12 years)

2. Age: \_\_\_\_\_ (For example, 36 years)

3. Are you?                      Male                      Female

4. Marital Status (please check one):

\_\_\_ Single/Never Married      \_\_\_ Married                      \_\_\_ Separated  
\_\_\_ Divorced                      \_\_\_ Widowed                      \_\_\_ Remarried  
\_\_\_ Not Married but living with significant other      \_\_\_ Other (specify): \_\_\_\_\_

5. If currently married, how many years have you been married? \_\_\_\_\_ (for example, 18 years).

6. Where do you live?

\_\_\_ Metropolitan                      \_\_\_ Urban Area                      \_\_\_ Rural                      \_\_\_ Farm  
(Greater than 50,000 people) (Between 2,500-50,000 people) (Less than 2,500)

7. Level of Highest Completed Education (please check one):

\_\_\_ Some High School                      \_\_\_ High School Diploma                      \_\_\_ Some College  
\_\_\_ Associates Degree                      \_\_\_ Bachelors Degree  
\_\_\_ Some Graduate School                      \_\_\_ Masters Degree                      \_\_\_ Ph.D. Degree

8. What is your employment status?

Self-employed                                       Employed Off-Farm/Ranch Part-Time  
 Employed Off –Farm/Ranch Full-Time                       Part-time Farming/Ranching  
 Full-time Farming/Ranching                                       Homemaker  
 Retired                                       Student                                       Not Employed  
 Other: \_\_\_\_\_

9. What is your primary occupation? \_\_\_\_\_

10. Religious Affiliation (please check all that apply):

Protestant                                       Catholic                                       Latter Day Saints  
 Jewish                                       Islam                                       Hindu  
 Buddhism                                       Agnostic                                       Atheist  
 Other (please describe): \_\_\_\_\_

11. In general, how much would you say your religious beliefs influence your daily life?

Very Much                                       Quite a bit                                       Some  
 Little                                       None

12. Which of the following groups best describes your primary ancestry:

European-American (White)                       American Indian or Alaska Native  
 Asian                                       Pacific Islander                       Hispanic/Latino  
 African-American                                       Other (please identify): \_\_\_\_\_

13. How many people currently reside in your home? \_\_\_\_\_

14. Of those living in your home, please describe his/her relationship to you and his/her age:

Person 1:	Relationship: _____	Age: _____
Person 2:	Relationship: _____	Age: _____
Person 3:	Relationship: _____	Age: _____
Person 4:	Relationship: _____	Age: _____
Person 5:	Relationship: _____	Age: _____
Person 6:	Relationship: _____	Age: _____
Person 7:	Relationship: _____	Age: _____
Person 8:	Relationship: _____	Age: _____
Person 9:	Relationship: _____	Age: _____
Person 10:	Relationship: _____	Age: _____

15. What is your household's approximate annual gross income before taxes?

<input type="checkbox"/> Less than \$20,000	<input type="checkbox"/> \$20,001-\$30,000	<input type="checkbox"/> \$30,001-\$40,000
<input type="checkbox"/> \$40,001-\$50,000	<input type="checkbox"/> \$50,001-\$60,000	<input type="checkbox"/> \$60,001-\$70,000
<input type="checkbox"/> \$70,001-\$80,000	<input type="checkbox"/> \$80,001-\$90,000	<input type="checkbox"/> \$90,001-\$100,000
<input type="checkbox"/> More than \$100,000		

16. If you are self-employed, what is your business's approximate annual net income?

<input type="checkbox"/> Less than \$20,000	<input type="checkbox"/> \$20,001-\$30,000	<input type="checkbox"/> \$30,001-\$40,000
<input type="checkbox"/> \$40,001-\$50,000	<input type="checkbox"/> \$50,001-\$60,000	<input type="checkbox"/> \$60,001-\$70,000
<input type="checkbox"/> \$70,001-\$80,000	<input type="checkbox"/> \$80,001-\$90,000	<input type="checkbox"/> \$90,001-\$100,000
<input type="checkbox"/> More than \$100,000		

17. In general, how would your best friend describe you as a risk taker?

- a) A real gambler
- b) Willing to take risks after completing adequate research
- c) Cautious
- d) A real risk avoider

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SECTION VII. Farm and Ranch Information

*If you identify your primary occupation to be a farmer/rancher, please answer the questions in this section. This section will address your farm/ranch operation.*

1. How many years have you been involved in the farm/ranch operation? \_\_\_\_\_
2. How many generations has your farm/ranch been in your family? \_\_\_\_\_
3. How many generations are currently involved in your farming/ranching operation? \_\_\_\_\_
4. How did you acquire your farm/ranch? (please check all that apply):

Inherit

If you inherited your farm or part of your farm, who and how much of your land did you inherit (please check all that apply)?

Your side of the family                      Number of Acres: \_\_\_\_\_

Your spouse's side of the family                      Number of Acres: \_\_\_\_\_

Other (specify): \_\_\_\_\_                      Number of Acres: \_\_\_\_\_

Purchased                      Total Number of Acres Purchased: \_\_\_\_\_

Acres Purchased from Family: \_\_\_\_\_

Acres Purchased from Non-Family: \_\_\_\_\_

Rented/Leased                      Number of Acres \_\_\_\_\_

Other (specify): \_\_\_\_\_                      Number of Acres: \_\_\_\_\_

5. Describe the composition of your farming/ranching operation?

Number of acres owned \_\_\_\_\_

Number of acres rented \_\_\_\_\_

Total number of acres \_\_\_\_\_

6. Please check all that apply to your farm/ranch operation. Please describe the size of your farm operation in the third column.

<b>Type of Operation:</b> <i>Examples: Cow-Calf Wheat</i>	<b>X</b> X X	<b>Size:</b> <i>Examples: 80 Head of Cows 1500 acres Wheat</i>
Cow-Calf		
Stocker Calves		
Hogs		
Sheep		
Horses		
Dairy		
Grain Sorghum		
Soybeans		
Corn		
Wheat		
Alfalfa Hay		
Prairie Hay		
Other type of Hay: (please list)		
Other:		
Other:		
Other:		
Other:		

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 Thank you! Your participation is greatly appreciated! If you have any questions regarding this survey, we will be happy to answer any questions you have, so please call or e-mail. You may also request a summary of findings from this survey by writing to us: Kansas State Survey of Consumer Finance Issues, c/o Kristy Archuleta, 326 Justin Hall, FSHS, Kansas State University, Manhattan, KS 66506; or by email: [kristy@ksu.edu](mailto:kristy@ksu.edu)

If you have questions about the rights of subjects, please contact Rick Scheidt, University Research Compliance Office, Room 1, Fairchild Hall, (785) 532-3224 or [comply@ksu.edu](mailto:comply@ksu.edu).

## Appendix C - Incentive Postcard

If you would like to enter the drawing or would like to receive the results, please check the appropriate box to indicate your preference on the postcard that matches your survey. Then, make up a three letter ID name (for example, KLA) so that you can identify the envelope with the results or the award if you are a winner. Write the ID and address on postcard and return it with your completed questionnaire or mail it to us separately by **March 15, 2008**. Again, your name will never be associated with either your responses or the results. We will separate the postcard from your completed questionnaire as soon as they are received, and enter you in the drawing.

I would like to (please check all that apply):

- Enter the Drawing                       Receive the Research Results

Three letter ID: \_\_\_\_\_

Address: \_\_\_\_\_

Return to: Midwestern Survey of Financial Decision Making and Relationships, c/o Kristy Archuleta, 326 Justin Hall, FSHS, Kansas State University, Manhattan, KS 66506.

*An EEO/Affirmative Action Institution*



## Appendix D - Follow-up Postcard

Recently, you received *The Midwestern Survey for Financial Decision Making and Relationships*. Your address was randomly selected to participate in the survey. If you have already completed the survey, THANK YOU!!! If you have not, this is a reminder to please complete the survey and return it to us by **March 24, 2008**. Note that the date has been moved so that you can have time to respond. Remember also that you can enter into a drawing for a grand prize of \$100 and two \$50 prizes when you complete the survey!

If by chance, you did not receive the survey, or it has been misplaced, please email me ([kristy@ksu.edu](mailto:kristy@ksu.edu)) or call (785-532-1486) and I will get another one in the mail to you soon! We appreciate your participation!

Sincerely,  
Kristy Archuleta  
Principal Investigator