FINANCIAL MANAGEMENT PRACTICES OF MARRIED COUPLES
OF NUCLEAR FAMILY IN KATHMANDU

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In partial fulfillment of the requirement for the course
Corporate Financial Decision

Kathmandu, Nepal
February, 2015
ACKNOWLEDGEMENTS

This report would not have been possible without the kind support and help of many individuals and organizations. We would like to extend our sincere thanks to all of them.

We express our deepest gratitude to Dr. Dilli Raj Sharma for assigning this report and providing useful guidance and constant supervision throughout the preparation of this report.

We sincerely thank School of Management Tribhuvan University, Prof. Dr. Madhav Raj Koirala, Director of SOMTU and Dr. Jeetendra Dangol, Deputy Director of SOMTU for providing us an opportunity to learn and explore more and more.

We sincerely thank to all the respondents of the questionnaire survey, without whom this study was impossible. Our thanks and appreciations also go to our colleague who helped in one or other way developing the project and people who have willingly helped us out with their abilities. Last but not least we are thankful to our parents for providing us an appropriate environment and encouragement which helped us in completion of this report.

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ABSTRACT

The purpose of this quantitative study was to learn about financial management practices of 30 couples of nuclear family of Kathmandu. Themes emerged from this study is different than the studies made in western nations on same theme. First, husbands have some level of dominance in financial management of the family even in the nuclear families of Kathmandu. No matter who is the earner in family, husband exerts more influence in financial management of family. Second, daily finances are usually handled by wives. Third, couples who have highly satisfying marriage life have high income and high rate of saving, communicates each other regarding financial problems, take financial advices from third parties, makes financial planning for future. However very few couples make financial plan for future, majority do not communicate financial matters between couples. Finally, satisfaction with marriage life of the couples is directly linked with satisfaction with financially health of family.
CHAPTER I
INTRODUCTION

1.1. Background and Introduction

The concept and practice of financial management has been broadened than that of past. It has been realized that financial management is equally important for the success of social institutions like marriage and relationship as for the business organizations. Finance and family relations researchers have made several studies till the date regarding the importance of financial management for a successful family life. Various studies have tried to dig up different results regarding the financial behavior of those couples, their attitudes towards family financial management and its relationship with the successful marriage life. However, such studies are made in significant number in western nation and results of such studies lacks contextual relevance in case of developing countries like Nepal.

Therefore there is a need of new study regarding financial management practices between couples in context of Nepal. However, Nepalese families are more patriarchal and significant number of family is of joint kind. There are numerous factors that affect financial management in joint families and the role of couple is not as optimum as in nuclear family. Therefore, to avoid such practical difficulties in research, we selected couples of nuclear family of Kathmandu for our study. For the purpose of our study, nuclear family is the kind of family in which consists couples and their unmarried children only.

1.2. Objectives of the Study

The major objectives of this study are:

a. To discover the pattern of relationship between effective financial management and successful marriages.

b. To learn about the financial management practices of self-selected couples from Kathmandu.

c. To suggest some better financial management practices, (which are practiced by more successful couples) to all the couples residing inside Kathmandu.
1.3. Limitations of the Study

Following are some of the limitation that the researcher faced during this research and preparation of report:

a. The study is made through a survey among 30 samples. Since the sample number is few, it might not be sufficient to make decisions related to research objective.

b. Results are drawn from quantitative tools of statistics only and no qualitative measures are used.
CHAPTER II
LITERATURE REVIEW

Article 1: National Survey of Marital Strengths
Olson, D. H., & Olson-Sigg, A.

This National Survey is one of the first major studies on the strengths of marriage versus the exclusive focus on problems. Using a sample of 21,501 married couples (both husbands and wives) from all 50 states, this survey used a comprehensive marital assessment tool called ENRICH which focuses on 20 significant areas and contains 195 questions.
This survey identified the Top Ten Strengths of Happy Marriages and discovered some new areas not found important in past studies of marriage. Using these top ten strengths, it is possible to discriminate between happy and unhappy marriages with 93% accuracy.
The top five categories in rank order of importance were communication, couple flexibility, couple closeness, personality issues and conflict resolution.
While most past studies have identified the importance of communication and conflict resolution, the importance of couple flexibility and couple closeness demonstrate their growing importance in our high stress society.
Another important discovery was the growing importance of an equal role sharing marriage. Most of the couples (81%) where both spouses perceived the relationship as equalitarian were happily married, while most of the couples (82%) where both spouses perceived their relationship as traditional were mainly unhappy. The primary goal of this national survey is to encourage couples and professionals to focus more on the strengths of marriage rather than only problems.

Couples have trouble dealing with money. There are issues regarding debts and who should be more careful about spending. Although the current trend to marry later in life benefits these couples on many levels, they may have more adjusting to do when it comes to merging partners’ finances. Prior to marriage at an older age, individuals are accustomed to making money decisions without having to consider another person. Having trouble saving money also is a problem for a majority of married couples. Many couples report disagreeing on what is most important to spend their money. Many couples have disagreements over who should control the money they have. Not surprisingly, saving/spending problems are common among
couples because individuals often have different personal styles of spending and saving. Most partners do not find out until after marriage how different their spending/saving styles are. The greater the difference in styles, the greater the possibility of conflict over money. Even happy couples disagree more about finances than any other topic. There are still, however, clear differences between happy and unhappy couples regarding money issues. Happy couples agree on how to handle money and have fewer concerns about debts and the proper amount to save significantly more than do unhappy couples. To improve the relationship the couple have to discuss and agree on relevant financial matters.


Wealth growth opportunities are difficult to observe using traditional financial statements. In this case study, an analysis using a wealth-sensitive balance sheet and income-expense statement is presented to help identify corrective adjustments that promote wealth growth. Adjustments involve the application of straightforward financial practices such as paying off debt, living within means, saving and investing 10% of earned income, reinvesting all investment income, and converting excessive depreciating assets into wealth producing assets. The analysis also includes an estimate of the direction and magnitude of wealth growth change that is likely to occur from taking a set of proposed corrective adjustments.

This paper demonstrates the potential for the creation of wealth within a household through the use of a side-by-side review utilizing a wealth sensitive balance sheet and income and expenditure. This paper illustrates how an individual or family money manager, possibly assisted by a financial educator or planner, can be key players in the creation of wealth growth.

Financial decisions about saving and spending seem small while participation in consumer debt seems inexpensive. The only cost foreseen is the interest payment, and the delight of getting what one wants now far outweighs the price of credit, or so it seems. Wealth creation potential is likely to be lower for a more moderate income family in comparison to a higher one. The analysis indicates that in terms of lost wealth creation it is surely a lot more costly than simple interest charge. Individuals and families need help from educators and planners to implement financial policies and practices that result in adequate wealth growth toward a simple and sufficient financial future. Using the integrated financial statement analysis for recognizing what makes wealth grow is a technique recommended to professionals to
illustrate and encourage families in their application of basic principles and practices that create wealth.

**Article 3: Perceptions of Financial Well-Being among American Women in Diverse Families**

Kathleen Malone, Susan D. Stewart, Jan Wilson, and Peter F. Korsching (2009)

This study investigated the financial well-being of American women through the nationwide survey of 368 women between the ages of 30 and 65 with household incomes of at least $40,000. The larger percentages of women reported fears, worries, and concerns about planning for retirement than reported security and confidence with respect to their financial plans. They also mentioned long term care insurance as a necessity. They have found out that marriage encourages men to become more conservative, whereas the presence of a spouse provides women with greater financial security and ability to handle financial hardships and to be more open to taking financial risk although this may depend on whether the wife herself is employed. Wives have less confidence than husbands in their ability to make competent financial decisions and in case of remarried women, they experience numerous economic changes that affect their financial management strategies which in turn have been shown to affect their financial security. It is more complex in step families to manage money matter than in normal marriage. It indicates that women are more risk averse than men when making many economic decisions, not only regarding consumption of financial information but also regarding employment, investing, and retirement planning. Even women control major household purchasing decision the high income families seem to have male managed system. It is seen that women are more risk averse than men that is the reason that fear, insecurity are mostly seen among single, and cohabiting women. Women who were older, were more educated, had higher income, and who contributed more money to the household income had more positive perceptions of their financial situation.

**Article 4: Financial Harmony In Marriage**

David John Marotta (2007)

This study states money matter can ruin the love affair of the married couple and to avoid these conflicts couples can commit to finance management rules. These rules include financial accountability, openness, and honesty is essential in marriage. The couple needs to be open about how, when money was spent and should flow information about the money matter. Couples should agree on a saving rate and should prioritize their savings above all other budget categories. Savings should be automated and protected from impulse spending habits and it should even be prioritized above debt reduction. It is necessary to set a limit on
purchases and agreement of both husband wife is needed to purchase anything above what was budgeted. In terms of using credit, it should only be used for specific required monthly categories, and then only by the spouse who is less apt to make extra purchases. Just like a good love life, finances cannot be handled well by just one party. Many problems stem as much from ignorance and abdication by one party than spending by the other so, couple can work on these issues by themselves or can take help of financial planner but it only works if couple are involved and interested to sort out finance related issues.

**Article 5: The Impact Of Financial Attitudes And Knowledge On Financial Management And Satisfaction Of Recently Married Individuals**

Jodi L. Parrotta , Phyllis J. Johnson

This study examined the impact of financial attitudes and knowledge on financial management and satisfaction with financial status. The writers have used a financial management model derived from the Deacon and Firebaugh Family Resource Management Model for this study. The purpose of this study is to assess variables related to use of recommended financial management practices, and the subsequent effect of these variables on financial satisfaction of recently married individuals. They have taken a sample of 194 recently married individuals in their first marriage for the analysis. The writers concluded that higher income and positive attitudes about finances, but not the amount of financial knowledge, predicted the use of recommended financial management practices. Financial knowledge did not moderate the relationship between attitudes and practices i.e. the relationship was not stronger when financial knowledge was high. Higher income and the use of recommended financial practices were related to increase satisfaction with financial status.

**Article 6: Financial Smart Start for Couples**

Laura Connerly

The writer states that money management problems can make couples unhappy with their relationship. The happy couples reported that they agreed about how to spend money and had fewer concerns about debt as well as they were satisfied with their financial decisions. The writer has suggested three steps in smart financial management for couples. They are making a mutual commitment, communicating with compassion and find the money management style that works in your relationship.

The writer suggested that we may devise our own unique plan for managing money together. Regardless of the money management method used, it’s important to make joint decisions
about our financial goals and plans. It may take time, patience, and practice to find our best management style but it’s well worth the effort. When both partners share in the financial decision making, couples have fewer arguments and more joy.

**Article 7: Married Couples’ Communication and Resource Management Behaviors: Implications for Relationship Well-Being**


This study shows that overall respondents tended to report more positive relationship adjustment when they and their partner pooled their money together, shared control of their money, engaged in more frequent financial management and positive communication behavior, and engaged in less frequent demand/withdraw behavior. They also found that for married couples the components of financial management behaviors and couples’ communication patterns each have unique effects on relationship well-being. Also, with the exception of sex, demographic, parental, and marital characteristics have little predictive power. They also suggest that men and women view the relative importance of financial management behaviors and communication behaviors differently.

**Article 8: Financial Smart Start for Newlyweds: Introduction**

James P. Marshall, Laura Connerly

It has shown that agreeing on how to spend money is the thing that most separates happy couples from unhappy couples with regard to financial management. They also stated that happy couples agree on how to spend money as compared to unhappy couples. Happy couples also had fewer concerns about major debt, and making financial decisions together was not difficult for them and was also satisfied with their decisions about saving.

It has been found that recurring financial disagreements are often a symptom of recurring relationship problems. Before such financial conflicts can be solved, the quality of the relationship must change. When both spouses share in the financial decision making, contentious arguments decrease and communication about their financial situation increases in quality. It may take time, practice and patience to follow through on the new and more beneficial ways of handling money.

**Article 9: The Influence of a Financial Management Course on Couples’ Relationship Quality**

Kevin J. Zimmerman and Carl W. Roberts (2012)
They provided support for the family stress theory that predicts that improved communication about finances should decrease hostility and increase warmth and supportive behaviors, thereby positively influencing relationship quality. It also demonstrated that a financial management course may serve as a valuable adjunct to relationship therapy or financial counseling and planning, and suggests that good couple communication, particularly regarding personal financial management, can buffer relationships against economic stress.

**Article 10: Financial Management Practices and Conflict Management Styles of Couples in Great Marriages**

Amanda Marie Horrocks (2010)

This study shows that even couples in great marriages have varying degrees of disagreement about financial topics. The conflict management skills are vital to couples in great marriages and should perhaps be the focus of education rather than teaching specific financial management skills in hopes to curb conflict over finances for couples. Financial educators and marriage and couple relationship educators should work together for the benefit of couples dealing with relationship or financial issues. It has also found a direct link from financial strain to couple disagreements which contributed to couples fighting and a decrease in the amount of quality time spent together.
CHAPTER III

RESEARCH METHODOLOGY

3.1. Research Methodology
This research is quantitative in nature. All the data is collected through questionnaire survey and none of the qualitative studies regarding topic has been made.

3.2. Sources of Data
All data were collected from primary source. Questionnaire was designed and printed. Questionnaire was then distributed to the sample of research group. All the analysis and results in this study is based on the data collected from such questionnaire.

3.3. Questionnaire Design
Literature review from several studies of financial management practices of married couples was made first. From the literature, basic aspect of financial management of couples was deduced. Questionnaire was designed to incorporate such aspects. The questionnaire was design to unveil the behavioral and attitudinal aspect of the research group regarding financial management practices between couples. Different types of questions were included in questionnaire. Types of questions include multiple choices, open ended and rating questions. Questionnaire was designed to collect both demographic and problem specific questions. To make questionnaire more respondent friendly, it was designed in Nepali language too. Therefore, questionnaires were administered in both English and Nepali language, which respondent felt easy to fill.

3.4. Sampling Design
The population for this study is married couples of nuclear family residing inside Kathmandu Valley. The number of sample is taken arbitrarily for 30. Total 30 questionnaires were circulated and all were collected. Likewise, selection of sample is based in convenience. However, for the significance representation of each gender, questionnaire was forcefully administered to some females too.

All 30 respondents were member of different family. However, respondents were asked some demographic information about their spouse too in the questionnaire.
3.5. Data Management and Analysis

The collected data was entered and analyzed by using Statistical Package for Social Scientists (SPSS) and EXCEL software. The data is first coded and entered into SPSS and statistical analysis was made.
CHAPTER IV
DATA ANALYSIS

4.1. Demographics of the samples

4.1.1. Distribution by gender

Among 30 respondents 18 were male representing 60% of total respondents. Remaining 12 were female representing 40% of total respondents.

4.1.2. Distribution by Education

Following table shows the distribution of sample on the basis of formal education the respondents and their spouse have:

Table 1: Respondents and their spouse distribution by Education

<table>
<thead>
<tr>
<th>Level</th>
<th>Husband</th>
<th>Wife</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Under SLC</td>
<td>12</td>
<td>40.00</td>
</tr>
<tr>
<td>Intermediate</td>
<td>4</td>
<td>13.33</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>8</td>
<td>26.67</td>
</tr>
<tr>
<td>Graduate and above</td>
<td>6</td>
<td>20.00</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.00</td>
</tr>
</tbody>
</table>

The above table shows the formal education level of respondents and his or her spouse. Among them, 40% of husbands and 46.67% of wives were under SLC. 13.33% of husbands and 26.67% of wives have done their intermediate. Likewise, 26.67% of husbands and 26.67% of wives have studies up to undergraduate. 6% of both husbands and wives have studies up to graduate level.

4.1.3. Distribution by Income Group

Following table shows the distribution of respondent’s couple on the basis of monthly income they earn:

Table 2: Respondents’ family distribution by Monthly Income

<table>
<thead>
<tr>
<th>Monthly Income (Rs.)</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 20000</td>
<td>6</td>
<td>20.00</td>
</tr>
<tr>
<td>20000 to 50000</td>
<td>4</td>
<td>13.33</td>
</tr>
<tr>
<td>50000 to 100000</td>
<td>10</td>
<td>33.33</td>
</tr>
<tr>
<td>More than 100000</td>
<td>10</td>
<td>33.33</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.00</td>
</tr>
</tbody>
</table>
The above table shows that among 30 respondents 20% reported that couples collectively earn less than Rs. 20,000 monthly. Likewise, 13.33% reported that couples collectively earn Rs. 20,000 to 50,000. 33.33% reported that couples earn Rs. 50,000 to 100,000 monthly. Next, 33.33% reported that couples earn more than Rs. 100,000 each month.

4.1.4. Descriptive Analysis of Couple’s Age

Following table shows the descriptive analysis of age of husbands and wives:

Table 3: Descriptive Analysis of Couples’ Age

<table>
<thead>
<tr>
<th></th>
<th>Husband Age</th>
<th>Wife Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>41.6</td>
<td>36.07</td>
</tr>
<tr>
<td>Median</td>
<td>41</td>
<td>37</td>
</tr>
<tr>
<td>Mode</td>
<td>33</td>
<td>30</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>7.05</td>
<td>6.58</td>
</tr>
<tr>
<td>Minimum</td>
<td>33</td>
<td>25</td>
</tr>
<tr>
<td>Maximum</td>
<td>53</td>
<td>46</td>
</tr>
</tbody>
</table>

The mean age of husbands is 41.6 and it is 36.07 for wives. Median is 41 for husbands and 37 for wives. Maximum age of husband is 53 and minimum is 33. Likewise, maximum age of wives is 46 and minimum is 25.

4.2. Analysis of Responses

73.3% of the respondents reported that husband alone earns for the family. Remaining 26.7% respondents reported that both husband and wife earn for the family. However, none of the case was observed where wife alone earns for the family.

86.7% of the respondents reported that husband alone handles the finances in the family. While remaining 13.3% of the respondents reported that both husband and wife jointly handles the finances of the family. However, none of the case was observed where wife alone handles the finances of the family.

Out of 30 respondents 18 reported that they communicate with their spouse other while making major financial decisions. This consists of 60% of total sample size. However, remaining 40% reported, no communication exists between them and their spouse while making financial decisions in family.
While asked about the primary reason for the spouse handling financial activities, majority marked experience as the reason. Out of 30 respondents, 73.3% responded that one of the two spouses handles financial activities especially due to their experience. Out of the remaining 26.7%, 20% marked expertise and 6.7% marked interest of spouse for handling financial activities.

While asked about the person handling the daily financial activities, majority of them marked wives. 80% out of the total 30 respondents indicated that wife alone handles daily financial activities. Out of the remaining 20%, only 6.7% indicated that husband alone and 13.3% indicated that they jointly handle daily financial activities.

While asked about the person making the major financial decisions, majority of them marked them husband alone. 66.7% indicated that husband alone makes major financial decisions. Remaining 33.3% marked that both husband and wife jointly makes major financial decision. However, none of them said that wife alone makes major financial decisions.

Out of total 30 respondents 73.3% responded that the couple does not make financial planning for their future. Remaining 26.7% said their couples make some sort of financial planning.

While asked about the person who have bank account, 53.3% responded that only husband have bank account. Remaining 46.7% marked that both husband and wives have bank account. However, none responded that only wives have bank account. Also, all of the respondents have individual account and none have joint account in bank.

86.7% of total respondents indicated that husband have legal right in their family property and physical assets. Remaining 13.3% marked that wife have legal right in family property and physical assets.

The average saving among our 30 respondents and their spouse is about 35.33% being 15% of the lowest saving couple and 60% of the highest saving couple. Median saving is 30% of their income.

The following table shows the descriptive analysis of some of the attitude based question asked using 5 point likert scale questions, where 1 was used to indicate strongly disagree on the statement and 5 was used to indicate strongly agree on the given statement:
Table 4: Descriptive Analysis of likert scale statements

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Median</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with marriage life</td>
<td>2</td>
<td>5</td>
<td>4.47</td>
<td>5</td>
<td>0.97</td>
</tr>
<tr>
<td>Satisfaction with financial health</td>
<td>2</td>
<td>5</td>
<td>3.73</td>
<td>4</td>
<td>1.01</td>
</tr>
<tr>
<td>Financial health of family will be</td>
<td>3</td>
<td>5</td>
<td>4.07</td>
<td>4</td>
<td>0.58</td>
</tr>
<tr>
<td>satisfactory</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Take financial Advice from other</td>
<td>1</td>
<td>4</td>
<td>2.27</td>
<td>2</td>
<td>0.94</td>
</tr>
<tr>
<td>Share financial problems each other</td>
<td>1</td>
<td>4</td>
<td>2.87</td>
<td>3</td>
<td>0.97</td>
</tr>
</tbody>
</table>

**Satisfaction with marriage life**

Minimum satisfaction with marriage life score is 2 and maximum is 5, mean being 4.47. However the median is 5. Therefore, majority of the respondents believe that they are highly satisfied with their marriage life.

**Satisfaction with financial health**

Minimum satisfaction with financial health score is 2 and maximum is 5, mean being 3.73. Median score is 4. This shows that majority are satisfied with the financial health of their family.

**Belief on financial health of family will be satisfactorily in future**

Minimum rating score is 3 and maximum is 5 for the belief on financial health being satisfactorily in future. Mean score is 4.07 and median is 4, which indicates that majority of the respondents believe that their financial health will be satisfactorily in future.

**Take financial advice from other**

Statement was asked to rate to know whether couples get financial advice from relatives, friends or any other third party. Minimum rating score was 1 and maximum was 4. Mean being 2.27 and median 2. This shows that majority of couples do not take financial advice from third party and decide themselves what to do when faced each financial problems.

**Share financial problem each other**

Statement was asked to rate to know whether couples share financial problem each other or not. Minimum rating score was 1 and maximum was 4. Mean being 2.87 and median being 3. This shows that majority of couples fairly shares financial problems each other.
Correlation testing through attitude and behavior related rating questions

Table 5: Correlation between factors tested under likert scale questions

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Pearson Correlation</td>
<td>1.00</td>
<td>0.62*</td>
<td>0.31</td>
<td>0.61*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.00</td>
<td>0.10</td>
<td>0.00</td>
<td>0.12</td>
</tr>
<tr>
<td>B</td>
<td>Pearson Correlation</td>
<td>1.00</td>
<td>0.73*</td>
<td>0.44*</td>
<td>0.66*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.00</td>
<td>0.02</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Pearson Correlation</td>
<td></td>
<td>1.00</td>
<td></td>
<td>0.34</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.06</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td>1.00</td>
<td>0.42</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td>0.02*</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A. Satisfaction with Marriage Life  
B. Satisfaction with Financial Health  
C. Financial health of family will be satisfactorily in future  
D. Take financial advice from others  
E. Share financial problem each other

Under 5% level of significance, the above correlation matrix shows following relation:

a. Satisfaction with marriage life has significant relationship with satisfaction with financial health of couples.
b. Couples who take more financial advice from others are more satisfied in their marriage life.
c. Belief that the financial health of family will be satisfactorily in future is highly correlated with satisfaction with current financial health of family.
d. Satisfaction with financial health of family is highly correlated with the degree to which the couples take financial advice from other third party.
e. Satisfaction with financial health of family is highly correlated with the degree to which the couples share financial problem to each other.
f. Belief that the financial health of family will be satisfactorily in future is highly correlated the degree to which the couples share financial problems to each other.
g. Couples who take financial suggestion and advice from other third party also share more within them regarding financial problems.
The above correlation matrix provided useful insights in our research. However, to confirm the cause and effect relationship between any above mentioned relationship, further research is required.

**Relationship between education level of wife and the person handling major financial decisions**

We found significant relationship between education level of wife and the person handling major financial decision through chi-square test, where Chi value is 10 and significance value is 0.019. Family in which wives are better educated, both husband and wife collectively take major financial decision of family. However, family in which wives are less educated, husband takes major financial decision of family.

**Relationship between education level of husband and the person handling daily finances**

We found significant relationship between education level of husband and the person handling daily finances through chi-square test, where chi value is 29.6 and significance value is 0.000. However, to find out whether more educated husbands help their wives in handling daily finances or less educated one, we need further research.

**Relationship between monthly income and satisfaction with financial health of family**

We found significant relationship between monthly income and satisfaction and financial health of family using F test, where F value is 27.28 and significance value 0.000. Couples with high income are more satisfied than couples with lower income.

**Relationship between percentage of income saved and satisfaction with financial health of family**

We found significant relationship between percentage of income saved and satisfaction with financial health of family using correlation test, where correlation coefficient is 0.59 and significance value is 0.01. Couples who have higher saving are highly satisfied.

**Relationship between length of marriage life and satisfaction with financial health of family**

We did not find significant relationship between length of marriage life and financial health of family using correlation test, where correlation coefficient is 0.338 and significance value is 0.068.
Relationship between earner in the family and the person handling major financial decisions

We did not find significant relationship between earner in the family and the person handling major financial activities through chi-square test, where chi value is 3.33 and significance value is 0.068. It indicates that no matter who earns money husband has more influence in major financial decisions of family.

Relationship between future financial planning and satisfaction with marriage life

We found significant relationship between future financial planning between couples and satisfaction with marriage life using independent t test, where t value is -3.167 and significance value is 0.005. Couples having future financial plan are more satisfied with their marriage life.

Relationship between future financial planning and confidence about future financial health of family

We found significant relationship between future financial planning and confidence of couples about future financial health of family using independent t test, where t value is -2.69 and significance value is 0.019. Couples having financial planning for their future are more confidence about their financial health in future.

Relationship between earner in family and the person having legal right on property

We found significant relationship between earner in the family and the person having legal right on property using Chi-square test, where chi value is 6.53 and significance value is 0.011. Spouse who earn are likely to have legal right over property.

4.3. Findings

From the above discussion, we can find following important insights regarding financial management practices of couples in nuclear family of Kathmandu:

a. Husband’s income is major source of family income. Wives of very few couple earn for family.

b. Husband primarily handles the finances of the family. Daily finances are being usually handled by wives. However, significant number of couples discusses each other for major financial decisions of family.

c. Majority of couples make communication with their spouse while making major financial decisions. However, there are still large numbers of couples who do not.
d. Spouses who are handling finances of the family are doing this thing primarily due to the experience rather than expertise or interest.

e. Nearly three forth of couples do not make financial planning for future.

f. In case of more than half families only husband have bank accounts. None of the couples have joint account.

g. In majority case husband have legal right to property.

h. Satisfaction with marriage life has significant relationship with satisfaction with financial health of couples.

i. Couples who take more financial advice from others are more satisfied in their marriage life.

j. Belief that the financial health of family will be satisfactorily in future is highly correlated with satisfaction with current financial health of family.

k. Satisfaction with financial health of family is highly correlated with the degree to which the couples take financial advice from other third party.

l. Satisfaction with financial health of family is highly correlated with the degree to which the couples share financial problem to each other.

m. Belief that the financial health of family will be satisfactorily in future is highly correlated the degree to which the couples share financial problems to each other.

n. Couples who take financial suggestion and advice from other third party also share more within them regarding financial problems.

o. Family in which wives are better educated, both husband and wife collectively take major financial decision of family.

p. Couples with high income and higher level of are more satisfied than couples with lower income.

q. There is no significant relationship between length of marriage life and financial health of family

r. No matter who earns money husband has more influence in major financial decisions of family.

s. Couples having future financial plan are more satisfied with their marriage life and are more confidence about their financial health in future.

t. Spouse who earn are likely to have legal right over property.
CHAPTER V
CONCLUSIONS AND IMPLICATIONS

One of the major conclusions from our study is that husbands have some level of dominance in financial management of the family even in the nuclear families of Kathmandu. Major family income is earned by them, major financial decisions are taken by them and family properties are held in their name in most cases. Second, in spite of our study finding that future financial planning has a significant relationship between financial satisfaction in current and confidence about future financial strength, very few couples make financial planning for the future. Next, families in which wives are better educated they get more chance to participate in financial management of the family. Next, in spite of our finding that couples who take financial suggestion and advice from other third party are more satisfied with their financial health, very few couples take advice from third party source. Next, in spite of our finding that couples who share financial problems each other are more satisfied with their marriage life, couple share very few things regarding finances with their spouses.

Couples can learn many things from this study to make their marriage life more successful and satisfying. Couples should communicate each other while making major financial decisions. Likewise, they should make financial plans for their future. Sharing of financial problems between couples is necessary for more satisfying marriage relationship. Taking financial advice and suggestion from other third parties help them to make better financial management and better satisfaction with marriage life.
References

C. Laura. (n.a). Financial smart start for couples. *Journal of Family and Economic Issues*


QUESTIONNAIRE
SURVEY ON FINANCIAL PRACTICES OF MARRIED COUPLES IN KATHMANDU

We are students pursuing MBA program at School of Management Tribhuvan University (SOMTU). As per our academic requirement, we are conducting a research entitled “Financial Practices of Married Couples in Kathmandu.” and for this purpose we request you to provide us your valuable response. This research is purely for an academic purpose and all the information obtained will be kept confidential. We appreciate your favorable consideration in completing this questionnaire and assisting us in the research endeavor. - Research Group


2. Education level

<table>
<thead>
<tr>
<th>Your</th>
<th>Your Spouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Under SLC</td>
<td>a. Under SLC</td>
</tr>
<tr>
<td>b. Intermediate</td>
<td>b. Intermediate</td>
</tr>
<tr>
<td>c. Undergraduate</td>
<td>c. Undergraduate</td>
</tr>
<tr>
<td>d. Graduate</td>
<td>d. Graduate</td>
</tr>
<tr>
<td>e. Post Graduate</td>
<td>e. Post Graduate</td>
</tr>
</tbody>
</table>

3. At what age were you married? ________ Years  Your Spouse ________ Years

4. For how long have you been married? ________ Years

5. What is the age difference between you and your spouse? ________ Years

6. Monthly Household Income:
   a. Less than Rs. 20,000       b. Rs. 20,000 to Rs 50,000
   c. Rs. 50,000 to Rs. 100,000  d. More than Rs. 100,000

7. How many children do you have?
   a. 0
   b. 1-2
   c. 3-5
   d. More than 4


9. Who primarily handles the finances in the family? ____________________________

10. Do you communicate with each other before making any financial decision?
    a. Yes
    b. No

11. What is the primary reason for the spouse handling the financial activities?
    a. Expertise
    b. Experience
12. Who particularly handles the following financial activities?
   Major financial decision a. Husband  b. Wife  c. Both

13. Rank the following on the basis of your expenses.
   a. Daily household expenses
   b. Medical expenses
   c. Children Education
   d. Shopping

14. Do you carry out future financial planning in your family?
   a. Yes  b. No

15. Approximately what percentage of your income does your family save? ____________

   What type of bank account do you maintain?
   a. Individual account
   b. Joint account

17. Who has the legal right on the property and physical assets? a. Husband  b. Wife

18. Rate the following statements:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Strongly Disagree (1)</th>
<th>Disagree(2)</th>
<th>Neutral(3)</th>
<th>Agree(4)</th>
<th>Strongly Agree(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am satisfied with my marriage life.</td>
<td></td>
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<tr>
<td>I am satisfied with the financial health of my family.</td>
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<tr>
<td>I believe the financial health of our family will be satisfactory till we stay together.</td>
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<tr>
<td>We usually take financial advice from other person (may be relatives/friends) or organization while making major financial decisions.</td>
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<tr>
<td>We share each financial problem between us and discuss thoroughly about this.</td>
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</tbody>
</table>

Thank You!!