

Comparative Analysis of Financial Well-Being and Management Practice between Korean and Chinese Families in the U.S.A.

재미 한국 가계와 중국 가계의 재정복지 및 재산관리행동 비교분석

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본고는 저소득층 재미유학생을 중심으로 한국가계와 중국가계의 家計財政福祉 및 管理行動의 인식을 비교·검토하였다. 표본의 크기는 한국 10가계와 중국 11가계였다.

재정후생 조사결과에 의하면 한국 가구는 중국 가구에 비해 자산취득 등 소비에 있어서는 더 높은 만족을 하는 반면, 재정적 압박은 더 많이 받는 것으로 나타났다. 또한 한국 가구는 상대적으로 더 높은 평균소득을 가졌음에도 불구하고 소득수준에 더 많은 불만을 나타내고 있었다. 재정관리행동 조사는 양국 가구 대부분 구체적 예산계획을 세우지 않고 추상적인 “心中豫算”을 하고 있으며, 중국 가구가 더 즉흥적인 혹은 예산밖의 소비를 하고 있는 것을 보여주고 있다. 또한 한국 가구는 재정관리 및 소비지출을 부부중심으로 행하는 반면, 중국 가구는 남편중심으로 행하고 있었으며 중국가구가 재정관리 및 소비에 대하여 더 높은 불화를 나타내고 있었다. 더불어 한국가구는 주로 부인들이 구매하는 적은 금액의 지출에, 중국 가구는 남편들이 구매하는 큰 금액의 지출에 상대적으로 더 많은 불화를 나타내었다. 한편 한국 가구의 구매불화조정은 남편에 의해, 중국 가구의 불화조정은 부인에 의해 주로 이루어 지고 있었다.

I. INTRODUCTION

It would appear that one of the most common problem areas faced by families is financial functioning and decision making.

The high cost of living and its impact on economic well-being continues to be a concern for families.

Effective financial management is an important aspect of all family relationships at all times.

The main purpose of this paper is to examine and compare the perception of financial well-being and financial management practices used by Korean and Chinese student families.

For foreign students and their families in the U. S. finances are a crucial issue since not only the students but also their families are prohibited by the U.S. law to do work except on-campus.

Based on this rationale, two research questions are hypothesized. The first hypothesis is that the Korean and the Chinese student families will have a similar perception of their financial well-being. The second hypothesis is that the financial management practices used by the Korean and Chinese families will not vary.

II. REVIEW OF LITERATURE

Research on financial management practices as a whole is very limited. Notably missing have been investigation of the financial management of low-income families.

One way to determine whether or not a family has good financial management is to look at whether or not they manage to stay solvent.

Williams, Noll and Dick (1976) found that the lower a family's economic position, the more likely the family was to have a greater number of

financial problems and to experience them with greater frequency.

Hogan (1980) identifies three ways families may adjust to financial problems. They may change their level of consumption, increase the efficiency of resource use, and expand their income.

Deacon and Firebaugh (1975) found that effective managerial responses are particularly important. However, when difficulties become too great, a non-managerial response may occur.

Budgeting is viewed by experts as the basis of a family's financial management plan and is used as a technique to help families resolve financial problems.

According to Yankelovich (1975) Families who budget are far more able to control their spending when it comes to niceties, the extras, and the little daily luxuries. Other positive reasons to promote budgeting include: to avoid financial problems, to attain goals, to increase wealth, and to improve or maintain a lifestyle.

While only 12% of the families in Yankelovich's study had a formalized written budget, one out of two families said they had some kind of budget. The budget seemed to have the most effect on controlling family spending on non-essentials, but made little difference when it comes to the basics of family spending such as utilities, gasoline, and food.

Schnittgrund and Baker (1983) found differences in financial behavior among Mexican-American, White, and Black families. In this study, Black respondents perceived themselves as having fewer financial problems and were more likely to write down all expenditures than White or Mexican-American families. Black respondents also were more dissatisfied with their income and the items they could buy than their

Mexican-American or White counterparts.

In an Arndt and Holmer (1978) study on dimensions of household economic management, they found that the important dimensions of administrative procedures were information usage, role differentiation in the financial management of the household, credit sources and deal-proneness.

Hefferan (1982) examined the determinants and patterns of family saving. In the study, she found that the decision to save is primarily influenced

by income adjusted for an estimate of consumption needs, while the level of saving is influenced by total assets, housing tenure, and education.

III. METHODS

1. Sample

The sample consisted of ten Korean and eleven Chinese student families. All of the household heads in the sample are graduate students at the

Table 1. Demographic variables between the two groups

Variables	Korean (n=10)		Chinese (n=11)	
	Husband	Wife	Husband	Wife
Student status (full time)	100%	30%	82%	27%
(part time)			18%	18%
Status/housewife		70%		55%
Source of income :				
jobs from school	100%	20%	73%	27%
jobs from outside	0	0	18%	9%
financial support		70%		36%
fellowship		10%		9%
Total annual income :				
\$ 5001-10000		0		36%
\$10001-15000		50%		18%
\$15001-20000		30%		28%
\$20001-25000		20%		0
over \$30000		0		18%
Fixed expenditure (month) :				
\$ 0- 500		0		10%
\$ 501-1000		10%		45%
\$1001-1500		60%		45%
\$1501-2000		30%		0
Age (mean)	33	31	30	29
Length of marriage (mean)	6.5		3.8	
Family size (mean)	3.5		2.4	
* of children :				
no child		10%		64%
one child		30%		36%
two children		60%		0
Length of residence in U.S. (mean)	3.7		2.9	
Dwelling unit (student Apt)	100%		100%	

University of Minnesota. For the Korean sample, the investigator chose two students and asked them to distribute the questionnaire to other Korean student families. For the Chinese sample, the investigator got the list of twelve Chinese student families from one Chinese classmate and distributed the questionnaire to them.

The total sample size was 21 (10 Koreans, 11 Chinese) due to one missing data in the Chinese sample.

Table 1 shows the demographic variables between the Korean and Chinese sample. All Korean heads of families were full-time graduate students as compared to 82% of the heads of the Chinese families. 18% of the Chinese husbands were part-time graduate students and had full-time jobs outside. All the full-time students had teaching or research assistant positions ranging from 25% to 75% time appointments.

Two Korean families had 75% assistantships, three had 50% and the other five had 25% assistantships at the University. On the other hand, no Chinese had a 75% assistantship, four had 50% and another four had 25% appointments. The final person had a fellowship.

For wives, only three Korean wives were full-time graduate students at the U of MN and the others were housewives with no jobs outside. Among the housewives, four had bachelor degrees, three had masters degrees. Of the three Korean wives, two had 25% assistantships from school.

Five Chinese wives were students at the U of MN. (three were full-time graduate students and two were part-time undergraduate students). All three graduate students had 25% or 50% jobs. The other six were housewives.

Of the six wives, only one had a part-time job outside. Four Chinese housewives had bachelor

degrees and two had masters degrees.

The age of Korean husbands varied from 30-38 with a mean age of 33. The mean age of Korean wives was 31 with a range of 28-34 years.

On the other hand, for the Chinese husbands, age varied from 26-35 with a mean age of 30. The mean age of Chinese wives was 29 with a range of 25-35 years.

While the majority of the Koreans had financial support from their families overseas, the majority of the Chinese sample did not have any financial support. Consequently, there was a difference in total annual income between the two groups.

Five Korean families reported their income to be \$10,001-\$15,000 in contrast to two Chinese families. The same number (3) of Korean and Chinese families had \$15,001-\$20,000 total annual income. While two Korean families reported \$20,001-25,000, no Chinese did.

No Korean families reported \$5,001-\$10,000 and over \$30,000. Two Chinese families who had full-time jobs outside reported over \$30,000 and four had \$5,001-10,000 total annual income.

Average fixed expenditures per month for Korean families ranged from \$501-\$1,000 to \$1,501-\$2,000. While Chinese ranged from \$0-500 to \$1,001-\$1,500.

For the Korean families, family size varied from 2 to 4 with a mean of 3.5. Six (60%) of the families had two children, three had one child and one family had no children.

Family size for the Chinese families ranged from 2 to 3 with a mean of 2.4. Of the 11 Chinese families, four had one child and the others had no children.

The mean length of marriage in the Korean sample was 6.5 years with a range of 4 to 10 years. Whereas, for the Chinese sample, the mean length of marriage was 3.8 years with a range of 4

months to 8 years.

Length of residence in the U.S. ranged from 2 to 5 1/2 years with a mean of 3 years and 8 months for the Koreans compared to a mean of 2.9 years and a range of 7 months to 6 years for the Chinese.

All of the sample families lived at the university student apartments.

2. Instruments and Measures

1) Financial well-being:

The subjects were asked to fill out the financial well-being form which was a written questionnaire to measure perception of financial well-being of Korean and Chinese student families.

The questionnaire was developed based on H. McCubbin's Family Inventory of Resources for Management. The financial well-being measure was composed of a Likert scale ranging from "not at all"-1 to "strongly"-4. The total possible score ranged from 1-4. The lowest score indicates the poorest financial well-being and consequently financial problems. The highest score means the most positive perception of financial well-being and the lowest financial problems.

The last two questions (#16 and #17) measure perception of income adequacy and the degree of help of financial support from their families overseas.

2) Financial Management

This questionnaire was used to gain information about how they practice financial management between husbands and wives of Korean and Chinese student families. The sample subjects were asked to choose an appropriate answer to each question or write their own answer in the "other" column if they did not find an appropriate answer.

This was a self-administered questionnaire based on an extensive review of the literature.

3) Data Collection

Data were collected from the two parts of the questionnaire (Appendix A and B). From the first part of the questionnaire (Appendix A), each individual's scores were calculated and the mean scores were compared between the Korean and the Chinese student families. The negative answers to negative questions were assumed positive and scored conversely.

Financial management practices between the Korean and the Chinese students' families were measured and compared from the second part of the questionnaire (Appendix B).

At the end of questionnaire, the subjective questions were asked to provide demographic information about their general background.

IV. RESULTS

1. Financial Well-being

The mean score of Financial Well-being for the Korean student families was 45.4 ranging from 41-52. On the other hand, that of the Chinese student families was 46.1 ranging from 32-57. (See table 2) From the items analysis, over half of both the Korean (60%) and Chinese (55%) did not worry about how they would cover a large unexpected bill (#4).

A majority of the Korean (80%) and the Chinese respondents (91%) said that they had no problem paying their bills on time (#7). Korean families tended to be more satisfied with their possessions (80%) than did the Chinese families (64%). Whereas 27% of the Chinese families were not satisfied at all (#12).

Over half of all families, 60% of the Koreans and 64% of the Chinese, saved money minimally for special things(#9).

There was a difference on satisfaction with

Table 2. Perception of Financial Well-being

Perception Financial Well-being (mean)	Korean 45.4	Chinese 46.1
# 4. Worry about a large bill :		
moderately/strongly	40%	45%
minimally/not at all	60%	55%
# 5. Financial pressure :		
moderately/strongly	50%	18%
minially/not at all	50%	82%
# 7. Pay bills on time :		
monderately/strongly	80%	91%
minimally/not at all	20%	9%
# 9. Save money for special things :		
moderately/strongly	40%	36%
minimally/not at all	60%	64%
# 10. Satisfaciton with savings ;		
moderately/strongly	50%	73%
minimally/not at all	50%	27%
# 12. Satisfaction with possessions;		
moderately/strongly	80%	64%
minimally/not at all	20%	36%
Expectation in the furure		
# 13. Higher income :		
moderately/strongly	100%	91%
minimally/not at all	0	0
# 14. More things :		
moderately/strongly	100%	100%
minimally/not at all	0	0
# 15. Satisfying job :		
moderately/strongly	100%	91%
minimially/not at all	0	9%
Income provides :		
not at all adequate	20%	9%
meet nescesties only	20%	18%
afford some of things	50%	36%
afford almost everything	10%	27%
save money	9	9%
Financial support form families :		
absolutely/modreately helpful	50%	27%
minimally/not at all helpful	20%	9%
no financial support	30%	64%

their savings between Korean and Chinese families. While most Chinese families (73%) were satisfied with their savings. 50% Koreans were

satisfied with and the other 50% dissatisfied with their savings (#10).

These responses were very consistent with those of question #6 in ppendix B.

27% of the Chinese reported that they were very satisfied with their savings in contrast to no Koreans. 55% of the Chinese were satisfied with their savings. Only 18% reported dissatisfaction. On the other hand, 50% of the Koreans reported moderate satisfaction and the other 50% were dissatisfied or very dissatisfied with their savings.

Consequently, a majority of the Chinese families reported that they did not feel financial pressure at all (36%) or minimally (45%). Whereas half of the Koreans felt moderate or strong financial pressure and the other half reported minimal financial pressure(#5).

There was a discrepancy regarding the perception of their income from jobs and financial support from their families overseas. Most of the sample reported inadequacy of income from jobs. However, more Koreans reported income inadequacy than Chinese families. 40% of the Korean families in contrast to 27% of the Chinese families reported that their income from jobs provided only necessities or not at all adequate. While 50% of the Korean families reported income provided some of the things they wanted and only 10% of the Koreans reported they could afford almost everything.

On the other hand, 36% of the Chinese families reported that they could afford some of the things they want and 27% could afford almost everything.

Overall, both Korean and Chinese who have over 50% assistantships report that income provided at least some of the things. 25% with assistantships tended to feel strong income inadequacy.

The majority of the Korean families (70%) reported that they have received financial support from their families or relatives overseas. Most of them perceived the financial support was fairly helpful while only 20% of them perceived it to be minimally helpful.

In contrast to the Korean families, a majority of the Chinese families (64%) did not take financial support from their families overseas. Of the 36% of the Chinese families, 27% reported the financial support fairly helpful.

2. Financial Management Practice Measure

Keeping track of expenditures was done mostly by checkbook or bank statement for both Korean and Chinese student families(See Table 3). 60% of Koreans and 82% of Chinese use checkbooks or monthly bank statements to keep track of expenditures. The small proportion of Korean (20%) and Chinese (9%) wrote down all expenditures.

Table 3. Keeping track of expenditures

	Korean	Chinese
Write down every expenditures	20%	9%
Kepp receipts	10%	0
Checkbook/bank statement	60%	82% ^{9%}

Budgeting was evident in the majority of families(Table 4). Only 18% of the Chinese families had no budget plan. The most common method of budgeting used was "general ideas in mind" with 80% of the Korean and 73% of the Chinese families using this technique. Written budgets were used by one family of both Koreans and Chinese. 10% of the Korean families used both written and mental (general idea) budgeting.

The two (18%) Chinese families answered "We manage money well without a budget plan" and

Table 4. Budget behaviors

	Korean	Chinese
Types of budget :		
formal written budget	10%	9%
general ideas	80%	73%
written/mental bueget	10%	0
no budget	0%	18%
Budget sevres :		
vrey helpful/control spending	40%	33%
moder. helpful/control spending	50%	33%
minimal hepl/no control	10%	0
no enhance living	0	33%
Importance of budget in future :		
very important	70%	36%
moderately important	30%	55%
minimally important	0	9%

"our total income is too small to have a budget plan as a major reason for not budgeting.

Generally, budgeting provided control of spending for most Korean and Chinese families. 40% of Koreans and 33% of the Chinese perceived budgeting to be very helpful for control of spending. Half of the Koreans perceived budgeting to be moderately helpful in contrast to 33% of the Chinese.

It is interesting to note that 10% of the Korean families who have written budgets perceived budgeting as minimally helpful for hard-to-control expenditures.

33% of the Chinese families answered that budgeting did not serve to enhance their living. However, a majority of both Korean and Chinese families perceived the importance of budgets in the future. 70% of the Koreans perceived that budgets in the future would be important as compared to 36% of the Chinese. But, over half of the Chinese respondents said "moderately important" as compared to 30% of the Koreans. Interestingly, only one Chinese family did not perceive

Table 5. Financial management practices

	Korean	Chinese
Shopping list :		
prepare S.L. in advance	10%	0
prepare S.L. just before shopping	50%	27%
purchase with S.L. in mind	40%	73%
Purchase goods without a plan :		
very often/often	10%	0
sometimes	40%	73%
seldom	50%	27%
Importance of information :		
very important	60%	45%
moderately important	20%	55%
minimally important	10%	0
important for big appliances	10%	0

the importance of budgeting in the future.

As a planning instrument use of shopping lists was common for both Korean and Chinese families (Table 5). However, only one Korean family prepared a shopping list in advance. The majority of the respondents prepared a shopping list just before shopping or purchased goods with a shopping list in mind. Korean families (50%) tended to

prepare a shopping list just before shopping whereas the Chinese (73%) tended to buy things with as hopping list in their minds.

Although all the families purchased goods with a shopping list, the respondents who purchase goods with a shopping list in mind tended to purchase things sometimes on the spur of the moment without a plan in both two groups. 73% of the Chinese and 40% of the Korean reported that they sometimes purchased things without a plan. The respondents who prepare a shopping list before shopping tended to purchase seldom without a plan.

Information from newspaper, friends, or neighbors for purchasing goods influenced significantly all families except one Korean family. The respondents reported information very important or moderately important. The higher portion of Koreans tended to buy things on sale usually more than the Chinese families. Chinese families reported that they sometimes bought things on sale.

There were some differences about financial management practice between the Korean and the Chinese couples (Table 6).

Table 6. Financial management practices between couples

	Pay bills		Financial institutions		Collect information	
	Korean	Chinese	Korean	Chinese	Korean	Chinese
Husband most time	20%	46%	30%	73%	0	18%
Wife most time	30%	18%	10%	9%	60%	46%
Husband & wife jointly	40%	18%	60%	9%	30%	27%
Sometimes husband/ sometimes wife	10%	18%	0	9%	10%	9%
	Prepare shopping list		Decision on major		Decision on minor	
	Korean	Chinese	Korean	Chinese	Korean	Chinese
Husband most time	0	0	10%	36%	0	0
Wife most time	80%	82%	10%	9%	100%	73%
Husband & wife jointly	10%	0	80%	55%	0	18%
Sometimes husband/ sometimes wife	10%	18%	0	0	0	9%

The Korean couples tended to pay bills jointly (40%) or the wife most of the time (30%). On the other hand, the Chinese husbands (46%) tended to pay the bills. Consequently, 60% of the Korean couples jointly contacted financial institutions as compared to 9% of the Chinese couple. In the Chinese families, mostly husbands (73%) contacted financial institutions.

However, for all families, wives tended to collect information. 60% of the Korean wives as compared to 46% of the Chinese wives collected information most of the time. The same number of Korean and Chinese couples jointly collected information. 18% of the Chinese husbands collected information most of the time in contrast to no Korean husbands.

There was another similarity that the majority of Korean (80%) and Chinese (82%) wives prepared a shopping list.

There was general agreement from the subjects that both Korean and Chinese couples tended to decide jointly on purchasing major appliances. 80% of the Korean and 55% of the Chinese couples decided jointly. However, 36% of the Chinese husbands decided most of the time as compared to 10% of the Korean husband. On the other hand, for purchasing minor appliances wives decided most often for both Korean (100%) and Chinese (73%).

Various responses were appeared with regard to areas of most disagreement (Table 7). 30% of the Korean couples disagreed purchasing goods as compared to 36% of the Chinese couples. 20% of the Korean and 9% of the Chinese couples disagreed on hobby related expenses.

20% of the Korean couples disagreed on child related expenses while no Chinese couple disagreed on this area. The same number of the Korean and Chinese couples disagreed on vacation

Table 7. Disagreement between couple on finances

	Korean	Chinese
Areas of most disagreement :		
purchase goods	30%	36%
hobby related expense	20%	9%
child related expense	20%	0
vacation/traveling	10%	9%
recreation	0	0
saving money	0	9%
gifts expense	0	18%
other	20%	18%
More disagreement areas :		
major purchases	30%	45%
minor purchases	60%	27%
other	10%	27%
Ways of disagreement :		
husband thinks wife buy unpractical		
things/wife thinks husband buys brand name goods	0	18%
husband thinks wife has to buy only necessary things/wife thinks husband is too strict	20%	28%
husband and wife decide jointly	70%	55%
other	10%	9%
Talking over finances :		
very often/often	40%	27%
sometimes	50%	55%
seldom	10%	18%
never	0%	0
Frequency of disagreement :		
very often/often	10%	0
sometimes	30%	55%
seldom	60%	36%
never	0	9%
Control disagreement :		
husband most time	0	9%
wife most time	10%	27%
husband & wife jointly	50%	18%
sometimes husband/sometimes wife	40%	36%
other	0	9%

and traveling expenses. 18% of the Chinese couples disagreed with gifts expenses as compared to none of the Korean couples. 9% of the Chinese couple disagreed with the amount of money saved. Interestingly, 10% of the Korean and 18% of the Chinese couples reported that they had no disagreement area. The 18% of the Chinese respondents put a note in the other column, "no disagreement is allowed at our home", and "we always agree with each other".

The Korean and Chinese couples showed a clear difference with regard to disagreement on major and minor purchases. The Korean couples (60%) tended to disagree on minor purchases whereas the Chinese couples (45%) more disagreed on major purchases. 27% of the Chinese couples noted that they had no disagreement between husbands and wives.

However, most respondents answered that husbands and wives decided jointly on finances, so they seldom had disagreement. 70% of the Korean and 55% of the Chinese respondents agreed with this statement. The same portion of the Korean and Chinese couples disagreed with each other in that the husbands thought wives should buy only necessary things and the wives thought husbands were too strict in money matters. Another the same portion (18%) of the Chinese couples thought that husbands tended to buy brand name goods and wives tended to buy unpractical things due to impulses.

A similar frequency of talking over finances or how to spend money was apparent between the Korean and the Chinese couples. 50% of the Korean and 55% of the Chinese couples talked sometimes. While 40% of the Korean couples talked often, 18% of the Chinese talked often. Only 9% of the Chinese couple talked very often. On the other hand, 10% of the Korean couple and

18% of the Chinese couples seldom did.

The responses regarding ways of disagreement between husbands and wives are fairly consistent with the responses on frequency of disagreement. 60% of the Korean couples and 36% of the Chinese couples reported that they seldom had disagreement. A higher proportion of Chinese couples than Koreans sometimes disagreed with each other.

There was an interesting difference between the Korean and the Chinese couple's pattern of control on their disagreement. The Korean couples tended to control disagreements jointly (50%) and sometimes husbands and sometimes wives controlled (40%). On the other hand, The Chinese wives tended to control their disagreements (27%) and sometimes husbands and sometimes wives controlled (36%).

V. DISCUSSION

The mean score of the financial well-being for the Korean (45.2) and the Chinese (46.1) was similar. However, overall, the Chinese families perceived their financial well-being as better than did the Korean families. Chinese families' better perception of financial well-being may be explained by two factors. First of all, the Chinese families sample had smaller family size than the Koreans. Accordingly, they had less fixed expenditures per month than the Korean sample.

In spite of financial supports from their families overseas and on the whole, higher total income than the Chinese families, the Korean sample tended to be less satisfied with their savings, felt more financial pressure, and experienced more inadequacy of income from jobs than the Chinese sample.

According to Heffern (1982), saving is expected

to be positively related to the level and adequacy of income and negatively related to the consistency, number and sources of earnings. Do the Korean families need not save money because most of them have another income source? Is this related to the dissatisfaction with their saving? This question suggests further research about what factors determine saving patterns. However, interestingly, more Korean families (80%) were satisfied with their possessions than the Chinese families (64%).

Although the majority of the Chinese didn't get financial support from their families overseas, a higher proportion of the Chinese families reported minimal or no financial pressure than the Korean families.

The Korean families' perception of inadequacy of income would be explained by the larger fixed expenditure per month than the Chinese families. This explanation is supported by a study of Arndt and Holmer (1978). In the study, positive associations were found between financial strain and fixed expenditures per month and number of persons in the household.

The style of the Korean and the Chinese student families toward money management practices were similar. The majority of the sample engaged in a very informal and unwritten style of budget behavior. The most common method of budgeting used was "general ideas in mind". Research on low income families reveal that low income families use informal, unwritten budgets almost exclusively (Mullis & Schnittgrund, 1982; Schnittgrund & Barker, 1983).

While most informal Korean and Chinese budgeters reported that budgeting was quite helpful for controlling spending, one formal Korean budgeter reported budgeting to be minimally helpful. Schnittgrund and Baker (1983) discussed that the

budget seemed to have the most effect on controlling family spending on non-essentials, but made little difference when it came to the basics of family spending such as utilities, gasoline, and food.

Overall, Korean families tended to be more intentional than the Chinese families in their purchasing habits. More of the Korean sample than the Chinese prepared a shopping list, consequently, seldom purchased goods without a plan. They perceived information as being very important.

Results show a different style of financial behavior between Korean and Chinese couples. On the whole, the Korean couples tended to take responsibility jointly for paying bills and having contact with financial institution while the Chinese husbands mainly performed those tasks.

However, in both samples, wives tended to take responsibility to collect information and prepare shopping lists. With regard to major purchases, both the Korean and Chinese couples tended to decide jointly whereas wives of the two groups decided mostly about minor purchases.

One study (Komarovsky, 1961) found that joint decision making was found to be especially prevalent among couples in middle income levels and among younger and more educated couples. However, Ferber and Lee (1974) discussed that the principle determinants were husband-wife roles and whether family saving and purchasing behavior seem to be influenced by the identity of the family financial officer.

Responses on areas of most disagreement between husband and wife varied for the two groups. There were two discrepancy areas between Koreans and Chinese.

While two Korean couples had disagreement on child related expenses, no Chinese reported that.

On the other hand, two Chinese couples disagreed on gift expenses while no Koreans disagreed about that. Disagreement on child related expenses makes sense when considering most Korean couples have two children. An interesting finding in this study is the disagreement between husband and wife with regard to purchases. Even though the Chinese couples tended to decide jointly on major appliances purchases, they reported that major purchases caused more disagreement. On the other hand, most of the Korean sample reported that minor purchases which were a domain of the wife's decision, caused more disagreement.

Overall, the Chinese couples tended to have more disagreement than the Korean couples. The responses of the Korean sample on disagreement on finances were consistent. The majority of the Korean couples decided jointly, so seldomly disagreed. This response was congruent with the frequency of disagreement and control of disagreement. The Korean sample reported "seldom disagreement" between husband and wife. Consequently, they tended to control the disagreement jointly or equally (sometimes husband, sometimes wife).

On the other hand, about the same proportion of the Chinese couples "disagreed" or "seldom disagreed" on finances. Accordingly, the couples who reported joint decisions had "seldom disagreement" while the other tended to have occasional disagreement.

Interestingly, the Chinese couples tended to control the disagreement equally or more wives controlled. This finding raises a question.

Why do the Chinese couples have more disagreement than the Koreans although they perceive better financial well-being? Williams and Berry (1984) identified the factors associated with

general disagreement over family finances. They found that disagreement over family financial expenditures for men was a function of management practice (negative) and years married (negative). For women, it was a function of frequency of communication (negative), perceived future financial security (negative).

Williams and Berry also found that disagreement over finances was not associated with family income. Rather management practices and frequency of communication between the couple were more strongly associated with disagreement over finances. When considering the number of years married is highly associated with agreement over finances, while family income is not associated with disagreement over finances, the Chinese couples disagreement would be understood. The mean years of marriage of the Korean couples (6.5) is two times as long as that of the Chinese couples (3.8).

In this study the frequency of talking over finances between couples was not associated with the frequency of disagreement over finances.

VI. CONCLUSION

The basic hypotheses tested in this study were partly supported by the findings. Although the mean score of Financial Well-being measure was similar between the Korean and Chinese sample, the Chinese tended to be more satisfied with their savings and experienced less financial pressure than the Korean sample.

The financial management practices between the two groups also had both similarities and dissimilarities. The majority of both the Korean and Chinese sample had informal, unwritten budget plans. Both the Korean and Chinese samples tended to purchase goods on sale and the

couples decided jointly when purchasing major appliances. However, while the Korean couples tended to disagree on minor purchases, the Chinese couples disagreed more on major purchases. On the whole, the Korean couples tended to take joint action on finances and had less disagreement than the Chinese couples.

VI. LIMITATION OF THE STUDY AND FURTHER SUGGESTION

There are several limitations in this study. First, sample size is too small to generalize. Secondly, the development and refinement of more sensitive measures is required to explore perception of financial well-being and financial management practices. Thirdly, validity and reliability tests are neglected in this study. Development of sensitive measures certainly would enhance validity and reliability. Fourth, this study didn't apply the concepts of theory. Thus, further research utilizing family economic theory, management, or decision making theory might provide better insight into financial behaviors of families.

This study suggest several further research questions: influencing factors on the perception of financial well-being: the role of the family's value system and belief structure in one's perception of financial well-being: influencing factors on saving patterns: identifying factors on couple disagreement over finances: saving and expenditures pattern over life cycle: the patterns of family's use of resources.

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