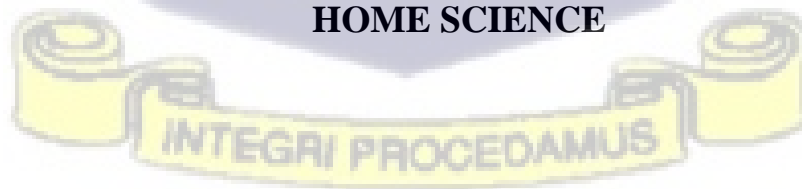


**INFLUENCE OF HOMEMAKERS' SPENDING PRACTICES AND
CONSUMER CREDIT USE ON FAMILY WELFARE AT
SAKUMONO ESTATES, TEMA**

BY
ELIZABETH MILLICENT BA-AMA
(10031714)

**THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA,
LEGON, IN PARTIAL FULFILMENT OF THE REQUIREMENTS
FOR THE AWARD OF DOCTOR OF PHILOSOPHY DEGREE IN
HOME SCIENCE**



JULY, 2019

DECLARATION

I, Elizabeth Millicent Ba-ama, do hereby declare that except for references to other people's work which have been duly cited, this work is the result of my original research under due supervision. I further affirm that this thesis has neither in whole nor in part been presented for another degree elsewhere.



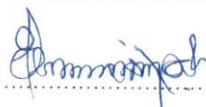
Elizabeth M. Ba-ama

(STUDENT)



Prof. (Mrs) Laetitia A. P. Hevi – Yiboe

(PRINCIPAL SUPERVISOR)



Dr Justice Owusu-Bempah

(CO-SUPERVISOR)

ABSTRACT

This study was conducted to assess how the spending practices and consumer credit use among homemakers at Sakumono Estates in the Tema Municipality influenced family welfare. The specific objectives were to: examine the income and expenditure patterns of homemakers, investigate the management principles applied by homemakers in the use of money, investigate the perception and consumer credit use by homemakers and identify factors that influenced homemakers' spending practices and credit use. Five null hypotheses were stated. Ho₁: There is no relationship between homemakers' demographic characteristics (age, educational level, marital status, occupation, income status) and spending practices. Ho₂: There is no relationship between homemakers' demographic characteristics (age, educational level, marital status, occupation, income status) and consumer credit use. Ho₃: There is no relationship between homemakers' spending practices and consumer credit use. Ho₄: There is no relationship between homemakers' spending practices and family welfare. Ho₅: There is no relationship between homemakers' consumer credit usage and family welfare. A proportionate sample of two hundred and fifty-two (252) homemakers was interviewed using a structured interview schedule. The data were analysed using the Statistical Package for Social Sciences (SPSS) version 21 to generate frequency and percentage distributions. Likert scale scores were used to aggregate spending practices, consumer credit use, perception of consumer credit, family welfare and financial stress. Pearson's Correlation Coefficient test and simple linear regression analysis were used to test the null hypotheses at 5% level of significance ($p = 0.05$). The findings revealed that the mean age of the homemakers was 45.5 years with an average household size of five. The majority (70%)

had attained post-secondary and tertiary levels. Homemakers earned a mean monthly income of GH¢1,100 from salaries and wages (93.7%). The mean monthly housekeeping money was GH¢600 contributed by both homemakers (98%) and husbands (70%). The top six expenditure categories with high means included education (GH¢539.26), food and non-alcoholic beverages (GH¢252.98), accommodation (GH¢152.11), transportation (GH¢130.60) children's clothing and footwear (GH¢96.67) and utilities (GH¢82.45). The homemakers were the financial decision-makers (77%). Financial management principles applied included planning or budgeting 226 (89.7%) organizing expenditure (73%), implementing financial plans (75%) and partial evaluation of financial plans (57%). Perception of consumer credit was low (54.4%) but 72% used it for varied reasons. Spending practices were influenced mainly by personal (99.2%), economic (91.2%), social (71.4%) and business factors (63.4%). More than half (55.8%) of the homemakers assessed their spending vis-à-vis family goal attainment as very good and more than two thirds (68.7%) said they had enhanced family welfare. Simple linear regression analysis revealed that age ($p=0.01$), educational level ($p=0.01$), occupation ($p=0.01$) and income status ($p=0.01$) predicted spending practices whereas educational level ($p=0.05$) and occupation ($p=0.01$) predicted consumer credit use. Spending practices ($p=0.001$), on the other hand, predicted family welfare implying that homemakers who applied good spending practices had enhanced family welfare. It is concluded that to some extent, homemakers spending practices and consumer credit use did influence their family welfare both positively and negatively. It is recommended that stakeholders in the field being examined including the Ministry of Education, Extension workers, Ghana Home Economics Association (GHEA), Microfinance and Consumer Credit institutions, should

design practical educational programs for both formal and informal deliveries to provide knowledge and skills required for financial management matters, particularly good spending practices and consumer credit use, to enable both present and future homemakers make informed and effective decisions regarding the use and management of money and credit to enhance family welfare. Also, the stress experienced by homemakers as they perform the important responsibility as financial managers of the household is likely to reduce. Acquisition of such skills by as many homemakers as possible would reduce the stress experienced by homemakers as they perform these important responsibilities which are central to family welfare

DEDICATION

This thesis is dedicated to the Almighty God for His protection and favour and to my son, Arnold Bakang Korbieh, for his encouragement and support.

ACKNOWLEDGEMENT

I am deeply grateful to God Almighty for giving me the strength and provision throughout this work. Special appreciation goes to my supervisors: Prof. Dr (Mrs) Laetitia Hevi-Yiboe, Dr Paschal Atengdem and Dr Justice Owusu Bempah for their encouragement, professional guidance and directions which helped in shaping the outcome of this thesis.

I am most grateful to Mr Frank Asempah and David Kumador (Research Assistants) for their assistance in completing this work. God richly bless you. My appreciation also goes to all the lecturers in the Department of Family and Consumer Sciences, University of Ghana, Legon, for their constructive criticisms and useful suggestions. I would want to mention Prof. Docea Fianu and Dr Mrs Afua Vandyck for their constant pressure and encouragement to complete this thesis.

My heartfelt gratitude goes to my only son, Arnold Bakang Korbieh for his support and encouragement. Special thanks go to my friends, Mrs Comfort Buami, Mrs Evelyn Anyire, Rev. Father Alosious Noulabong, Madam Janet Appiah, Auntie Victoria Lamptey, Mr Akogo Ayirepaga and others for their special support in various ways.

Finally, I thank my respondents who willingly gave me their time, access to their homes and co-operation during the data collection. To all who contributed in diverse ways, I say Ayekoo!

TABLE OF CONTENTS

DECLARATION	i
ABSTRACT.....	ii
DEDICATION.....	v
ACKNOWLEDGEMENT	vi
LIST OF TABLES	xiv
LIST OF FIGURES	xv
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background Information.....	1
1.2 Statement of the Problem.....	4
1.3 Aim of the Study.....	5
1.4 Specific Objectives	5
1.5 Hypotheses	5
1.6 Significance of the Study	6
1.7 Operational Definition of Terms.....	7
CHAPTER TWO	9
LITERATURE REVIEW	9
2.1 Introduction.....	9
2.2 The Family Concept.....	9
2.2.1 Definition of Family:	9
2.2.2 Types of Family	11
2.3 Households.....	13
2.3.1 Definition of households.....	13
2.3.2 Structure and Composition of Households	14
2.3.3 Household Types	15
2.4 Functions of the family	17
2.5 Women’s Roles and Responsibilities in Family life.....	22
2.5.1 Role as a Wife.....	22
2.5.2 Role as a Mother	23
2.5.3 Role as Housekeeper.....	24

2.5.4 Role as Kin.....	24
2.5.5 Role as Worker	25
2.5.6 Community Role.....	26
2.5.7 Status of Employed Women	27
2.6 Family Life.....	28
2.6.1 Explanation of family life and lifestyle	28
2.6.2 Quality of Life.....	29
2.6.3 Family Life Management.....	30
2.7 Family Resources.....	30
2.7.1 Resources Explained.....	30
2.7.2 Classification of Resources.....	31
2.7.3 Family Resource Management	34
2.7.4 The Management Process	35
2.8 Money as a Resource	36
2.8.1 Money Defined	36
2.8.2 Importance of Money as a Resource.....	38
2.8.3 Money Attitudes.....	40
2.8.4 Needs Theory and Money Attitudes	43
2.8.5 Family Income	47
2.8.6 Financial management	49
2.8.7 Financial Planning	53
2.8.8 Family budget	54
2.8.9 Importance of Financial Planning or Budgeting.....	55
2.9 Consumer Spending	56
2.9.1 Explanation of Consumer Spending	56
2.9.2 Spending Practices	56
2.9.3 Financial Education	59
2.9.4 Deciding what to buy.....	61
2.9.5 Where to shop	61
2.9.5 When to buy.....	62
2.10 Factors that Influence Spending Decisions.....	62

2.10.1 Economic factors	63
2.10.2 Personal factors	63
2.10.3 Social factors.....	65
2.10.4 Business factors	66
2.11 Family Spending Methods	67
2.12 Family Expenditure.....	69
2.12.1 Food Expenditure.....	70
2.12.2 Housing Expenditure	71
2.12.3 Health Care Expenditure.....	72
2.12.4 Remittances.....	73
2.12.5 Educational Expenditure.....	74
2.12.6 Household Utilities Expenditure.....	75
2.12.7 Transportation Expenditure	76
2.12.8 Recreation	76
2.12.10 Communication.....	77
2.13 Consumer Credit	78
2.13.1 History of Credit	78
2.13.2 Consumer Credit Explained.....	79
2.13.3 Types of Consumer Credit.....	79
2.13.4 Factors that Influence Consumer Credit Use	83
2.13.5 Functions of consumer credit.....	85
2.13.6 Consumer Credit Use.....	85
2.13.7 Consumer Credit Challenges	87
2.14 Summary	89
2.15 Conceptual Framework.....	91
2.15.1 Investigating Spending Practices, Consumer Credit Use and Family Welfare Using the Systems Theory	91
2.15.2 The Nature of Systems Theory	92
CHAPTER THREE	96
METHODOLOGY	96
3.1 Introduction.....	96

3.2 Study Design.....	96
3.3 Study Area	97
3.4 Target Population.....	98
3.5 Sample Size and Sampling Procedure	98
3.5.1 Sample Size.....	98
3.5.2 Sampling Technique/Procedure	99
3.6 Instrument for Data Collection	101
3.7 Pre-Test	103
3.8 Data Collection Procedure	104
3.9 Data Analyses and Presentation.....	105
3.10 Limitations of the study	110
CHAPTER FOUR.....	111
RESULTS AND DISCUSSIONS.....	111
4.0 Introduction.....	111
4.1 SECTION I	111
4.1.1 Socio-Demographic Characteristics of Homemakers	111
4.1.1.1 Age Distribution of Homemakers.....	112
4.1.1.2. Region of Origin of Homemakers.....	113
4.1.1.4 Religious Affiliation of Homemakers.....	115
4.1.1.5. Marital Status of Homemakers	116
4.1.1.6 Type of Marriage	117
4.1.1.7 Educational Level Attained by Homemakers	117
4.1.1.8 Primary Occupation of Homemakers.....	119
4.1.1.9 Secondary Occupation of Formal Sector Homemakers.....	120
4.1.1.10 Household Composition.....	121
4.2 SECTION II.....	122
4.2.1 Income Sources of Homemakers	122
4.2.1.1 Monthly Income Earned by Homemakers	122
4.2.2 Main Sources of Homemakers' Income	123
4.2.3 Main Contributors to Monthly Housekeeping Money and Amounts Contributed	124

4.2.4 Money Available for Monthly Household Use.....	127
4.2.5 Handling of Housekeeping Money	129
4.3 SECTION III.....	130
4.3.1 Expenditure Patterns of Homemakers	130
4.3.1.1 Expenditure Patterns and Mean Monthly Household Expenditure.....	131
4.3.1.2 Ranking of Top 6 Expenditure Categories.....	136
4.4 SECTION IV	137
4.4.1 Application of Financial Management Principles in Spending	137
4.4.1.1 Planning	137
4.4.1.1.1 Planning or Drawing Budgets for Household Expenses.....	137
4.4.1.1.2 Kinds of Plans or Budgets Drawn.....	139
4.4.1.1.3 Time Period for Budgets	139
4.4.1.2 Organisation of Expenditure Plans	141
4.4.1.2.1 Preparation of Shopping List	141
4.4.1.2.2 Price Comparison during Purchases	142
4.4.1.2.3 Factors Considered when Purchasing Food Items	142
4.4.1.3 Implementation of Financial Plans	145
4.4.1.3.1 Person Responsible and Period for Household Purchases.....	145
4.4.1.3.2 Quantities Purchased.....	147
4.4.1.4 Evaluation of Financial Plans	148
4.5 SECTION V	149
4.5.1 Factors that Influenced Homemakers' Spending Practices	149
4.5.1.1 Personal Factors	150
4.5.1.2 Economic Factors.....	151
4.5.1.3 Social Factors.....	152
4.5.1.4 Business (Media) Factors.....	153
4.5.2 Categorisation of Homemakers into Levels of Spending Practices.....	153
4.5.3 Categorisation of Homemakers into Levels of Financial Stress Experienced	155
4.6 SECTION VI	156
4.6.1 Perception of Consumer Credit and Consumer Credit Use.	156
4.6.1.1 Categorisation of Homemakers into Levels of Consumer Credit Perception	156

4.6.1.2 Items Purchased on Credit by Homemakers	158
4.6.1.3 Sources of Consumer Loans Obtained by Homemakers	160
4.6.1.4 Purpose for Consumer Loans Obtained by Homemakers.....	161
4.6.2 Categorisation of Homemakers into Levels of Consumer Credit Use.....	162
4.7 SECTION VII.....	163
4.7.1 Family Welfare	163
4.7.1.1 Family Eating.....	164
4.7.1.1.1 Regular Daily Meals Provided by Homemakers	164
4.7.1.1.2 Inclusion of Food Items from Food Groups in Daily Meals.....	165
4.7.1.1.3 Family Clothing Purchased by Homemakers	167
4.7.1.1.4 Health Facilities Patronized by Families of Homemakers.....	167
4.7.1.1.5 Educational Institutions Patronized by Wards of Homemakers.	168
4.7.1.1.6 Means of Transportation for Family Members.....	169
4.7.1.1.7 Entertainment or Recreation for Homemakers and Families.....	169
4.7.1.1.8 Regularity of Savings by Homemakers	170
4.7.1.1.9 Economic Security of Homemakers	171
4.7.1.1.10 Accommodation for Homemakers and Families	172
4.7.1.1.11 Utilities Available to Homemakers and Families	173
4.7.1.1.12 Ownership of Property and Household Equipment by Homemakers and Families.....	173
4.7.1.1.13 Satisfaction of Homemakers with Family Income Spent	174
4.7.1.1.14 Overall Assessment of Spending vis-à-vis Family Goal Attainment	176
4.7.2 Categorisation of Homemakers into Levels of Family Welfare Status	177
4.8 SECTION VIII.....	178
4.8.1 TESTING OF HYPOTHESES	178
4.8.2 Hypothesis One.....	179
4.8.2.1 Age and Spending Practices.....	179
4.8.2.2 Educational Level and Spending Practices	180
4.8.2.3 Occupation and Spending Practices.....	181
4.8.2.4 Income Status and Spending Practices	182
4.8.3 Hypothesis Two	182

4.8.3.1 Educational Level and Consumer Credit Use	183
4.8.3.2 Occupation and Consumer Credit Use.....	183
4.8.4 Hypothesis Three	184
4.8.5 Hypothesis Four	184
4.8.6 Hypothesis Five	185
CHAPTER FIVE	186
SUMMARY, CONCLUSION AND RECOMMENDATIONS.....	186
5.0 Introduction.....	186
5.1 Summary.....	186
5.2 Conclusion	191
5.3 Recommendations.....	191
5.4 Suggestion for Further Research.....	192
5.5 Research Contribution to Knowledge.....	192
BIBLIOGRAPHY	195
APPENDICES	208
APPENDIX 1	208
APPENDIX 2.....	228
APPENDIX 3.....	231
APPENDIX 4.....	232
APPENDIX 5.....	233

LIST OF TABLES

Table 3.1 Proportionate Sampling of Housing Units.....	100
Table 3.2: Categorisation of Spending Practices	106
Table 3.3: Analysis of the Relationship between Financial Stress and Spending Practices	107
Table 3.4: Analysis of Perception of Consumer Credit	107
Table 3.5: Analysis of Consumer Credit Use	108
Table 3.6: Categorisation of Family Welfare Status.....	109
Table 4.1: Age Distribution of Homemakers.....	113
Table 4.2: Region of Origin of Homemakers	114
Table 4.3: Educational Level Attained by Homemakers	119
Table 4.4: Primary Occupation of Homemakers	120
Table 4.5: Household Size of Homemakers	122
Table 4.6: Mean Monthly Income of Homemakers.....	123
Table 4.7: Main Sources of Homemakers' Income	124
Table 4.8: Main Contributors and Mean Amount Contributed for Household Upkeep ..	126
Table 4.9: Handling of Housekeeping Money.....	130
Table 4.10: Mean Monthly Household Expenditure of Homemakers	132
Table 4.11: Mean Occasional Household Expenditure	134
Table 4.12.: Ranking of Expenditure Categories by Homemakers.	137
Table 4.13: Factors Considered When Purchasing Food Items	144
Table 4.14: Items Purchased in Bulk by Homemakers.....	148
Table 4.15: Factors that Influenced Homemakers' Spending Practices	150
Table 4.16: Reasons for Credit Use by Homemakers.....	158
Table 4.17: Purpose for Consumer Loans Obtained by Homemakers.....	161
Table 4.18: Ownership of Property or Household Equipment by Homemakers	174

LIST OF FIGURES

Figure 2.1: Maslow’s Hierarchy of Human Needs	44
Figure 2.2: Conceptual Framework indicating Relationships among study variables.....	95
Figure 3.1: Data Collection Procedure.....	104
Figure 4.1: Ethnicity of Homemakers.....	115
Figure.4.2: Religious Affiliation of the Homemakers	116
Figure 4.3: Money Available for Monthly Household Use (GH¢).....	129
Figure 4.4: Household Financial Decision Maker	141
Figure 4.5: Persons Responsible for Household Purchases	146
Figure 4.6: Categorisation of Homemakers into Levels of Spending Practices	155
Figure 4.7: Categorisation of Homemakers into Levels of Financial Stress	156
Figure 4.8: Categorisation of homemakers into Levels of Consumer Credit Use	163
Figure 4.9: Frequency of Entertainment or Recreation	170
Figure 4.10: Regularity of Saving by Homemakers	171
Figure 4.12 Overall Assessment of spending vis-à-vis Family Goal Attainment.....	176
Figure 4.13: Categorisation of Homemakers into Levels of Family Welfare.....	178

CHAPTER ONE

INTRODUCTION

1.1 Background Information

In the Ghanaian tradition, men are the heads of their families but women keep the homes and hold their families together (Nukunya, 2003; Udry & Woo, 2006). In the past, men played the productive role while women played the reproductive role. However, life's demands such as the increasing economic needs of families and women's cultural evolution have impacted the traditional role of women. Women have now assumed productive roles by joining the workforce in both the formal and informal sectors of the economy and are earning income (Nosé, 2010). Abotchie (2008) indicated that women also have the major responsibility of managing the family and household resources for the sustenance and welfare of family members.

Patil (2012) pointed out that family upkeep does not require the use of available family resources only but also the knowledge and managerial skills of the homemaker to effectively use these resources to meet family goals. Resources available to the family include material goods such as money and credit (Patil, 2012). Hilgert, Hogart & Beverly, (2003) described money as an important family resource because it represents the purchasing power of families and hence determines the frequency and pattern of flow of goods and services to the family within a given period. Schlater (2007) cautioned that money is a scarce and indispensable resource that has to be spent wisely for the attainment of family welfare. However, besides the limitation of money, poor spending

practices could hinder the enhancement of family welfare. Leskinen & Raijas (2005) stressed that the choices and decisions made in the financial domain have remarkable consequences for the financial well-being and welfare of family members.

Financial management has to do with the day-to-day financial activities necessary to effectively utilize money, and the central objective is to improve family welfare (Balance, 2011; Hasting *et al.*, 2013). Chatzky (2012) emphasized that money management skills are a vital element in disciplining homemakers to achieve a quality family life because their spending practices will go a long way to influence the way they manage family income throughout the family lifespan.

Spending practices involve decisions and actions that individuals and families take concerning the use of money. It includes decisions about what money is spent on, how much is spent, the order and sequence of spending, set time for spending, and the satisfaction derived from the use of money (Kirchler, 2008; Chatzky, 2012). Spending practices are influenced by socio-demographic characteristics such as occupation, level of income, as well as personal characteristics such as ambitions, values, likes and dislikes (Pine, 2009; Giles, 2011).

Good spending practices focus on managerial principles and processes such as planning, organizing, implementation and evaluation of spending plans. (Freeman, 2006; Anyakoha *et al.*, 2008; Pantil, 2012). Good spending practices could significantly enhance family welfare especially when family income is limited (Giles, 2011; Hasting *et al.*, 2013). Greve, (2008) described family welfare as the overall state of wellbeing of family members in terms of fulfilling essential needs such as food, clothing, healthcare, education, transportation as well as satisfaction derived from money spent. Finlay (2009)

explained that at the macro level, money can be used as an instrument for achieving family welfare. This implies that family welfare can change over time, and to a certain degree is dependent on the level of income. Giles, (2011) and Hasting et al., (2013) hold the view that the ability of homemakers to efficiently utilize family income to get the welfare status they desire, involves the application of knowledge in financial management, good decision-making and taking actions directed towards meeting family needs. On the contrary, it is argued that regardless of homemakers' knowledge in spending, certain situations could negate their decisions and create financial gaps which could be filled with consumer credit use (Finlay, 2009; Van Praag & Frijters, 2009).

Consumer credit is a financial resource that enables the transfer of money, goods and services to individuals for personal, family or household use for which payments are made in the future. (Hartarska & Gonzalez-Vega, 2006; Finlay, 2009). It is considered “elastic income” because its use expands purchasing power at any given time and thus makes possible the provision of more goods and services than cash on hand would allow. Muske and Winter, (2010) stipulated that consumer credit use has been in existence for decades; however, in the past five decades, many people emphasized the importance of living within their means and frowned upon the use of credit but in present time, the influx of consumer credit and its use suggest that many consumers are losing the essential value of living “within their means” in their spending.

Ahmed (2009) attributed the increased use of consumer credit by Ghanaian homemakers to factors such as the high cost of living, unemployment, low salaries and impact of aggressive advertisements and increased availability of credit facilities. Finlay (2009)

also observed that in developed countries the widespread increase in consumer credit use could be attributed to families losing interest in budgeting.

Consumer credit use and management are critical in family welfare (Hartarska & Gonzalez-Vega, 2006). It is however cautioned that despite the benefits, when misused, credit can cause serious financial problems and hardships such as over-indebtedness, inability to budget, save or invest, despair and crisis, insolvency, and bankruptcy. But the question that arises is: are Ghanaian homemakers aware of how their spending practices and consumer credit use influence their family welfare?

1.2 Statement of the Problem

A major responsibility of Ghanaian homemakers is the management of family finances to meet family goals. The ability to do this successfully depends not only on the amount of money available but also on the homemaker's knowledge and skills in money management. Money management skills are a vital element in disciplining homemakers to achieve quality family life because their spending practices will influence the way they manage family income through the family's lifespan. Homemakers are faced with a daunting task of allocating the limited family income to enhance family welfare. Evidence from literature shows that good spending practices could significantly enhance family welfare especially when family income is limited. However, the influx of consumer credit and its use suggest that some Ghanaian homemakers are living beyond their means in their spending. Most information on spending practices especially budgeting is from developed countries, while very little is known about the practice in developing countries including Ghana. Studies on consumer credit use in Ghana focus on

micro-finance or consumer loans. Again, studies relating to the influence of consumers' socio-demographic characteristics on consumer credit use are not available, neither has the influence of spending practices and consumer credit use by Ghanaian homemakers on family welfare been explored nor understood. Information from this study is crucial in Ghana today and in the future, because it will enable both present and future homemakers make informed and effective decisions regarding the use and management of money and credit. The information would also reduce the stress experienced by homemakers as they perform their financial responsibilities which are central to family welfare. The study was therefore conducted to address some of the gaps exposed.

1.3 Aim of the Study

The aim of the study was to assess how the spending practices and consumer credit use among homemakers at Sakumono Estates influenced their family welfare.

1.4 Specific Objectives

The specific objectives of the study were to:

1. Examine the income and expenditure patterns of homemakers.
2. Investigate the management principles applied by homemakers in the use of money.
3. Assess homemakers' perception of consumer credit and consumer credit use.
4. Identify factors that influenced homemakers' spending practices and consumer credit use.
5. Assess homemakers' family welfare statuses.

1.5 Hypotheses

Based on the conceptual framework, five hypotheses were formulated.

H01: Homemakers' socio-demographic characteristics (age, educational level, marital status, and occupation) and spending practices are not related?

H02: There is no relationship between homemakers' socio-demographic characteristics (age, educational level, marital status, occupation) and consumer credit use?

H03: Homemakers' spending practices and consumer credit use do not have any relationship?

H04: There is no relationship between homemakers' spending practices and family welfare?

H05: Homemakers' consumer credit usage and family welfare are not dependent on each other?

1.6 Significance of the Study

1. No known study of this nature has been conducted in Ghana. It is therefore envisaged that the results have contributed important primary data to the rather limited information on "the influence of homemakers' spending practices and consumer credit use on family welfare" particularly in Ghana. The results when published will also provide updates to the literature on the roles and responsibilities of homemakers as financial managers of households.

2. The findings threw light specifically on the strengths and weaknesses of homemakers' spending practices and consumer credit use which could be beneficial to stakeholders including family and consumer scientists, extension workers, the ministry of

education and microfinance in designing suitable programmes to address emerging issues. Such empowerment would enable homemakers to make informed and effective decisions regarding the use and management of money and credit to enhance family welfare. Also, the stress experienced by homemakers as they perform the important responsibility as financial managers of households is likely to reduce.

3. Understanding the factors that influence spending practices and consumer credit use would enable financial counsellors and educators identify areas to stress in devising programmes in family financial management. This could enlighten families particularly homemakers to adopt good spending practices and effective consumer credit use that would enhance family welfare.

1.7 Operational Definition of Terms

For this study the following terms were defined as follows:

Homemakers: Women who keep their homes and manage the available household resources to sustain their families.

Spending practices: Decisions and actions taken by individuals or families concerning the use of money. These include decisions about what money is spent on, how much is spent, prioritisation of spending, set time for spending, where to spend and the satisfaction derived from the use of money. Spending practices also include the frequency

of compliance with fifteen financial management principles adapted from Hayhoe *et al.* (2000).

Family upkeep: Organisation of the day-to-day household activities and the provision of basic needs for food, shelter, clothing, education, good health, home maintenance as well as meeting the social, emotional, moral and psychological needs of family members.

Family welfare: The overall state of wellbeing of members of a family in terms of their food intake, clothing, healthcare, education, transportation, entertainment, economic security, ownership of property and satisfaction derived from money spent.

Consumer credit use: this covers the use of any form of consumer credit such as cash loans, sales credit, credit cards, as well as service credit (payment for services rendered).

Family: a group of blood-related or unrelated people who live together and share common resources. This includes husband, wife or wives, their children and extended family members living with them.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter, the review of literature relevant to the study include:

- The family concept: definition and types of families
- Households structure and composition
- Types and functions of the family
- Women's roles and responsibilities in family life
- Family life management and family resource management.
- Money as a resource, family income, financial management
- Consumer spending practices
- Factors that influence spending decisions and family expenditure
- Consumer credit: types, factors that influence consumer credit use
- Functions of consumer credit and consumer credit management

2.2 The Family Concept

2.2.1 Definition of Family:

Munro and Munro (2003) stated that no universal definition of the family exists; however, a number of definitions are considered appropriate. Anthropologists say a culture's biological and marital kinship rules and patterns of reciprocal obligations define family. Each culture defines who is biological and marital kin and the obligations kins

have to one another. In one culture, kinship is based on the father's biological line; in yet another kinship, it is based on a mother's biological line; yet another kinship, it is based on a combination of both father's and mother's biological lines. Some cultures maintain a distinction between brothers, sisters and cousins, but African societies make no such distinction (Nukunya, 2003).

Nukunya (2003) describes the Ghanaian family as a well-marked part of the cultural pattern of society. It is a part of a large group identified by a kinship bond. The kinship grouping in these cases is always on a unilateral basis; that is, lineage is traced either through the mothers' line or through the father's line. Groups so bound together constitute clans or gens or what may be described as a 'great family'. He explained that in a patrilineal type of grouping, women upon marriage become members of their husbands' clan or gens as do their children, whereas under the matrilineal system, the father may be eliminated as a member of the household and his status does not carry with it the same responsibilities. As the cultural cornerstone of any society, the family transmits its cultural history, instils its prevailing value system and socializes the next generation into effective citizens (Nukunya, 2003).

The United Nations Census Bureau (2000) however, described a family as a group of two or more persons related by birth, marriage or adoption and residing together in a household. The group commonly consists of husband, wife/wives and their biological children and sometimes may include dependants or extended relatives. Similarly, Olson & Defrain (2000) consider as a family system, individuals who are independently responsible for themselves, as well as related or unrelated individuals who share at least some portion of their day-to-day interests and necessities through mutual interaction.

Both definitions place emphasis on the system and reflect a broader concept of the composition of the family, including individuals who live alone. Nukunya (2003) stressed that each individual as a family member acquires a recognized status. By virtue of a recognized and named relationship, each individual belongs to a particular group and family status carries with it, specific rights and obligations determined and upheld by custom, law and ethics.

Goldsmith (2005) summed up that the family is one of the essential elements required for society to survive, ensure continuity and preservation of its social norms and also an economic unit in the sense that resources are shared. In the context of this study, a family is defined as a group of blood related or unrelated people who live together and share common household resources. This includes husband, wife/wives, their children and extended family members living with them.

2.2.2 Types of Family

Three main types of family units have been established by Nukunya, (2003); Anyakoha and Eluwa, (2008). These include:

1. A nuclear or monogamous or biological family which comprises a married couple and its biological or adopted children.
2. A polygamous family which comprise a man, his wives and their children (polygyny) or a woman, her husbands and their children (polyandry).
3. An extended family which is made up of aunts, uncles, cousins, grandparents, in-laws, nieces and nephews. They explained that the extended family system is the

most common type practised in Ghana. Its usage is in twofold: in the first instance, it refers to a residential group comprising a series of close relatives built around either patrilineal or matrilineal lines and usually not along both. The second usage refers to a social arrangement in which an individual has extensive reciprocal duties, obligations, and responsibilities to relations outside his/her nuclear family.

However, a fourth type of family identified by Ahmed (2009) is the single-parent family in which only one parent is present and shoulders family responsibilities and obligations single-handedly. They explained that even though there have always been single-parent families, in the past they usually resulted from the death of a parent but now they are likely to be created by divorce, separation, unmarried procreation or unwed pregnancy. Sussman (2002) chartered pluralism in family structure and refers to their distribution as nuclear families, childless families, single-parent families, three-generation families and kin-networks, as well as single people living alone. He also described four emerging family types: commune families, unmarried parent and child families, (usually mother and child), unmarried couple and child families (usually a common-law marriage), intentional couples (cohabiting and homosexual couples). Sussman (2002) concluded that the number of members and the form the household unit takes is less important to the well-being of society than the quality of family functions performed and the relationships that exist among the members who are present.

2.3 Households

2.3.1 Definition of households

Members of the family may live together and form a household. The household concept is based on the agreements made by persons, individuals or groups, for providing themselves with food and other essentials for living (Goldsmith, 2005). A household has been defined by The UN Bureau of Census, (2000); Nukunya, (2003) and Goldsmith, (2005) as consisting of a person or group of persons who live together in the same house or compound, share the same housekeeping arrangements and are catered for as one unit. Such members may be related through blood or unrelated or a combination of both. The emphasis is on living together under the same roof and having common provision for food and pulling resources together. Similarly, Goodman (2000) explained that the term “household” is a broader, more inclusive term than “family”. Household is more descriptive of housing arrangements than of the relationship of group members. The UN Census Bureau (2000) stipulated that household comprises all persons who occupy a “housing unit” - that is a house, an apartment or other group of rooms, or a single room that constitutes “separate living quarters”. It is explained that a household includes related family members and all unrelated persons if any such as lodges, foster children, wards or employers who share the housing unit. This implies that a person living alone or a group of unrelated persons sharing the same housing unit is also counted as a household.

Nukunya (2003) and Goldsmith (2005) stipulated that households are settings in which membership roles vary even for persons of similar age, gender and kinship affiliations. For example, household locations, universal activities of reproduction, production,

consumption, sexual union and socialisation of children occur. However, the degree to which these activities occur is household-based and vary cross-culturally and intra-culturally.

2.3.2 Structure and Composition of Households

Munro and Munro (2003) stated that in American societies, households consist of a single-family but in African societies, they consist of several families who could be of the same kin or have no kin relationship. Family members could also be spread between households either temporarily or permanently. For instance, a married woman while young may continue to live in her father's household, while the husband lives under a separate roof. Nukunya (2003) explained that in most parts of Ghana, the traditional household structure was based on male-headed units of extended families consisting of wives and their children and often extended with unmarried or elderly relatives. According to Nukunya (2003), traditional Ghanaian households may include:

- a man, his wife or wives and children with other relatives or house helps living with them;
- two or more unrelated persons living together in a flat or a one-room apartment, sharing a common eating arrangement;
- two adult siblings living together and caring for themselves;
- a large family house with more than two generations of people, with a common eating arrangement;
- a visitor who spends the night and eats at least one meal a day with the household;
- one person living alone.

The composition of households in Ghana reflects the structure of the extended family system. In a patrilineal system practised among ethnic groups such as the Anglos, the household is composed of a man, his wife or wives, their unmarried children, their married sons and their wives and the married sons' children (Nukunya, 2003). He explained that each household within any community is distinct due to variance in resource availability and consumption requirements which are determined by its composition at any given time.

2.3.3 Household Types

All households have a head, that is, the person or one of the persons in whose name the housing unit is owned or rented and maintained. The traditional household in most parts of Ghana is based on headship. Asare & Quartey (2002) described the head of a household as the breadwinner or any person recognized as such who is generally responsible for the upkeep and maintenance of the members. The household head is involved in the daily decision-making for its members. They explained that a household may be headed by a male (male-headed household) or by a female (female-headed household). However, in many parts of Ghana, the household head is normally assumed to be a man who represents the household (Asare & Quartey, 2002). The man is perceived as the breadwinner and the financial supporter while all other members are defined as dependents. However, in the past decade, a new phenomenon which has caught the attention of policymakers is the female-headed households (Ghana Population Census Report, 2012). The economic conditions of households vary considerably, depending on factors such as; marital status, the social context of leadership, access to

productive resources and income available. Male-headed households are typically those with a relatively large number of members (Asare & Quartey, 2002). The Ghana Population Census Report (2012) indicated that two-thirds of household heads were males while about one third were females.

Allen (2000) also reported that in the traditional Ghanaian society, the man has been looked up to as the household head and breadwinner for the family. He was therefore charged with the responsibility of the family's welfare. In the process, he was given control over the necessary economic resources such as land, labour and money. However, the structural transformation of the Ghanaian society has dramatically changed, making women assume more responsibility for household affairs. Women are the homemakers since they manage the available household resources to sustain their families (Allen, 2000; Nukunya, 2003).

Udry & Woo (2006) explained that female-headed households usually consist of a woman and her dependants that may or may not be her children. The women assumed the role of providing income and other resources for their households as well as making daily decisions to maintain their homes. Nukunya (2003) outlined factors that account for most of the female-headed families to include divorce, widowhood, transfers from one place to another, education, migration and culture. He explained that in some cases, women who have been maltreated in their matrimonial homes choose to establish their households to gain independence in decision making and to escape male violence and economic reliance on irresponsible men (Nukunya, 2003).

2.4 Functions of the family

Goldsmith (2005) explained that families differ and the functions, purposes, responsibilities for sustaining health and cohesion, and expected activities served by their lifestyles are diverse. Family functions have been summarized into two classifications by Olson & Defrain, (2000), Goldsmith (2005) and Nosé (2010) as follows:

- a. the expressive functions of interpersonal relations used in meeting the developmental and emotional needs of its members including morale, loyalty and socialisation of children. For example, the family regulates behaviour, provides companionship, commitment, emotional support, mutual interaction, group unity and shared interest;
- b. the instrumental functions concerned with decisions made in acquiring and managing resources to accomplish the work of the family and achieve a wide variety of goals. For example, the family plays economic functions by sharing income earned by family members, teaching values necessary to make economic decisions and improving on the family welfare. They concluded that the family as a major system fulfils special functions as it interacts with other subsystems of government, business and community. Because families build and maintain lifestyles, families motivate change not only in members of the group but also through their interactions with other systems. These interactions cause changes in the value priorities of business, government and schools.

According to Nosé (2010), a decrease in the number of functions performed by families is as a result of other institutions providing options for services which were formally the exclusive domain of families. Some functions of the Ghanaian family include:

a. Procreation or Reproductive Unit

The family provides the generally accepted relationship for the procreation of children. This is made possible through marriage which lays the legal foundations for family establishment. Living units are often constructed for the purposes of love and companionship. Ahmed (2009) explained that the family bears and rears children for the society and by this function; the family contributes to the nation's population. More importantly, the family reproduces itself so that as older members die, younger ones are born to replace them. Nukunya (2003) stressed that marriage and family life are expected to be fulfilling and functional not only for the contracting spouses but also for their families and the society at large. He concluded that successful marriages provide emotional support and psychological advantages to the whole family.

b. Socialisation

Nukunya (2003) explained socialisation as a process by which young human beings learn to interact and work with other people and acquire the values and knowledge of this group and the social role appropriate to his position in it. Unlike procreation function which is the sole responsibility of married couple within the household, socialisation function is shared by other members and social organisations and institutions such as schools, churches, and media among others. Despite this, the family remains the earliest

and most significant agent of socialisation. Similarly, Ahmed (2009) is also of the opinion that the family is the first and foremost socializing agent. It helps to socialize its members by bringing up children in the ways of the community. The family also teaches and trains the child several basic skills needed for life. Liston (2005) explained that families perform this function by helping members acquire basic personal discipline, necessary interaction skills, essential role competencies, appropriate attitudes and aspirations, personalized values and orientations that are consistent with their present and anticipated environment.

c. Economic Function

The family is seen as an economic unit whose members contribute to make a living. Adult household members engage in productive work and earn income which they share with family members such as children, the aged and invalid who cannot meet their own financial needs (Abotchie, 2008). He explained that the family is also a consumption unit. Its utility is derived not simply from the consumption of goods and services purchased from the market place but also the range of home-produced goods and services because they comprise objects of final consumption produced with the household. These are considered similar to use-values which are goods produced within the households with fixed variable inputs and labour. Thus, as a socio-economic unit, the family members live and work together as the basic labour unit, sharing both production and the proceeds of their labour. Nukunya (2003) described the economic function of the family in three folds: production, consumption and emotional support. He explained that the family's productive function is to provide many of the services individuals need for

interaction with the environment and the family's consumptive function is to purchase a good deal of the goods and services produced by the economy. The family's affective function, he stressed, is of importance for the social service worker; for it is the family setting that the individual can freely express personality needs and expect to receive understanding, consideration and love. He stated that the contemporary family has become a private world in which members are expected to give the emotional support necessary to help them endure the harsh realities of an increasing impersonal individual society.

d. Care and Protection

Abotchie (2008) explained that the family provides care, protection, security and love to its members. It provides warmth, food, shelter and affection which the infant needs for survival, emotional and psychological growth. This care and protection is extended to the physically challenged, the sick and the aged. The adult members of the family provide one another with material and emotional support that anyway cannot be readily obtained outside the family context. The family also provides its members with recreational facilities and opportunities which provide mental and physical exercise and promote creativity and independence in children. Ahmed (2009) also buttressed the point that the family provides appropriate kinds and amounts of affection for each family member. Parents also encourage personal growth, emotional development and self-fulfilment of their children through love and support given to children. Children are also expected to love and support their parents and other family members. Talcott and Passons (2004)

maintain that family life is personal and members are accepted for who they are, whereas economic life is impersonal and people are accepted for their talents and abilities.

e. Status and Identity-Giving or Social Placement

Abotchie (2008) noted that the individual's family background is the most significant single determinant of his status in society. The family gives status and identity to its members through the naming of each child who is born into it. Names provide clues to one's family and even at times the ethnic group or country. One's family may also provide one with a social class which is used to determine whether one should be a chief, a prince or princess or linguist among others. Most often people belong to the kind of social groupings that their parents belong such as religion, social class and jobs that parents do.

Olson and Defrain (2000) summarised family functions as systems where love, respect and responsibility are shared and taught. Families are nurturing and humanizing systems where resources are drawn from the environment and transformed into physical nourishment for the well-being of members of the group. Families provide opportunities and guidance in personal growth and development over time, helping members to achieve identity and self-definition. Goldsmith (2005) holds the view that families are systems for regulating behaviour in both a moral and a social sense, through discipline based on education rather than restraint. Families provide environments where companionship, commitment, emotional support, mutual interaction, and shared interest may be explored. She stressed that families establish lifestyles and provide meaning for life. They develop

values and teach role patterns for human transactions as well as provide a place where rest and rejuvenation can take place.

2.5 Women's Roles and Responsibilities in Family life

Traditionally, men are the heads of their families but women keep the homes and hold their families together (Allen, 2000; Nukunya, 2003). Goldsmith (2005) holds the view that the management of the home is usually shared by family members. However, the responsibility for carrying out much of these activities rests on the woman who is usually the homemaker. Gender roles in family life are changing so no longer are men exclusive breadwinners nor women exclusive homemakers. For instance, more than a third of all married women worldwide are employed outside their homes in both formal and informal sectors (Coertze & Anderson, 2001). In addition to playing a direct role in economic production, most of the world's women provide for the basic needs of their families, often placing their family members' needs before their own. Regarding women's roles and responsibilities, Oppong and Abu (1987) identified seven roles as wives, mothers, housekeepers, workers, kins, community workers, and the status of employed women.

2.5.1 Role as a Wife

Nukunya (2003) stated that the institution of marriage is very important in all African Societies. So before a potential spouse will be selected and accepted, some basic qualities should be met. For instance, there should not be serious diseases, criminals or witches in the family. The prospective spouse should be hardworking and respectful. He explained that the status of a wife comes with obligations and duties, and as a wife, a woman is under the guardianship of her husband. Her responsibility is the general upkeep of the home, preparing food for the family and caring for the children. She is also expected to

be a sexual partner to her husband. Whereas her husband has absolute right over her sexual services, she cannot claim complete or absolute sexual rights over him. She is expected to bear children for her husband's lineage in a patrilineal society.

2.5.2 Role as a Mother

Ahmed (2009) refers to this role as child-bearing where the mother is responsible for bearing and rearing children. This is a biological and cultural role which includes pregnancy, childbirth, breastfeeding, childcare and maintenance. The woman feeds, clothes and nurtures children. Opong and Abu (1987) explained that in Ghana, social and cultural pressures persist for childbearing to continue throughout the potential reproductive span. Ghanaian women combine childbearing and rearing duties with their economic activities. Because barrenness is frowned upon in the Ghanaian society so many women begin to have children immediately after marriage and sometimes continue until they are not in the position to do so anymore. As a result, mothers continue to be awarded higher social prestige than their counterparts who do not have children (Anyakoha & Eluwa, 2008).

Lee Seiw Kim and Seaw Ling (2001) reported that in Singapore, the society continues to emphasise women's basic role as mothering (childcare and household chores). As a result, working women face role strain. Some of the work and family conflicts that arise include time pressure, work stressors, parental demand, and family support among others. However, spouse support reduced work-family conflict for women professionals in Singapore.

2.5.3 Role as Housekeeper

Abotchie (2008) reported that customary residential arrangements after marriage vary. For instance, among the Ghanaian southern ethnic groups, the Akan and Ga traditional patterns of residence for husbands and wives were separated or apart, with spouses frequently residing with kin rather than wives or husbands and these customary patterns continue to some extent. The GLSS6 (2014) reported that in Ghana, 30.5% of household heads are women, and the majority of separated, divorced and widowed household heads are women, as many women in their later years do not remarry. Domestic activities in terms of housework, cleaning, washing, preparing and cooking meals in some cultural areas have been a full-time occupation for women. Women sometimes have to add domestic tasks to their major activities or productive and income-earning work. This tends to make the working day long. Findings from Hevi-Yiboe *et al.*, (2004) on women, men and housework in Ghana confirmed that Ghanaian households are dual-earner households but women did all the housework in addition to their income-earning work without much help from their husbands. Even though women did all the housework, men and women shared the financial responsibilities equally.

2.5.4 Role as Kin

Oppong and Abu (1987) stipulated that women also play the role of kin when as sisters, daughters, grand-daughters and nieces, they still obtain access to livelihood through land or business opportunities, a place to stay in a family home or relative's house, social prestige through association with names of wealth, power or antiquity and influence through links to kin with access to jobs, housing or commodities. Any of the above

mentioned may be an essential factor to their access to and maintenance of certain levels of economic, political or social status.

2.5.5 Role as Worker

As workers, women participated in various workforces especially for those within the age group of thirty and forty, the time of the life cycle when women were still childbearing and also caring for their children. The Ghana Living Standards Survey Report GLSS6 (2014) indicated that 74.9% of females were economically active. According to the GLSS Ghana Statistical Service (2008), 41.6% of the economically active women lived in Accra. Whereas many women (60%) depended on agriculture for their livelihood, the majority of them were in rural areas. The second most popular occupation is sales and commerce which was engaged in by most women in urban areas. The GLSS Report (2008) indicated that a large percentage of female urban workers (70%) were engaged by the private sector, whereas 32% were engaged by the public service. The main occupations of the employed female urban workers included: service/sales workers (37.8%), craft and related traders (19.1%), agric/fishery workers (16.3%), elementary occupations (15.4), professionals, (4.7%) clerks and technicians (2.8%) and associate professionals (2.6%). The majority of female rural workers (70.2%) were in agric/fishery, (12.2%) were into craft and related trades, (10.0%) were service/sales workers while (6.3%) were in elementary occupations.

Findings from Desai et al., (2011) showed that in India, being economic productive enhances women's self-esteem. However, the work-life balances do cause stress and strain in the working women. Some obstacles like lack of spousal support and the non-

availability of reliable childcare facilities, create serious barriers for the women to participate in the job market.

Findings by Ho (2004) on women managers in Hong Kong also revealed that women represent one-third of the world's workforce, do two-thirds of the world's working hours, but only earn one-tenth of the world's income. The article indicates that the women were moving into new career roles and had started to climb the executive ladder. Many women in Hong Kong had opted for a career in Management but they had to overcome many barriers to attain such managerial positions.

2.5.6 Community Role

Opong and Abu (1987) maintained that community roles played by women are more pronounced in rural and more traditional urban communities. Women in these communities engaged in religious activities as well as groups, choirs, bible reading sessions and church services. These important socially approved occasions allowed women to meet each other and men. In the urban areas, there was evidence of women who were alone and acting as individuals. They were women who had migrated and their economic and sexual vulnerability in the context of increasingly violent societies was high. Urban women had other opportunities for leisure such as night clubs, cafés, clubs where women and men congregate to drink and enjoy nightlife. Even though women's roles are varied, they overlap and make women busy for most of the day. Performance of these roles requires the use of various resources including money. However, a majority of women combine these roles effectively to maintain their homes.

Pely (2011) reported that women in Sulha, Northern Israel's Arab community, play community role in traditional dispute resolution which is significant yet mostly invisible

during deliberations. The women's involvement in Sulha (traditional dispute resolution) is only recognized at the earliest state during the pre-deliberation stage. The women play a key role in influencing their husbands' decisions at home through discussions of the deliberations. They also establish a healing process through a social network with other women relatives and friends. Hence it can be said that the women play an informal role throughout the Sulha process.

2.5.7 Status of Employed Women

In Ghana three-quarters of women (74.9%) are economically active. Many of them are engaged in Agriculture (44.7%) and Services (40.9%). A little more than two-thirds (68.7%) of the employed women are own-account workers (46.4%) and contributing family workers (22.3%). More than half (57.2%) of the employed women had formal education up to the basic level (GLSS6 Ghana Statistical Service, 2014). The Ghana population and housing census report (2012) indicated that 53.7% of the women are economically active. About half of the women (50.5%) are own-account workers, 27.9% are contributing family workers while 13.2% are employees. Aramand (2013) reported that women entrepreneurship in Mongolia serves as a platform to provide jobs and equal opportunities as well as contribute to social and economic gender equality. However, Mongolian culture such as collectivism, feminism and adventurism has an impact on women's entrepreneurial motivations and success.

2.6 Family Life

2.6.1 Explanation of family life and lifestyle

Allen (2000) explained that the term family life is used to apply to the activities, tasks, or functions of the family; procreation, socializing, nursing and protective activities, materially helpful activities or consumptive activities. Goldsmith (2005) on the other hand described family life as the continuing way in which individuals organize their personal relationships, use resources and relate to their social and natural environments. It includes the roles and relationships of those who make up the living unit, as well as the images they create through the use of their resources and the environments in which they exist. Again, the concept of lifestyle is explained by Anyakoha & Eluwa, (2008) as a way of living and may be strongly influenced by someone who is a dominant part of a person's life at a particular time as is often the case of young children in the family. They hold the view that the limits of lifestyle may be imposed on people by circumstances beyond their control. These limits may be expanded through conscious effort, education, the substitution of human resources for natural resources, or through changing confining expectations. The maintenance of a particular lifestyle is based on a person's value system and group and family expectation, for example, people demonstrate what they want, expect, and consider reasonable in their lives through the selection and implementation of a lifestyle (Abotchie, 2008). A family's lifestyle is measured by a standard of living which is a composite measure generally used to measure the satisfaction in living (Allen, 2000; Goldsmith, 2005). The term standard of living means all the things a person insists upon in life. These things are not just a collection of commodities enjoyed at a given time, but those that are so related to one another and so

important to the person that if any one of them is lacking, forces are immediately put into action to restore it. The concept of standard of living was first described by Hoyt in 1938. Management specialists have continued to use Hoyt's concept as a measure of what people consider important in life; a standard by which to judge lifestyle. Greve (2008) outlined some indicators of family welfare to include: nutritional status, health status, educational status, economic security, clothing, transportation, recreation, ownership of property as well as the feeling of satisfaction or happiness people gain from their lifestyles.

2.6.2 Quality of Life

The U.S. Environmental Protection Agency (2008) described quality of life as the state of well-being of people as individuals or in groups, as well as the characteristics of the environment in which people live. This definition implies both quantity and quality. It includes the things people have, places in which they live, and their physical, social, environmental, and psychological conditions and characteristics at a particular time. The State of wellbeing also includes people's feelings of happiness or satisfaction with their material and non-material accomplishments and the surroundings of their community. According to Park *et al.* (2002), quality of life involves both objective aspects of reality and subjective perceptions and evaluations of life. How people differentiate the important and the unimportant, as well as how people establish priorities in their lives and use available resources, can determine the direction of life in a changing world. Park *et al.* (2002) again, emphasized that quality of life is due to the quality of management

used, and is dependent on the quality of decisions made in each process of the management system.

2.6.3 Family Life Management

Family life management is defined as a system whereby a person's values, goals and standards direct the person's resources, through everyday decisions and purposeful actions to improve the person's quality of life in relation to others. It is goal-directed behaviour using decision making, valuing, planning and organizing processes to guide resource use to improve the quality of life (Allen 2000, Goldsmith 2005). Life management is a holistic approach to managing throughout the life span of individuals and families. Life management focuses on the composite effect of many decisions evidenced in overall quality of life (Goldsmith, 2005). Goldsmith (2005) again explained that people who live together and hold similar values may direct their shared resources through everyday living to improve the quality of life of the group. Allen (2000) also explained life management to mean planning goals relating to the everyday living environment and establishing patterns of action, and interaction with others that are directed toward a more satisfying lifestyle. According to Allen, (2000) life management involves evaluating the degree of success these action patterns have achieved and using this evaluation to provide feedback to improve plans.

2.7 Family Resources

2.7.1 Resources Explained

Goldsmith (2005) defined resources as assets or anything with a real or perceived value used to attain or satisfy a need. These include any entity, tangible or intangible, that

contributes to the ability of an individual or family to produce valued outputs (Goldsmith, 2005). Schlater (2007) however, pointed out that resources do not only provide means to satisfying the family system's purposes or demands, but they are necessary for solving every management problem. She cautioned that resources have definite roles to play in management therefore each resource must be used most effectively and efficiently. Allen (2000) explained that resources vary in kind and their potential for meeting the complex and unique needs and interests of individuals and families and the way they are used determine to a large extent the quality of life and well-being of family members. Resources are not available in equal amounts or identical mixes to all people because to be useful, resources must be earned, purchased, exchanged, inherited or developed. Everyone has a unique set of resources and uses those resources differently (Goldsmith, 2005; Schlater, 2007). Allen (2000) reported that resourcefulness is the ability to recognize and use resources effectively. A resourceful person skilfully uses resources to cope with daily challenges. When resourceful people encounter a problem, they solve it or find a way around it rather than being defeated by it. Resourcefulness is learned in families, schools, work situations and social organisations. In the context of this study, resources are defined as both human capabilities such as knowledge, skills and material goods and services such as money and credit.

2.7.2 Classification of Resources

Several classification systems of resources have been proposed by management specialists to include material or tangible resources such as land and houses while

intangible or human resources are human traits and capabilities such as knowledge and skills (Goldsmith, 2005; Schlater, 2007; Anyakoha & Eluwa, 2008).

A more detailed interdisciplinary classification by Rice & Tucker (1986) includes human, economic and environmental resources. Human resources are instrumental traits or qualities vested in human beings and are made up of cognitive attributes, affective attributes, psychomotor attributes and temporal resources. Cognitive attributes are mental traits or characteristics of an individual that relates to knowledge acquired by reasoning and perception. Examples include intelligence, judgment, adaptability, self-control and resourcefulness. Affective attributes are traits and feelings pertaining to or resulting from emotions and include attitudinal characteristics such as interests, motivation, enthusiasm, faith, tolerance and sense of humour. Psychomotor attributes are the combined muscular activities with associated mental processes, ability and proficiency in carrying out activities involving physical exertion. Examples include skills, work habits, the senses of sight, smell, taste, touch and hearing. Rice & Tucker (1986) explained temporal resources to include clock time, perceived time or one's time sense (psychological time) biological time which relates to the body's circadian rhythm such as periods of alertness, depression, fatigue, feeling of hunger at certain times of the day. It also includes time pace, past, present and future time as well as calendar time.

Economic resources according to Rice & Tucker (1986) include money income, elastic income (credit), fringe benefits and wealth. Money income is the gross receipts or monetary gains to family members derived from labour or capital. It forms the purchasing power of individuals and families. Examples include wages, commissions, interests, royalties, retirement benefits and monetary gifts. Elastic income is current

purchasing power expanded through deferred payment. It includes real estate mortgages, instalment payments, and cash loans. Fringe benefits are non-money incomes derived as a result of employment, including medical care service, paid vacations, pension plans and medical insurance. Rice & Tucker (1986) again describes wealth as accumulated possessions and investments. It includes ownership of real property, income-producing assets, durables, household equipment, furnishings and personal possessions of family members. Wealth also refers to the family's pattern of asset holdings; such as savings accounts, stocks and bonds and other investments.

In Schlater's (2007) opinion, environmental resources encompass all resources available within one's environment and are grouped into physical and social. Physical environmental resources include natural tangible surroundings such as water bodies, soil, plants minerals and less tangible ones but which can be measured such as air, light, sound space, humidity and temperature. Social environmental resources consist of social organisations which are the corporate human interaction systems that influence an individual's values, habits and norms. Examples include the nuclear and extended families, friends and associates, civic groups and religious organisations. Political institutions which are the government structures and systems influence a person's behaviour such as local, state and national governments, as well as the network of laws that each encompasses. Economic institutions which include business and industrial establishments provide goods and services to the public, furnish employment to individuals and provide capital investment opportunities. Community facilities or services are assets held in trust with citizens of a community. They are provided by

organisations, business or governments. Examples include post offices, markets, schools, roads and recreational centres.

Goldsmith (2005) again explained that the sum total of readily available resources an individual possesses is called a resource stock. The family also has a stock of resources that are continually being altered by using resources and developing or acquiring new ones. She pointed out that basic resources have alternate uses while highly refined ones are more specialized and therefore more limited in alternative uses. Anyakoha & Eluwa (2008) advised that resources need to be considered in combination because a mix of human and material resources is important in the overall well-being of the family. The way resources are used also determines to a large extent the quality of life and welfare of the individual and family members.

2.7.3 Family Resource Management

Family Resource Management is defined as the decisions and activities that family members take to get the kind of living they want through the effective use of available family resources. It is a process of using the family's available resources to meet family needs or goals (Goldsmith, 2005; Schlater, 2007; Anyakoha & Eluwa, 2008). They stressed that Family Resource Management requires mental work and physical power of family members. The process includes thinking, actions, functioning and events that occur over time. Good management of resources results in the improvement of the quality of living within the family and happiness in the home. Schlater (2007) described family resource management as a dynamic ongoing process which encompasses those human actions directed towards the realisation of values and goals, the prime feature of such

goal-directed activities is the systematic series of actions which constitute the making and implementing of interrelated decisions under conditions of uncertainty. She explained that effective management of family resources means recognizing one's values and those of family members, understanding not only how decisions are made but also the factors which can affect them, determining immediate and long-term goals and the needed action to achieve each and also, allocating the use of resources within the management process to attain these goals. More and Asay (2007) asserted that family resource management is complex because the family has multiple goals and relatively limited resources. Several goals may compete for the same resources. Pressures and events in the larger environment often compete with family goals in their demands upon family resources. They explained that effective family resource management is a learned skill which involves the management process.

2.7.4 The Management Process

The Management Process is described as a system of production operations composed of a series of actions or functions to bring about desired results (Patil, 2012). The process involves four progressive and interdependent steps or activities often referred to as sub-systems or functions. They are planning, organizing, implementing and evaluating (Atogiyire, 2003; Goldsmith, 2005; Schlater, 2007; Anyakoha & Eluwa, 2008). Planning is the first and the most important step in the management process because it tells exactly what one wants to do. Planning involves setting and clarifying goals, establishing priorities among goals, setting standards for measuring goal attainment, determining the activities needed to achieve the goals and identifying the needed resources. They

emphasized that in identifying and clearing goals, one's values and standards become sources of inputs. Organisation is the second step in the management process. Plans made have various activities which must be done by people at various times (Schlater, 2007).

Organisation is the logical arrangement of these activities within the plan and it involves assigning responsibilities to various members, deciding on when and how to do what, as well as delegating authority. Organisation consists of having the right thing in the right place at the right time. The sequence of activities is very important because it determines the success or failure of the plan (Patil, 2012).

Implementation being the "action stage" or "doing step", involves the actual process of putting the plan into action and ensuring that activities are moving on in the desired direction. At this stage, the homemaker supervises and controls the activities of those working with her and makes adjustments in the plan when necessary. Major skills utilized in implementing plans are self-discipline and supervision (Anyakoha & Eluwa, 2008).

Evaluation as explained by Anyakoha & Eluwa (2008) is the assessment of progress whereby results are analysed and the effectiveness of the implementation is determined. This may result in making new plans or adjusting existing ones. It also involves the appraisal of the entire management procedure.

2.8 Money as a Resource

2.8.1 Money Defined

McGraw-Hill (2001) defined money as anything generally accepted as a medium of exchange. Historically, whales' teeth, elephant tail bristles, circular stone, nails, slaves,

cattle, cigarettes, cowries and pieces of metal were used as media of exchange (Osteen, 2012). Anyakoha & Eluwa (2008) stated that money is an important economic resource that represents the purchasing power of families and hence determines the frequency and pattern of flow of goods and services to the family within a given time. Money is viewed as both a resource and a measure of resources and to accomplish financial goals; money must first be exchanged for goods and services. Thomas & Greco (2001) explained money is designated as legal tender by government and as a material resource; money comes in the form of currency, that is, coins and paper money in the hands of the public. Osteen (2012) also indicated that money is expressed in different currencies by different countries the world over. For example, cedis and pesewas in Ghana, dollars and cents in the U.S.A., pounds sterling and pence in the U.K., euros in Europe, CFA in France. Oleson (2004) explained that money is a major determinant of consumer satisfaction and is strongly linked to needs achievement. It also includes checkable deposits. Balance (2011) pointed out that to some people, money is the root of all evil. To other people, the lack of money is perceived to be the basis of all troubles. Balance (2011) again within the sources of money to include wages and salaries, sales from goods and property, profit from trade, interest on investments, rent, monetary gifts, among others. She emphasized that money that can be counted on at regular intervals could be budgeted and planned but people with irregular incomes have more difficulty planning expenditures and need large savings to build financial security.

2.8.2 Importance of Money as a Resource

The Akan saying that “*Sika ye mogya*” which means “money is blood” brings out the importance of money to the survival of individuals and families in the world today. Money is used in payment for goods and services and is said to serve as a medium of exchange. Individuals and families are paid for the work they do and they, in turn, use this money to pay for the items and services that they need such as food, transportation, and housing in the form of rent or repairs and furnishings (Goldsmith, 2005). Schlater (2007) outlined other needs to include clothing, health care, education of family members, recreational activities and gift or remittances for parents and other relatives. Freeman (2006) explained that as a medium of exchange, money allows society to escape the complications of barter, and because it provides a convenient way of exchanging goods and services money allows society to gain the advantages of geographic and human specialisation

Anyakoha and Eluwa (2008) stated that money is a unit of measure of the market value of goods and services. Society uses the monetary unit as a yardstick for the relative worth of a wide variety of goods, services and resources. With the money system, one needs not to state the price of each product in terms of all other products for which it can be exchanged. As a common denominator, money permits buyers and sellers to readily compare the prices of various commodities and resources and such comparisons aid rational decision making.

Balance (2011) explained that money is a store of value or measure of wealth because it is the most liquid, and the most spendable of all assets. It is a very convenient way to store wealth. Most methods of holding money do not yield monetary returns such as one gets by storing wealth in the form of real assets (property) or paper assets (stocks and bonds). He indicated however that money has the advantage of being immediately usable by a firm or household in meeting all financial obligations.

Oleson (2004) identified four common orientations toward money as follows:

- i. **Money as Control:** Where a person with control orientation sees money as a way of maintaining control over his or her life and independence from a partner or other family members.
- ii. **Money as Security:** Where a person is conservative in spending money and focuses on savings. Such a person feels a great need to hang on to money to save it for future needs.
- iii. **Money as Status:** Where a person is interested in money as power and as a means of keeping ahead of others.
- iv. **Money as Enjoyment:** where a person gets satisfied from spending, both on himself or herself and others. People with this attitude usually feel that unless they can enjoy money when they have it, there is no point in working hard for it.

He explained that the resulting centrality of consumption in organizing human attitudes and behaviour grants a high level of importance to money that facilitates the acquisition of the material trappings of consumer culture. Oleson (2004) noted the prime location of money in consumer decision making and everyday life. Also, money inculcates certain

values in people, derived from their socio-cultural environments and reflected in their everyday behaviour. In this respect, money is deemed to have affective symbolic and behavioural components that serve economic as well as socio-cultural functions. He emphasised that money plays a special role in personal and social lives exerting more power over human lives than any single commodity.

Robert and Jones (2001) observed that in American consumer culture, money is seen as a vehicle for attaining power and status. Along with the increasing trend in viewing money as a source of status is the changing view of debt among American consumers. They noted that the increasing level of debt among American consumers is a result of consumer culture's influence on people's attitudes towards money.

2.8.3 Money Attitudes

Money attitude in this study is defined as the way people think, feel or behave towards money concerning spending. Oleson (2004) explained that differences in money attitudes are influenced by factors including age, educational level, occupation and gender. Balance (2011) reported that for people who pay greater attention to extrinsic aspects of life, money will be seen as more significant. The major functions of money will be viewed as bringing enjoyment and security in life and serving as a sign of achievement and success. For those who value the intrinsic aspects of life, money is seen as lower in importance and cannot be used as an indicator of success. Balance (2011) again explained that extrinsic goals such as financial success are those that depend on the reactions of others and are typically engaged in as a means to some end. Conversely, intrinsic goals such as self-acceptance are expressive of desires congruent with

actualizing and growth tendencies natural to humans. As such, intrinsic goals are likely to satisfy basic and inherent psychological needs.

Balance (2011) developed a money attitude scale (MAS) based on the findings that money has a multidimensional construct with five constituent attitude dimensions. These dimensions are power-prestige, time-retention, quality, distrust and anxiety. The power-prestige money attitude equates money with status and superiority. Balance (2011) emphasised that people with this attitude use money to impress and influence others and believe that money is a symbol of success. Such people also believe that money grants access to power and status, which allow the person with money a domineering role in society.

The time-retention money attitude suggests hoarding and obsessive personality traits (Balance, 2011). People with a time-retention money attitude place a high value on the process of managing money pragmatically, and future financial security is their primary goal. Such people plan their consumption choices and behaviour carefully in anticipation of future financial security. It has long been known that poverty and social status influence a person's time orientation which also affects attitudes towards saving and spending money. Roberts and Jones (2001) indicated that the distrust money attitude relates to insecurity and dissatisfaction with life while the anxiety dimension of money attitude leads to a lack of confidence and comfort. They emphasized that people with a distrustful attitude maintain an aura of suspicion around others. They lack self-confidence and are price sensitive. Ozgen and Bayoglu (2005) explained that people with the distrust or anxiety attitude worry a lot about money, especially for fear of other people taking

advantage of them. They are likely to scrutinise every purchase they make to minimize the risk of being ripped off. Their anxiety translates into extreme care in all their dealings involving money. Such people do not see money as an avenue to happiness or social status.

Quality money attitude relates to a sense of superiority and acquisitions made through the use of money (Balance, 2011). People with quality money attitude place a high value on quality for its own sake and believe that the more expensive a product, the higher its quality. Their discriminatory taste facilitates a low sensitivity to price, encouraging them to seek quality products without much regard for price (Cambell, 2006). Such people tend to be loyal customers who use brand cues for product quality assessments. One may conclude from this MAS perspective that money has affective symbolic and behavioural components. The affective component of money relates to its good or evil valuable aspects, while the symbolic aspects relate to the use of money as reflections of achievement, freedom, status and power (Brigaam & Houston, 2001). Studies by Gbadamosi & Joubert, (2005) and Chatzky, (2012), suggest that the characteristics of money do not manifest themselves uniformly across people. Rather, there are differences in attitudes towards money that are derived from a blending of individual values and behaviour in conformity with rules that society defines for the use of money.

Gbadamosi and Joubert (2005) pointed out that a person's attitudes towards money are influenced by culture and individual differences including gender and personal values. They observed a strong relationship between money spending and personality traits. Demographic factors such as family life cycle, age, educational level and socioeconomic status according to Ozgen & Bayoglu, (2005) are also important determinants of money

attitudes. For instance, gender differences in attitudes towards money include women's use of money as a means to an end while men think of money as an end-power. Ozgen & Bayoglu (2005) again noted that men are obsessed with money especially for its power-prestige corollary and are happier than women with their finances because they feel they have more control over their money. On the other hand, women, more than men, are very careful with money because they show concern for future financial security.

Cultural environment is another source of difference in people's attitudes towards money. Rathmayr (2004) demonstrated culture's influence on money attitudes by tracing the changes in money attitudes in Russia from the Soviet era where money held little symbolic value to the present where money is everything. In general collectivist cultures, Africans tend to perceive money as a tool that facilitates interaction with family and friends while individualistic cultures favour the power granting benefit of money.

2.8.4 Needs Theory and Money Attitudes

Literature in Social Science demonstrates that individuals have fundamental human needs and that if they are deprived of these needs, they will suffer physically and psychologically (Howard, 2000). Muske and Winter (2010) explained *need* as any requirement for a person's survival, health, or basic liberties: meaning that, to the extent that if they are inadequately met, mental or physical health is impaired. Thus 'need' refers to necessities for not only biological survival but also for the health and development (physical and mental growth) of persons as human beings.

Maslow (1948) was the first theorist to develop and integrate human needs into a single theory. Maslow believed that in most humans there is an active drive towards health, growth and actualisation of the human potential. Maslow characterized humans as always possessing some type of unfulfilled need. He further explained that these needs arrange themselves in a hierarchical order, with “lower levels” of needs being met before the advancement of “higher levels” of needs. In other words, as basic human needs (e.g. food and water) become sufficiently satisfied: another category of need soon emerges to take their place. Then, as those needs are satisfied, they too fade into the background and are replaced by still other needs and so on. The human needs theory has increasingly drawn the attention of professionals in family economics and family studies. The theory is considered by professionals in family studies as relevant for the study of family financial concerns (Ozgen & Bayuglo, 2005). Fig. 2.1 presents Maslow’s Hierarchy of Human Needs.

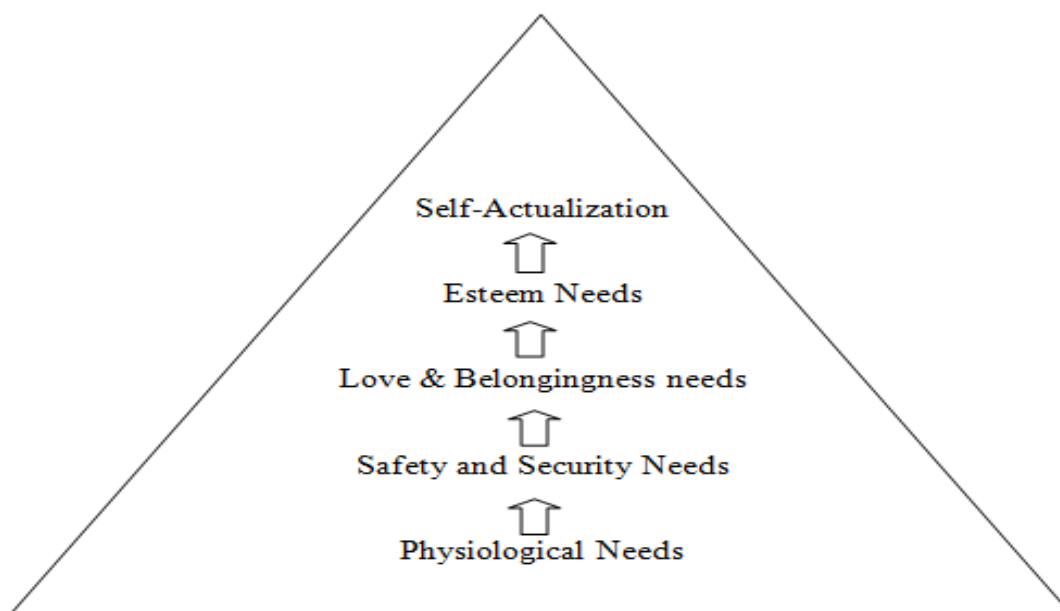


Figure 2.1: Maslow’s Hierarchy of Human Needs

Maslow (1948) explained that at the lowest level of the hierarchy of needs are physiological needs, including necessities such as food, water, sleep, shelter and other needs required to sustain life. Until these basic needs are satisfied to the degree needed for the sufficient operation of the body, the majority of a person's activity will likely be at this level, and other levels will provide little motivation. When these basic physiological needs are fulfilled, other levels of needs become important, and these motivate and dominate the behaviour of the individual. The level of needs could be very useful in better understanding the families' financial concerns, for example, in the family expenditure money could be used to secure items needed to meet the family's physiological needs for food, clothing and shelter.

According to Maslow (1948), safety or security needs (freedom from physical and psychological harm) become predominant after physiological needs are met. The need to be free of danger can have the same pervasive quality as physiological needs. An indication of the need for safety is the preference for routine and structure in life. Although safety need is often described as a need for "self-preservation", Maslow (1948) broadened the view of stability and safety by including the human preference for familiar things as opposed to the unfamiliar. To meet security needs, the family could engage in the accumulation of wealth through savings and the purchase of various types of insurance, and other investments.

The fulfilment of physiological, safety and security needs drives the individual to seek social needs such as belongingness, companionship and social acceptability. Maslow (1948) again pointed out that humans will seek with just as great an intensity to achieve this goal of affectionate relations as would a person strive for food and water when

stranded in a desert. At this level of the hierarchy, families could include in their expenditure money to provide for membership in clubs, as well as for other opportunities for social interaction which could facilitate one's social needs. The family could meet this need by using money to impress and influence others to gain affection and social acceptability.

Maslow (1948) again indicated that, after individuals begin to satisfy their need to belong and be loved, they generally want to be more than just a member of their group. People have a general need and desire for status, self-respect, self-esteem, and the respect or esteem of others. Maslow classified these esteem needs into two basic categories: Firstly, the desire for strength, achievement, adequacy, confidence in the face of the world, and for independence and freedom and secondly, the desire for reputation as prestige, recognition, attention, importance or appreciation. The satisfaction of the esteem needs leads to feelings of self-confidence, power, worth, adequacy and other feelings of usefulness. The family's esteem needs could be met through high academic achievements, as well as the purchase of designer clothing, flashy cars, expensive houses and other items that tend to attract recognition and communicate that one has reached a high-status level.

Once all the lower needs of the hierarchy have been satisfied, people become motivated to fulfil their potential. This process of self-actualisation involves the need to become fully self-realized and to achieve one's potential to the greatest extent possible. This need for the development of potential requires the desire to become what people are capable of becoming or making their behaviour. Consistent with who people are, Maslow (1948) contended that if people have met the other four basic needs, the need for

self-actualisation is “potent” enough to serve as their primary motivation for all behaviour to the extent that it signifies the achievement of personally defined goals and leads to paths of self-improvement; money may also contribute to a sense of self-actualisation. To meet this level of need, the family budget could allow everyone to attain their full potentials. It is most likely that adequate meeting of the levels of family needs would promote individuals’ self-satisfaction which will positively impact family welfare.

2.8.5 Family Income

Family income is the flow of (commodities) goods and services, money and the satisfaction derived from the use of these by family members at a given period (Schlater, 2007; Anyakoha & Eluwa, 2008). The family income is divided into two main types: money income and non-money income.

Money income is the flow of cash or purchasing power that a family has at a given period. Money income is obtained from wages, salaries, monetary gifts, sales from goods and property, profit from a business, rent from real property, dividends or shares, interest from investments, bonuses from work and other investments producing a monetary return. Findings by Babatunde (2010) on expenditure patterns of Ghanaian families in the formal and informal sectors in Tabora (Lapaz, Greater Accra) revealed that all respondents (60) in the formal sector and (3) from the informal sector obtained their money income from salaries and wages. Other sources included rent (75%), profit on trade (52%), gifts (48%), allowances and bonuses (43%). Similar findings by Ba-ama *et al.* (2013) on financial management practices of formal and informal sector women at Dodowa (Kpone-Bawaleshie, Eastern Region) revealed that all the formal sector women

earned money from salaries and wages while majority of the informal sector women (70%) earned money from petty trading. Other sources of money income included sales from small scale farming (72%) and produce from self-employed jobs such as hairdressing and sewing (25%).

Yankey (2006) on the financial contribution of women to their households in some selected communities in the Central Region of Ghana confirmed that all the formal sector women had monthly salary as their main source of money income. A little more than 70% of the informal sector women derived their income from trading while (35%) earned income from activities such as liquor brewing, farming, fish mongering and sale of cooked food. The Ghana Living Standards Survey GLSS6 (2014) reported that the major source of household income is from non-farm self-employment (48.3%). Others included wages from employment (32%) and household agriculture (16%). Income from rent, remittances and other sources contributed less than 5 percent to household income.

Non-money income is explained by Goldsmith (2005) and Schlater (2007) as the flow of goods and services available to the family at a given period and is derived from the use of money in addition to: -

- i. Goods from the family farm.
- ii. The use of a house owned by the family.
- iii. Services derived from durable goods or property such as cars, household appliances, among others.
- iv. Services by family members for which they are not paid.
- v. Services derived from community facilities or public services that family members use such as schools, markets, among others.

Other forms of non-money income identified include: -

- i. Fringe benefits such as training and development allowances for housing, medical bills, uniforms and transportation that employees receive from their employers.
- ii. Psychic income: which is a feeling of satisfaction obtained from the use of all resources, available to the family and daily experiences such as interaction with people. Psychic income is intangible and subjective. But it is the most important of all the incomes in terms of quality of life. The amount of psychic income to a large extent depends on the skills of managing everyday living.

The UN Bureau of Census (2000) Report includes in the family income, the income of all related persons living in the same household. The largest group of income recipients is undoubtedly those whose income is wholly or mainly in the form of wages or salaries and derived from self-employment. The family income may come entirely from one family member, or it may be the sum of amounts received by several. Likewise, the group depending upon a given income for support according to US Department of Commerce, Bureau of Census, (2004) may include several or one who is not an income contributor or it may include several who are not. The situation will depend upon the age of the family members, their relationship and the responsibility each is expected or is willing and able to assume.

2.8.6 Financial management

Financial management is the science or practice of managing money and other assets (Goldsmith, 2005). According to Osteen and Neal, (2012) financial management requires systematic and disciplined thought and action. For instance, saving money or spending it

requires self-discipline and control, the ability to set goals and a willingness to put future needs before current needs. Goldsmith, (2005) reported that a corollary appropriate to this say, before buying anything, ask yourself, “is this the best purchase for me at this moment?” This question alone will keep one away from accumulating unnecessary debt. Being debt-free is a goal in financial management.

In systems terminology, financial management is a transformation process involving the identification of financial goals, the collection of information, analysis of resources, and the decision about whether to spend, invest or save and evaluation of decisions (Muske and Winter, 2004; Schlater, 2007). They explained that the financial management process can be divided into three phases namely: planning, action and post planning. During the planning stage, individuals begin to identify or define their financial goals. They then identify potential financial opportunities and determine what information and funds are needed to take advantage of these opportunities. Once they have analysed their resources and decided how to use them, they can proceed to the action stage, where they save, invest or spend their money. In this phase, a budget or spending plan or guide can be helpful by providing a visible means of controlling money. At the end of the process, the decisions and their outcomes are evaluated. Throughout the process, money and other financial assets are treated as tools that can be used to enhance family welfare and provide for growth and security.

Lifecycle approach holds the view that financial management in the household includes not only the day-to-day money management but some long-term activities as well, like savings and investment (Freeman, 2006). To him, financial management refers to the practices of financial capability and further includes provision for future risks. They

explained that to be successful, financial management requires communication, and interaction between the household members. Prokerala (2013) reported that households used various ways to manage their financial resources. He explained that, regardless of a person's financial knowledge and competence, his or her decision making is sometimes non-rational and based on institutions, or irrational and motivated by compulsions and urges.

Freeman (2006) describes money management as an organized process of allocating or using money to achieve specific financial goals which represent individual or family needs. Anyakoha and Eluwa, (2008) stipulated that good money management will enable one to purchase more of the goods and services needed. They explained that good money management depends on factors such as spending habits or practices, taste, values and standards of the individual or family. Osteen and Neal (2012) emphasised that effective money management also requires good decisions to be made.

Prokerala (2013) postulated that money management is more than budgeting one's income. She advised that money management decisions should be made using composite income such as productive income (household production and durable goods), money income (salary and investment income), hidden income (community income), psychic income (satisfaction derived from the use of money and other resources), employment benefits and consumer "savings". Some money management principles proposed by Freeman (2006) and Schlater (2007) include: -

- i. Ensuring that one's expenditure is within the limits of one's income.
- ii. Identifying the needs to be achieved with the money available such as feeding, clothing, house rent, education etc.
- iii. Determining the income available to the family for achieving these goals.
- iv. Establishing priorities among goals, that is to determine which goals are most important and need to be attained early.
- v. Estimating the cost of each goal.
- vi. Making a budget on how to use the available income for achieving the goals.
Make allowances for emergencies such as accidents and illnesses.
- vii. Organizing all efforts by setting up measurable sub-goals. Determine who pays the bills, makes the purchasing decisions, does the shopping and keeps records.
- viii. Controlling all money management activities by eliminating waste through
 - a. Spending on planned goals and avoid impulsive buying.
 - b. Comparing prices of commodities before buying.
 - c. Reading any agreement before signing.
- ix. Keeping good records of any money spent. Keep a file for all receipts such as bills, rent, school fees and household equipment.
- x. Evaluating regularly by assessing how well one's money management activities are progressing. One's spending can be adjusted when there are changes in income or emergencies.

In this study, financial management is described as the decisions and actions taken by family members concerning how family income is spent to meet present and future needs.

2.8.7 Financial Planning

Patil (2012) defined financial planning as a coordinated series of plans beginning with goals that reflect one's values, attitudes, lifestyles, circumstances, wants and needs. He explained that most studies of the household recognize the importance of financial planning and decision making as a household function that must be performed by someone among its members, but few have treated financial resource management as "work". This means that financial resource management is seen as a set of tasks that consume energy and time. Dahlia *et al.*, (2009) noted that to succeed in financial plans depends on flexibility and making adjustments as needed. The family financial plan is the method of using money as a planned and shared family project. This means all members of the family are involved in the decision concerning what money is spent on, how much is spent and when the money is used (Hevi-Yiboe, 2004). Prokerala (2013) explained that financial planning begins with the setting of goals that indicate what one wants to achieve with the use of money. Priorities must be attached to goals to reflect their relative importance because it is usual to have more goals than financial resources. After this, available resources are identified and assessed in preparation for allocation to specific goals. This will involve listing assets, debts and anticipated income. She emphasised that good planning depends on making accurate estimates of future cash flow. It is helpful to have information about past expenditure as a basis for estimating the cost of accomplishing goals. After this, resources which are identified are then allocated to the desired goals and a strategy is developed to ensure that the goals are achieved. She concluded that managing the family's money income can be a challenge, but it can be

done when it is planned step-by-step. This step-by-step money plan is called a budget or spending plan.

2.8.8 Family budget

According to Pantil (2012), a budget is a spending plan which serves as a guide to one's spending: one that the budgeter controls. Pantil (2012) again cautioned that a budget should be flexible and should not put a straitjacket on spending. Many expenses such as money spent on food, clothing and entertainment are flexible, whereas other expenses such as rent and car payments are fixed. Osteen and Neal (2012) pointed out that typically, budgets are based on monthly average spending patterns and income is compared to outflow. They noted that housing expenditures (including utilities) take away the largest share of household budgets and other large expenses include transportation (car payments and gasoline, maintenance), loan debt payment, food and credit payment.

Muske and Winter (2010) have also explained budgeting as a regular, systematic balancing of income and expenses. It is a personal system for making sure there is enough money to cover the essentials and a few extras.

Muske and Winter (2010) advised that in making a spending plan one needs to know how much money one has and what it should be used for. They proposed the following steps to guide in the making of spending plan or budget: -

- i. Clearly define and recognize one's goals; list some of the things needed by the family and have a good idea of the real cost of items.
- ii. Analyse all kinds of available income and know exactly how much money there is.

- iii. Make a list of all the family expenses for the month and estimate how much money will be needed for each item. The amounts can be estimated by looking at old bills, receipts or cancelled cheques. Then keep track of everything you spend for the family for several months. This will help determine what your expenses will probably be in the future.
- iv. Synchronize the plans for shorter periods with the plans for the longer periods.
- v. Choose a method of handling money that will satisfy all family members.
- vi. Use the planned budget and keep records of all expenses.
- vii. Evaluate the spending plan after some time to make adjustments or changes if necessary. For instance, one should reduce expenses or generate additional income.

2.8.9 Importance of Financial Planning or Budgeting

Osteen and Neal (2012) stipulated that financial planning makes it possible for individuals and families to live within their means save money for short-term and long-term goals as well as reduce financial worries and stress in the household. Pine (2009) advocated that a spending plan will help families: -

- i. Get more from the family's money.
- ii. Meet the family's needs for daily living.
- iii. Provide for the family's future.
- iv. Keep the family out of debt.
- v. Meet emergencies.

- vi. Provide a way of training children in the use of money.

2.9 Consumer Spending

2.9.1 Explanation of Consumer Spending

Lowe et al. (2007) stated that consumer spending has to do with decisions to obtain and use goods and services but these decisions can have a far greater negative impact on one's financial future because many of them are unconsciously made. Morgan (2003) advised that educating, motivating and empowering one to become regular savers and investors will enable one to keep more of the money one earns and do more with the money one keeps. Black and Hang's (2004) study on consumer capability and life cycle approach revealed that consumption does not depend merely on the presently available income, but also the income expectations in their later phases of the life cycle. The study drew on the idea of typical income development: minimum income at the beginning and end of the life cycle and maximum income in the middle. It also assumed that the consumption expenditure level remains quite stable, although increasing slightly when young consumers have to take credit because their consumption expenditure easily exceeds the available income. In the middle of the life cycle, people repay their loans and save and make investments for old age.

2.9.2 Spending Practices

Patil (2012) described spending practices as the decisions and actions that individuals and families take concerning the use of money. It includes decisions about what money is spent on, how much is spent, the order and sequence of spending, set time for spending, and the satisfaction derived from the use of money. Patil (2012) again explained that in

every spending situation, the money may have been well-spent or ill-spent and this is determined by the satisfaction derived from the use of money. Prokerela (2013) cautioned that spending practices vary from one individual or family to another, and by countries and regions of the country. Some families seem to get much more than others out of the same amount of money possibly because they employ good spending practices. Hilgert, Hogarth and Beverly (2003) stated that financial knowledge is associated with financial practices like cash flow management, credit management, savings and investment. Findings by Ba-ama *et al.* (2013) revealed a significant relationship between knowledge in financial management and spending practices.

A survey by Cambell (2006), on the effect of financial education on household spending behaviour revealed that except for homeownership and mortgage counselling, the bulk of financial literacy is relatively new. The relative newness of their financial literacy programmes also means that there are not many studies conducted. His ultimate interest was in household spending behaviour and the potential effect of financial education on that behaviour. To understand the link between household financial decisions and financial literacy, one needs an understanding of the financial mistakes households make as well as the connection between financial knowledge and behaviour (Cambell, 2006). Among the findings, it was realised that some households made mistakes with personal finance decisions. Mistakes were common for low income and less educated households; there was a causal connection between increases in financial knowledge and financial behaviour and the benefits of financial education appeared to span a number of areas including retirement planning, savings, homeownership and credit use.

Similar findings by Social Research Report (2010) on financial literacy in Romania revealed that the level of financial literacy was a significant determinant of the level of financial capability in all four domains – money management, provisioning for the future, making financial choices and staying informed about financial matters in which financial capability could be observed and measured. Consequently, the low level of financial literacy of the general population translated in the fact that in Romania, most of the population: -

- i. Struggled to keep up with their financial commitments and make little use of financial products either to finance deficit or to manage spare money.
- ii. Was passive in defending their rights in relation to the financial institutions.
- iii. Was unprepared for the unexpected.

Increasing financial literacy is therefore a prerequisite of improvement of population capability to organize their money in a more appropriate way and to make adequate financial provision for the future. Kempson *et al.* (2005) explained that financial literacy describes the knowledge and understanding of financial issues of a population and refers to the ability to make informed judgment and take effective decisions regarding the use and management of money.

Financially capable people can make informed financial decisions.

They are numerate and can budget and manage money effectively.

They understand how to manage credit and debt and can assess needs for insurance and protection.

They can assess the different risks and returns involved in different savings and investments options.

They have an understanding of the wider ethical, social, political and environmental dimensions of finances.

2.9.3 Financial Education

Financial education is the process by which financial consumers or investors improve their understanding of financial products and concepts and through information, instruction and/or objective advice develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help and to take other effective actions to improve their financial well-being (OECD, 2005).

Financial capability is based on certain consumer demographic characteristics (gender, age, education, among others.) as well as personal (values, attitudes, habits, among others.) nature. The consumer's phase of life and the immediate environment he/she lives in shapes his/her financial capability (OECD, 2005). Howard (2000) stipulated that when it comes to spending decisions women are in control because they control the majority of purchasing decisions in a household and their influence is growing. But advertising messages are seemingly irresistible, that millions of Americans, young and old, routinely take on expensive short-term credit card debt in addition to wasting 20 to 30 percent of their money because of poor spending habits and practices (Howard, 2000). He stressed that everyday spending decisions, especially credit-based ones will have a far more

negative impact on one's financial future than any investment decision one may ever make. He cautioned that it is not just credit-based spending decisions that get people into trouble but cash slips through some people's fingers so fast that at the end of the day, they have great difficulty determining just how all the money was spent.

Muske and Winter's (2010) study on spending practices of some American couples revealed that most of them did not manage their finances in textbook fashion. Very few couples followed traditional financial management practices. However, each couple had specific, formal and systematic money management practices that worked for them. A similar study by Chatzky (2003) showed that one does not have to be a millionaire to be happy. He found a strong relationship between feeling in control of one's financial situation and feeling happy about finances. Based on his findings, Chatzky (2003) compiled some management strategies to help families feel in control of their finances.

These include: -

- i. Get pretty organized.
- ii. Pay bills as they come in rather than all at once.
- iii. Keep tabs on cash.
- iv. Save at least 5% of household income.
- v. Minimize credit card debt.
- vi. Spend sensibly.

Chatzky (2003) concluded that while financial educators and planners agree on standard methods of financial management, the reality is that few consumers are knowledgeable about these techniques or are willing to implement these strategies.

2.9.4 Deciding what to buy

Lowe *et al.* (2007) stated that careful decision making about what to buy involves several well-defined steps. For major purchases, consumers should follow the following steps: -

- i. Define the issue or problem;
- ii. Identify relevant values and goals;
- iii. List possible choices;
- iv. Gather information;
- v. Evaluate the choices;
- vi. Make a decision and evaluate the results.

2.9.5 Where to shop

Lowe *et al.* (2007) also outlined places to shop to include traditional markets, retail stores such as department stores, discount department stores, variety stores, specialty stores, (grocery, gift shops, bookshops etc.), superstores, outlet stores, warehouse clubs and second-hand stores. They stressed that non-store options included door-to-door sales, mail-order retailing, electronic shopping, vending machines and consumer cooperatives and that retail stores differ in variety, personal services and pricing, making convenience a hallmark of most non-store retailers. Where one shops influence the budget because of price variations at the different shopping places. For example, food items cost less in traditional markets than at the grocery or from hawkers. Prices of household equipment and electrical gadgets are cheaper from the manufacturer or retail stores than in traditional markets. One could get some discount and/or warrantee from the manufacturer that could cut down on cost. Buying from hawkers and in traffic could be very expensive due to high-profit margins.

2.9.5 When to buy

Lowe *et al.* (2007) further explained that advance planning enables consumers to take advantage of special sales and seasonal buying. Wise shoppers try to time their purchases to get the most for their money. In certain circumstances it may be wiser to put off a purchase, for example, one can reduce finance charges by saving and making a large down payment, or by saving and not buying on credit at all. Riley and Rudd (2007) also advised that waiting can allow one to take advantage of special price reductions that come with sales and buying in season. Reduction sales items are offered at a lower price than its usual selling price. These may offer shoppers opportunities to buy high-quality items at low prices since prices are lower on many goods at certain times of the year. The authors emphasized that some foods are available in large supplies, fresh and cheaper only when they are in season and as a result, one can save a lot by buying foods in season and/or take advantage of clearance sales which also offer the opportunity to buy. Personal experience and observations show that in Ghana prices of food items are much cheaper when they are in season hence many homemakers take advantage to buy in bulk and store. During festive seasons such as Christmas and Easter, many shops offer price reduction sales and this allows shoppers to buy high-quality items at low prices.

2.10 Factors that Influence Spending Decisions

Spending decisions are influenced by several factors such as occupation, level of income, the size of the household, changing social patterns, among others. Many personal characteristics and circumstances also influence the way people spend their money. Ambition, values, likes and dislikes abilities, wealth, number of family members, gender,

standards of living, socioeconomic status and future plans and developments will affect the way people spend money (Kirchler *et al.*, (2008).

2.10.1 Economic factors

Kirchler *et al.*, (2008) stated that economic factors such as the price of the item and the amount one has to spend influence one's spending. However, other factors: – personal, social and business form part of the decision as well. They proposed that if one has to spend money wisely, one must learn what these factors are and when and how they should affect one's decision making. Economic factors such as the price of the item determine spending decisions like the quality and quantity of items to purchase where and when to purchase items as well as the satisfaction or dissatisfaction derived from spending. The amount one has to spend also influences what items, the quality and quantity one can pay for.

2.10.2 Personal factors

Kirchler *et al.*, (2008) identified personal factors as those that are derived from one's background, family circumstances and upbringing such as:

- i. **Values:** which influence spending in that if a family values education above material possessions, it is likely to give higher priority to school tuition than to home furnishings or a second car (Kirchler *et al.*, 2008).
- ii. **Goals:** which reflect what individuals and families need out of life. These needs fall in line with Maslow's (1948) human needs theory. For example, money may be used to secure items needed to meet a person's physiological needs for food,

clothing and shelter. Savings and investment will go far to meet security needs.

To spend on these needs, one must decide how to earn the money.

- iii. **Lifestyle:** a way of life of a person also affects one's buying decisions. Being single, newly married, married with children and retirement, for example, life stages that tend to have similar concerns and confront similar economic decisions (Kirchler *et al.*, 2008).
- iv. **Habit:** Many consumer purchases are made based on habit (a tendency to follow a fixed pattern of behaviour). People get into the habit of buying a certain product, shopping at a certain store or shop or eating at a certain restaurant. Habit is not necessarily a poor basis for decision making used for minor or routine purchases, for example, it can simplify one's life. Followed blindly however it can keep one from comparing and considering other possibilities some of which may be better (Kirchler *et al.*, 2008).
- v. **Impulse purchase** which is unplanned or spur-of-the-moment buy. Merchants encourage impulse purchase by using such techniques as the positioning of displays near the checkout counter. Impulse purchase can have its benefits such as finding an item one needs on sale. It often results, however, in the purchase of unnecessary products and can destroy the best-laid spending plans (Kirchler *et al.*, 2008).
- vi. **Personal resource** such as money available influences one's spending. But if one has more time and energy (and the necessary skills) one can substitute one's labour with money (Kirchler *et al.*, 2008).

2.10.3 Social factors

Social factors such as family members can affect one's decisions to spend but so can other people such as friends, neighbours or even beggars on the street, a stranger in the supermarket queue can recommend a product. When one allows the reactions of others to determine one's choices, one is allowing social factors to influence one's decision making (Kirchler *et al.*, 2008). In relation to Maslow's (1948) social and belongingness needs, some people may use money on friends and relations as well as for other opportunities for social interactions which could facilitate one's social needs.

Kirchler *et al.*, (2008) stated that popular taste probably influences consumer choices more than any factor other than price. They again emphasized that keeping up with fashion blindly, for example, can result in a waste of money since what is in fashion today may be out of fashion tomorrow and clothing may be discarded, even though they show no sign of wear simply because it is outdated.

Social Status: the more money a person has available to spend, the more likely he/she is to buy luxury goods such as expensive clothing, jewellery and cars. Some people buy luxury goods to impress others with their apparent wealth and success. This practice is called conspicuous consumption (Kirchler *et al.*, 2008). Maslow's (1948) level of needs indicates that a higher-order or self-esteem needs will be met through the purchase of expensive or designer clothing, flashy cars and other items that will attract recognition. Money may also contribute to a sense of self-actualisation.

2.10.4 Business factors

The devices used by businesses to sell goods and services are probably the most familiar influences on consumer spending. Some of these include advertising, sales tactics, sales promotions and shopping environment (Kirchler *et al.*, 2008).

- i. Advertising can provide helpful information about a product's features, use and price, but it can also confuse or mislead the consumer. Some advertisements can lure people to make purchasing decisions.
- ii. Sales promotions are sales activities such as free samples, coupons and sales contacts. Sales promotions stimulate consumers' spending decisions to purchase items unplanned for. Even though the prices of these items may be reduced, buying them at an unplanned time could draw more on the family budget.
- iii. Shopping environment or surroundings can also influence purchasing. For example, supermarkets, department stores and shopping malls all present a staggering array of choices. This variety makes it more likely that the consumer will find whatever he or she wants, but it can also confuse or overwhelm him. In addition, it can create a desire for all sorts of items that are beyond a shopper's means and needs.

Similarly, Howard (2000) has also stipulated that a wide variety of factors, ranging from age, gender, family size, occupation, religion, status, future expectations, advertising and personal influences, and compulsiveness, have been shown to influence consumer taste and demand.

2.11 Family Spending Methods

Osteen and Neal (2012) outlined some methods of family spending to include: -

- i. **The family financial plan** is a method of using money as a planned and shared family project. This means all members of the family are involved in the decisions concerning what money is spent on, how much is spent and when the money is used. She explained that this practice is uncommon in Africa but is used mainly in the western world.
- ii. **The allowance method** in which a household head gives a stipulated amount to the wife to cover living expenses and keeps the rest of the money to meet other demands like rent, utility and other family bills himself. According to Hevi-Yeboe et al. (2004), this method is commonly used by some husbands in Ghana, but the money given to the women most often is for food only. Usually, the woman adds her own money to cover other family needs such as soap, other cleaning materials, personal needs like pomade, powder, children's clothes and transportation. For example, in the Ho District of the Volta Region of Ghana, rural men give some money to their wives every market day for the purchase of fish, salt and other minor ingredients. Most of the food items are obtained from the farms and the woman takes care of other needs except clothing which the man provides for family members once or twice in a year.
- iii. **The handout method** in which a household head gives money out on daily basis or wherever the need arises. Hevi-Yeboe et al. (2004) found out that, this method is also common in Ghana is used by men who like to control their money. The implications, however, is that this method could create problems when the need arises and the man is absent. Some women could also get tired of asking for

money all the time and this could lead to tension in the family. The method also makes it difficult for homemakers to buy items in bulk even though bulk-purchasing saves the family some money, time and energy.

- iv. **The “equal salary method”** and the “fifty-fifty system” in which both the husband and wife contribute equal amounts of money at the end of the month and this is put together and used for the family upkeep (Osteen and Neal, 2012).
- v. **The envelope method** is a cash system that lets each family member see how much money is available in each envelope or budget category. The College Foundation Factsheet Report (2004-2008) reported that some families take their income and immediately divide it into envelopes for rent, food, clothing etc. so that they know just how much is left. A disadvantage of this system however is that it requires keeping large amounts of cash at home, which may cause a security problem.
- vi. **The cheque book method** is an accurate record-keeping method in which expenses are paid by cheque and recorded immediately and balance is kept up to date (Osteen and Neal, 2012).
- vii. **The account method** is a method preferred by those who choose to keep a detailed daily record of spending. Usually, the record-keeping task is assigned to one family member, but all family members should understand the system and help keep receipts (Osteen and Neal, 2012).
- viii. **The receipt method** requires family members to save receipts from all purchases. A container or box should be placed where it is easily accessible to all members

of the household. Receipts are totalled regularly, usually every month, to know the trend of spending (Osteen and Neal, 2012).

2.12 Family Expenditure

The Ghana Living Costs and Food Survey Report (Ghana Statistical Service, 2011) defines expenditure as the combination of qualities, quantities, acts and tendencies characterizing a community or human group's use of resources for survival, comfort and enjoyment. Expenditure simply put, refers to what individuals and families spend their money on and the amount of money spent on each item. McGraw-Hill (2001) reported that all expenditures proforma represent a choice among alternatives since choices open to the spender are not made. McGraw-Hill (2001) again explained that scarcity of resources makes it necessary to sacrifice some things desired to obtain those for which the desire is greater. In a real sense, there is a great deal of planning and re-planning of expenditures. There is what one might call partial planning of the expenditure of part of the income, possibly over a short period only or possibly in a rough fashion over a relatively long one. Such a plan could rarely be made or kept in one's head but must be on paper (McGraw-Hill, 2001). In that form, it constitutes what is usually called a budget and the planning becomes budgeting. Although few families or individuals may report that they budget their incomes, many would say at the same time that they plan their expenditures.

The Ghana Living Costs and Food Survey Report (Ghana Statistical Service, 2011) revealed that major items on which expenditure was made by families included food, clothing, housing, education, household utilities, health care, transportation,

communication and remittances. The GLSS6 (Ghana Statistical Service 2014) categorized household expenditure according to the UN Statistical Classification System called “Classification of Individual Consumption According to Purpose” (COICOP, 2009). This categorisation mainly divided expenditure into food and non-food components. The non-food components comprised expenditure on alcoholic beverages, tobacco and narcotics, clothing and footwear, housing, water, electricity, gas and other utilities including health, education, recreation, personal care and durable goods.

2.12.1 Food Expenditure

The Ghana Living Costs and Food Survey Report (Ghana Statistical Service, 2011) indicated that food expenditure covered two types of imputation, firstly the domestic consumption of own input by households engaged in agricultural production and secondly the value of any wage income received by household members in the form of food.

The Ghana Statistical Service Report (2012) identified the most important food consumption subgroups in Ghana in terms of cash expenditure as roots and tubers (22%), fish (16%), cereals and cereal products (15%), vegetables (9%), and meat (5%). Prepared meals accounted for 11% by value of total food consumption. It was noted that rural folks consumed more root and tubers, pulses and nuts than their counterparts in the urban areas. In contrast, meat and prepared meals were consumed more in the urban areas than in the rural areas; urban residents also spent more on cereals and cereal products and poultry and poultry products than their rural counterparts.

The report, however, revealed that American households, on the other hand, spent about 14% of their budget on food items. This included grocery store food, food from vending machines, in restaurants and special catered affairs. Studies by Udry and Woo (2006) on household and social organisation of consumption in Southern Ghana revealed that in the YiloKrobo district, expenditure patterns showed that food constituted the highest household expenditure. It constituted 39% of total household expenditure.

Findings from Ba-ama *et al.* (2013) indicated that average monthly household expenditure on food was GH¢ 218.85 for the formal sector women and GH¢ 115.40 for the informal sector women at Dodowa. The GLSS6 (Ghana Statistical Service, 2014) reported that the household mean annual per capita expenditure on food accounts for the largest share (46.7%) of the total annual household expenditure of GH¢61.507 million. Findings from Babatunde (2010) on expenditure patterns of Ghanaian families in the formal and informal sector at Tabora revealed that expenditure on food took 45% of total income with the formal sector families spending a little more on protein-rich foods as compared to the informal sector families who spent more on carbohydrate-rich foods. Among the food items purchased, animal foods consisting of meat and fish took the highest allocation of cash expenditure on food. This was followed by expenditure on cereals and cereal products, then roots, tubers and plantain, vegetables and fruits, fats and oils and the beans, nuts and oilseeds.

2.12.2 Housing Expenditure

The Population and Housing Census Report (Ghana Statistical Service, 2012) defined housing as being more than the provision of shelter, to include utilities, household

furnishings, household operations, domestic service and other housekeeping expenses. The report revealed that homeownership was high in the urban areas, with the highest figure of 60% in Greater Accra. Consequently, renters were more prevalent in Accra (57%) and other urban areas (50%). Most rural households (81%) had free housing or had their accommodation paid for by someone else. Findings from Ba-ama *et al.* (2013) revealed that average monthly expenditure on rent was higher for the formal sector women (GH¢ 22.23) than for the informal sector women (GH¢ 4.35). Similar findings by Babatunde (2010) confirmed that formal sector women paid more monthly rent of GH¢ 38.00 than the informal sector women (GH¢ 5.00). The GLSS6 Report (Ghana Statistical Service, 2014) reported that households' total expenditure on housing accounted for 12.4% of total expenditure.

2.12.3 Health Care Expenditure

The US Department of Commerce, Bureau of Census (2004) revealed that health care expenditures vary considerably by age. US households spent on the average five to six percent of their after-tax income on health care. Householders under 25 years spent less on health care. As the age of householders rises, so does the amount of budget devoted to health insurance, drugs, medical supplies and services such as doctor's visits, lab tests, among others. Householders aged 65 plus devoted an average of 12% of their budget to health care. The GLSS6 (Ghana Statistical Service, 2014) reported that the average medical expenses by people who reported ill or injured was GH¢ 50.50. Total expenditure on medical care was much higher in urban areas especially in Accra (GH¢ 71.50) than in the rural areas. Information on financiers of medical bills including the

cost of consultations and hospital admissions revealed that the expenditures were borne mainly by household members (89.6%). Only about 6.4% settled their bills through health insurance, while less than five percent settled through employers or governmental support. The report also stated that the average woman spent GH¢ 5.00 on contraceptives. A little over a fifth (22.4%) of all contraceptive users did not pay anything for their contraceptives and about 55% paid less than GH¢ 5.00. Only about 3% paid GH¢ 5.00 or more and these were in Accra and other urban areas.

Findings by Ba-ama *et al.* (2013) indicated that formal sector women paid an average monthly expenditure of GH¢ 55.63 on healthcare as compared to the informal sector women who paid GH¢ 15.45. Similar findings from Babatunde (2010) showed that formal sector women (51%) paid more (GH¢ 51.00 – 100.00) than the informal sector women (GH¢ 50.00) on health care. Expenditure on health comprised money spent on consultations, drugs or medications, laboratory tests, x-rays, antenatal and post-natal care and hospital bills.

2.12.4 Remittances

This refers to income transfers to and from households. According to GLSS 6 (Ghana Statistical Service, 2014), an income transfer to non-household members was highest for children in both rural and urban localities. A higher proportion of transfer payments received by households went to children both in the urban and rural localities especially female children (45.7%) compared to male children (33.2%), while spouses were the lowest beneficiaries of transfer payments received by households. The population and housing census report (2012) showed that bulk remittances to non-household members

went to relatives, (93%) and in particular to parents or children in tertiary institutions or living outside the town (50%), brothers and sisters (18%) and other relatives (23%). Such income flows from the household benefited females (64%) more than males (36%).

2.12.5 Educational Expenditure

The GLSS 5 (Ghana Statistical Service, 2014) reported that the average annual cost to a household for maintaining a person at school or college was GH¢ 16,350 per year. The report indicated that households, on average spent about GH¢ 8,865 annually per household member attending school or college. The annual amount spent was much higher in Accra (GH¢ 28, 861) than in either other urban (GH¢ 11,202) or rural areas where the average expenses were far less than the national average. Across localities, rural Savannah had the lowest average educational expenses per household member (GH¢ 2,125). Major items on educational expenditure included food, boarding and lodging accounting for (40.7%), school and registration fees (28.8%), books and school supplies (9.6%), transportation to and from school (7.2%), expenses on extra classes (6.4%) and uniform and sports cloths (5.7%). Educational expenses formed (8.9%) of total household expenditure. However, educational expenses in urban areas were more expensive than in rural areas. Findings by Yankey (2006) in the Central Region of Ghana revealed that expenditure on school fees ranged between GH¢ 20.00 to over GH¢ 300.00 for a school term. More than half (56.8%) of the respondents spent between GH¢ 200.00 and GH¢ 500.00 on school uniform and stationery and between GH¢ 400.00 and GH¢ 4,000.00 on pocket money in a school term.

Similar findings by Babatunde (2010), revealed that formal sector homemakers spent more on education (GHC 101.00 - GHC 400.00) than those in the informal sector (GHC 50.00 - GHC 100.00). Educational expenditure covered those in public basic, secondary and tertiary education. Findings by Ba-ama et al., (2013) showed that expenditure on education was the highest among both formal and informal sector women. While the informal sector women paid GHC 143.00, the formal sector paid GHC 854.00 on education. These findings suggest that educational expenditure increased as the years go by.

2.12.6 Household Utilities Expenditure

Ghana Living Standard Survey round 5 (2004) reported that the next most important household expenditure group in terms of amount spent was household utilities (water, electricity and gas) (7.9%). Expenditure on housing, water, electricity and gas contributed 9.5% to the total expenditure on non-food component. However, urban areas spend more on utilities (11.3%) than rural areas (6.9%). Yankey's (2006) study revealed that 54% of the respondents paid up to GHC 50.00 for water, GHC 10.00 to GHC 20.00 for electricity and GHC 10.00 - GHC 20.00 on telephone. Findings from Babatunde (2010), showed that monthly expenditure on household fuel ranged between GHC 10.00 - GHC 40.00 while that for electricity ranged between GHC 15.00 - GHC 50.00+. Expenditure on water ranged between GHC 5.00 - GHC 20.00+ and this included water bills as well as water bought from tankers. Ba-ama et al., (2013) found that expenditure on electricity, water and fuel was higher (GHC 183.89) for formal sector women than for informal sector women (GHC 46.40).

2.12.7 Transportation Expenditure

Findings from the Second National Household Transport Survey Data (2012) shows that transportation accounts for around 15% - 20% of household expenditure which is higher than the estimate from consumption surveys. Moreover, travel surveys indicate that poor households spend a greater share of their income on transport than others. The data reported that in Ouagadougou, transport accounts for 25% of income for the household. The survey report also revealed that about two-fifth (41.5%) of resident in Ghana spent between GHC 100.00 and GHC 200.00 on taxi rides. Findings by Giles (2011) reported that the proportion of total expenditure spent on transport increased slightly with increased income, from 10% for the lowest decile group to 16% in the highest income group. The report showed that transport was the expenditure category which consistently had the highest average weekly spend throughout the times. For example, in the United Kingdom, spending on transport increased from £61.00 per week in 2009 to £64.90 per week in 2010.

Babatunde's (2010) study revealed that the majority of homemakers from both formal (84%) and informal (80%) sectors spent between GHC 30.00 - GHC 65.00 a month on public transport such as "trotro" taxi and buses. However, about 12% of the women studied who lived their own cars spent between GHC 150.00 - GHC 300.00 a month. This included the cost of fuel, vehicle maintenance, and insurance premium and some cakes, repayment of car loans.

2.12.8 Recreation

Giles (2011) reported that the next highest expenditure to transportation was on recreation and culture which had a highest weekly spending of £70.00 in 2004/2005 but

steadily declining to its lowest amount £58.10 in 2010. Recreation accounted for between 12 and 14 percent of overall spending throughout the time series. Expenditure on restaurants and hotel was its highest value of £42.90 per week in 2004/2005 and its lowest was £59.20 in 2010. However, recreational expenses of the women studied by Ba-ama et al., (2013) in the formal sector were GHC 324.00 while the informal sector women spent only GHC 43.30. This information suggests that recreation is not one of the prioritized expenditure categories.

2.12.9 Clothing and Footwear

Clothing Materials expenses were reported at GHC 2,895.00 million in 2013. This recorded an increase from the previous amount of GHC 604.00 for 2006. Among the twelve COICOP headings. Household Expenditure Based on COICOP Classification.

Babatunde (2010) revealed that expenditure on clothing & footwear included items such as shirts, trousers, dresses, “Kaba and Slit”, head ties and accessories. The study revealed that average monthly expenditure on clothing ranged between GHC 5.00 and GHC 35.00, of income ranged between 3% - 6% of the monthly income. It also revealed that respondents in the formal sector spent more on clothing than their counterparts in the informal sector.

2.12.10 Communication

According to Babatunde’s findings (2010), the most common means of communication was mobile phones. A few women (12%) from both formal and informal sectors had

landlines connected to their homes. A slightly more than half (54%) of the formal sector women used internet for communication. Expenditure on communication ranged between GH¢ 3.00 - GH¢ 10.00 mainly on phone units. A few, however, spent more than GH¢ 10.00 on their communication gadgets.

2.13 Consumer Credit

2.13.1 History of Credit

Stone (2005) reported that the word credit was derived from the Latin word “*credere*” which means “belief or trust”. Thus, trust in one’s ability to meet payments when they are due. He explained that credit is the provision of resources by one party to another in which the second party does not pay back immediately, so debt is generated and arrangements are made to repay at a later date. The first party is called a creditor or lender while the second party is called a debtor or borrower. The debtor, according to him, promises to repay, not only the principal sum borrowed or cost of the goods purchased but also interest. Thus, the lender or creditor holds a claim that the debtor will repay the interest and principal as promised. He emphasized that credit is dependent on reputation or creditworthiness. Stone (2005) further explained that credit has been an old financial purchasing method but it was not until the early forties that it became a means of payment available to everyday consumers. Three main kinds of credit were identified by Finlay (2009) namely: business or trade credit, home mortgages and consumer credit. For this study, only consumer credit will be reviewed.

2.13.2 Consumer Credit Explained

Finlay (2009) defined consumer credit as a financial resource that enables the transfer of money, goods and services to individuals for personal, family or household use for which payments are made in the future. Free Dictionary (2017) explained consumer credit as service granted to a consumer permitting the use or ownership of goods or services during a term of payment. The legal definition of consumer credit includes short term loans to individuals for the purchase of goods used primarily for personal, family or household purposes. Such goods however are not intended for resale or further use in the production of other products (<http://www.lectlaw.com/def/c112.htm>, June, 2017). Goldsmith (2005) explained that consumer credit is considered as “elastic income” because its use expands the purchasing power of individuals at any given time and so makes possible the provision of more goods and services than cash on hand would allow. Finlay (2009) stipulated that consumer credit use has been in existence for decades. However, in those times, many people emphasized the importance of living within their means and frowned upon the use of credit. In the present decade, consumer credit has been so widely used that almost every family owes somebody (Finlay, 2009).

2.13.3 Types of Consumer Credit

Consumer credit has been divided into three broad categories by (Hartaska & Gonzalez-Vega, 2006) namely:

- i.** Instalment credit or closed-end credit;
- ii.** Non-instalment credit or open-end credit;
- iii.** Revolving open-end credit.

i. Installment credit or closed-end credit

This type of credit involves transactions that require repayment on a specified date of the entire amount borrowed or cost of items bought (fixed-payment loans). It is a loan that requires the borrower to repay the principal amount in equal periodic payments, usually on monthly basis and it is a popular method of financing other high-end appliances and electronics. The lender, however, will ordinarily retain the ownership to the property (if one exists) until the loan is paid completely. These fixed-payment loans typically provide the borrower with very little repayment flexibility. Single-payment loans require the repayment of the entire amount that was borrowed plus the interest (Hartaska & Gonzalez-Vega, 2006).

ii. Non-installment credit or open-end credit

This is the simplest form of credit, usually given for very short term (such as thirty days). It enables consumers to take possession of goods and pay for them within a short term. It is offered by department stores to their regular customers. It includes all forms of consumer credit except fixed payment loans and comprises of single-payment loans, loans that permit the borrower to make irregular payments, loans that permit the borrower to borrow additional funds without submitting a new credit application (Hartaska & Gonzalez-Vega, 2006).

iii. Revolving open-end credit

Revolving open-end credit involves the use of most credit cards. Under an agreement with the lender or seller, credit is extended for use by the consumer. An outside limit

is established, depending upon the debtor's credit history and ability to handle the debt repayment. The consumer or debtor is given a credit limit and he/she chooses how much of the available credit he/she will use at any given time. Usually, the debtor makes periodic (usually monthly) payment and continues to use the available credit as needed as long as each periodic payment meets pre-determined minimum amounts (Hartaska & Gonzalez-Vega, 2006).

Schlater, (2007) also classified consumer credit into service credit, sales credit, point-of-sale-credit and consumer loans.

i.Service Credit

This covers payment for services obtained from the use of household utilities such as water, electricity, rent and telephone for which bills are sent monthly or quarterly. It could be used to cover other services such as school fees, hospital bills, and rent, among others (Schlater, 2007).

ii.Sales Credit

This is a credit facility made available for obtaining consumer goods from stores, traders and other sellers. Forms of sales credit include:

- Installment credit, which is credit repaid by the borrower in several periodic payments as agreed upon by both creditor and debtor. It is used for a wide range of goods such as food items, clothing, household items, and furniture, among others.
- Revolving credit, which allows customers to buy goods and pay a certain amount on their account each time and are allowed to buy more goods on

credit in addition as long as they make regular payments. It is used for purchasing toiletries and provisions (Schlater, 2007).

- Hire Purchase is used to purchase very expensive items such as cars, building materials, television sets, refrigerators among others, where the customer pays a deposit usually one-third of the price and the rest of the cost plus the interest is spread over a period of time. Even though the buyer can use the item bought, the seller retains title to the property until full payment has been made.
- Point-of-sale-credit is a purchase transaction with a retailer with a credit card instead of cash (Schlater, 2007).

iii. Cash Loan or Consumer Loans

This is money obtained from both formal and informal sources for goods used primarily for personal, family or household purposes. Formal financial institutions include the banks, trust companies, small loan companies, life insurance policy loans, credit unions among others. Informal sources of consumer loans include friends, family members, money leaders, susu groups, welfare societies among others. Cash loans may be paid for all at once at a pre-agreed date, or by installments spread over a period of time. The amount of interest paid depends on the amount of the loan received, the length of repayment time and the source of the loan.

2.13.4 Factors that Influence Consumer Credit Use

Several factors influence consumer credit use. Stone (2005) outlined four main factors including convenience, immediacy, to bridge the gap and inflation of goods and services.

i. Convenience

He explained that it is very easy to use a credit card instead of carrying physical cash and to be able to settle bills with the use of a cheque. Once the outstanding amount is paid monthly, it is an interest-free convenience. Some charge accounts require that the total bill be paid monthly, but others such as bank credit cards and retail revolving accounts, offer a choice of paying all or a portion of the debt. Stone (2005) pointed out that using a credit card instead of cash makes shopping more convenient and reduces the risk of loss or theft associated with carrying large amounts of cash. Stone (2005) again cautioned that a disadvantage about this option is that it makes it easy to let bills accumulate and the interest rates charged on unpaid balances become high (Stone, 2005).

ii. Immediacy

Consumer credit allows consumers to obtain goods and services now and pay later. This is a good way of selling high-priced goods and services since buyers do not have to consider the affordability of the cost price, but the ability to manage the monthly payments. Sometimes, the opportunity to have goods or services immediately can be worth the cost (Stone, 2005). For example, when one takes into account the cost of being without household equipment such as a refrigerator, one may discover the monetary benefits of using consumer credit. Consumer credit may help one take advantage of sales or bargain opportunities. It also gives the consumer the immediate use of goods and

services when he or she is short of cash. Some people have difficulties saving enough to acquire expensive items, so the only way out is to fall on consumer credit which somehow becomes a form of forced saving, although an expensive one due to the interest charged (Stone, 2005).

iii. To bridge the Gap

Stone (2005) explained that people with irregular income, such as many self-employed may require loans to pay regular expenses until the next income. Until a sufficient reserve fund is built up, it may be necessary to obtain a loan to bridge this gap. Even with a regular income, there may be occasions when there may not be enough cash to cover some expenses. Sometimes when bills and debts exceed income some people borrow enough to repay all the outstanding debts and then owe a large amount to one lender for a longer time through a consolidation loan. Such loan is one way of reducing the financial pressure but it could make a person be continually in debt.

iv. Inflation

During inflationary periods, borrowers tend to benefit at the expense of lenders. As prices of goods and services rise and incomes increase proportionally, borrowers pay back loans that have fixed payments (Stone, 2005). This makes it comparatively easy to handle debt. The lender, on the other hand, is paid back amounts that would buy less than when they were lent. Another aspect of very rapid inflation is the advantage of making purchases before the prices go up more. Under these conditions, it may be quite rational to use credit rather than accumulate savings. Studies by Black and Hong (2004) on the effects of life-cycle stages on consumer debts revealed that life-cycle stages, willingness and ability

to borrow and the need to borrow were significant factors affecting installment debt and credit card debt. Chien and De Vaney (2001) also found that a favourable attitude toward credit was positively related to having installment debt.

2.13.5 Functions of consumer credit

Consumer credit plays some functions in family living. Goldsmith (2005) explained that the use of consumer credit expands the purchasing power of families at any given time and thus makes possible the provision of more goods or services than cash on hand would allow, and for this reason, it is considered “elastic income”. Hence, the function of consumer credit is to provide an opportunity to alter the timing of resource use. Consumer credit adds flexibility to financial management and a sense of security to some families. It is a part of the family’s income and can be of great help in financial management if it is used wisely. Similarly, Lowe *et al.*, (2007) stipulated that since most families cannot purchase costly items with cash, their large purchases require credit. Thus, consumer credit plays an important role in stimulating economic activity over the short run.

2.13.6 Consumer Credit Use

According to Pine (2009), management of consumer credit is one of the biggest management challenges faced by individuals and families. From a financial point of view, one of the challenges is that interest on credit repayments is usually higher than what individuals make on their investments. Schlater (2007) stressed that the increase or decrease in the quality of living that consumer credit will give depends on the

effectiveness of credit management. Although most people consider consumer credit a method to secure goods and services that cannot be afforded, it is true that practically everyone in modern society uses credit in one form or another. For instance, service credit allows all consumers to access household utilities such as electricity, water, telephone as well as medical and other domestic services for which payments are made in the future.

Stone (2005) argued that consumer credit use has changed over time, complicating the consumer finance picture. Consumers now use credit as a substitute for cash and in some cases, as a convenient way to accumulate wealth. Finlay (2009) blamed the widespread increase in the use of consumer credit in recent years on families losing interest in budgeting. In addition, where consumers once had to save up hard cash to make a large purchase, they now find merchants and dealers vying to offer a bewildering array of credit plans. Ahmed (2009) also attributed the increased use of consumer credit by Ghanaian families to the high cost of living, unemployment, low salaries, the impact of advertisements and increased availability of credit facilities.

Similar findings by Ba-ama *et al.* (2013) and Yankey (2006) showed that the women studied accessed cash loans and installment credit to maintain their families because housekeeping monies were insufficient. On the contrary, a study by Hayhoe *et al.* (2000) on differences in spending habits and credit use of college students in the U.S.A revealed that affective attitude (feeling about credit card) and gender influenced credit purchases. Affective attitude predicted the purchase of clothing, electronics, entertainment, travel, and food away from home. Females purchased clothing while males purchased electronics, entertainment and food away from home.

2.13.7 Consumer Credit Challenges

Lowe *et al.* (2007) stipulated that two costs of using credit to obtain immediate satisfaction are the interest to be paid and the loss of financial flexibility. They explained that interest is a direct monetary cost that varies directly according to the time taken to repay the debt. Another cost that can be very significant, but perhaps less visible is the flexibility cost of having committed some future income to debt repayment. Using credit means accepting an obligation to make future payments that may curtail freedom to spend in other ways. If something happens to the income stream due to illness or loss of a job, debt payments can become a substantial burden.

Similarly, Pine (2009) argued that the existence of consumer credit encourages people to overspend. Its use reduces purchasing power because consumers must pay interest charges on credit purchases. Family members may have to postpone or give up purchasing needed items to pay the interest due on credit. The interest charges could add up to real expense for some families. Pine (2009) again explained that many consumers take the promise of “easy payment plans” too literally, and use more credit than they can afford. This overspending may lead to rising tensions in the home as family arguments about money increase. It could also be a direct cause of personal bankruptcy, a situation in which a person legally declares that he or she cannot pay his/her debts.

Hartarska and Gonzalez-Vega (2005) cautioned that when consumer credit is misused, it could cause serious financial challenges and hardships such as inability to budget, save or invest, over-indebtedness (a condition of having more debts than one can or is willing to repay and creditors actively pressing for repayment), despair and crisis including

insolvency (not having money to repay what one owes) and bankruptcy (a situation that allows an insolvent debtor to legally obtain relief from financial crisis with any assets distributed in an orderly fashion among creditors). Ahmed (2009) also has the opinion that the use of a credit card encourages impulse buying and having to pay in cash is a more effective restraint.

Another challenge alerted by Stone (2005) is deceitful practices by consumers/customers where they are not truthful about their ability to repay. Some people borrow recklessly, sometimes with no intention of ever paying back, thereby deliberately committing fraud. Lost credit cards are a key element in credit card fraud. Pine (2009) and Goldsmith (2005) proposed the following guidelines to help reduce the chances of credit mismanagement.

- i. Consider whether there is a genuine need for an item or loan.
- ii. Choose carefully the purpose for which credit is being used.
- iii. Always calculate the total cost of credit to ensure that too much money is not lost.
- iv. Never use credit for luxuries one can do without.
- v. Know the total amount of debt in relation to income. This helps one maintain creditworthiness.
- vi. Have only one or two credit cards, at most three. The typical bankrupt individual has 20 or more cards.
- vii. Pay off credit cards on time in full each month to avoid interest charges.
- viii. Know what the agreement says; seek cards with the lowest annual percentage rate (APR) and no additional fees.

- ix. Check credit card statements carefully against receipts. Do not allow the unauthorized use of credit card number.
- x. Keep a list of credit cards purchased, as they occur.
- xi. Keep a list of credit card numbers in a safe place, in case they are lost or stolen, along with a list of toll-free numbers of credit card companies to notify in case cards are lost.

2.14 Summary

From the literature reviewed one could conclude that a family is a unit of intimate, transacting and interdependent persons who share some values and goals, make decisions and manage available family resources. Women play several roles and assume many responsibilities within and outside the family setting. A major responsibility of Ghanaian women, who are predominantly homemakers, is the management of family resources to sustain or enhance family welfare. The ability to do this successfully depends not only on the amount of money available but also on the homemaker's knowledge and skills in financial management. Financial management refers to how economic resources are put together and the decisions and actions are taken for the effective use of those resources. Money is an important economic resource which is used to obtain goods and services to enhance family welfare and provide for growth and security. Families use different money management systems and practices in allocating their incomes. Good family spending practices involve the application of financial management principles such as budgeting (written or mental), setting financial goals, organizing expenditure, implementing spending plans by comparing prices, bargaining, buying in bulk, saving,

keeping financial records, adequately meeting family needs for food, clothing, health care, etc. and evaluating spending plans. Family spending also involves the use of consumer credit which is a financial resource that enables the transfer of money, goods and services to individuals and families for personal, family or household use for which payments are made in the future. Major consumer credit types include service credit, sales credit and cash loans. Families access consumer credit for various purposes based on convenience, immediacy, bridging financial gaps among others. But consumer credit use comes with such challenges as a high interest to be paid, loss of financial flexibility, heightened impulse buying, and inability to budget, save or invest. Misuse of consumer credit could lead to serious challenges of over-indebtedness, despair and crisis, insolvency and bankruptcy. Based on this information it is expected that good spending practices and less dependence on consumer credit use would translate into increased family satisfaction and enhanced family welfare.

Based on this review of the literature, the following gaps were realised concerning the influence of spending practices and consumer credit use on family welfare:

- i. Most information on spending practices (especially budgeting) is from developed countries while very little is known about the practices in developing countries including Ghana.
- ii. Most studies in Ghana focus on micro-financing or consumer loans. Studies relating to the influence of socio-economic characteristics of consumers on consumer credit use are not available.

- iii. The influence of spending practices and consumer credit use by Ghanaian homemakers on family welfare has not been explored. It is against this background that the study was conducted to address some of the gaps exposed.

2.15 Conceptual Framework

Based on the review of literature, a conceptual framework was developed using the Systems Theory by Stichweh (2011) to guide the conduct of the study as well as explain the relationships among the study variable. A conceptual framework is a collection of related concepts that guide a study. It represents a picture of the link between the objectives, literature review and methodology employed in the research (Center for Diseases and Control Prevention, CDCP, 2013). A challenge in research, however, is to employ a framework that makes sense in explaining the variables and concepts in the literature and conceptual framework. The Systems Theory was employed to focus attention on the whole, as well as on the complex interrelationships among the constituent parts of spending practices, consumer credit use and family welfare.

2.15.1 Investigating Spending Practices, Consumer Credit Use and Family Welfare Using the Systems Theory

The research topic under discussion involves areas such as family income and expenditure, financial management processes and principles, personal factors that influence spending and consumer credit use, consumer credit management and family welfare. These components can be viewed as systems. This research therefore adopted and drew on the knowledge, principles and concepts derived from Systems Theory and its application as a suitable framework.

The Systems Theory focuses on understanding the components parts of a unit or an entity and the underlying interactions of all the parts that make up the entity (Stichweh, 2011). The study, therefore, attempts to establish how the process of managing the family income through spending practices and consumer credit use could influence family welfare by the use of the Systems Theory.

2.15.2 The Nature of Systems Theory

The Systems Theory is a science which has the comparative study of a set of connected things forming a “complex whole” as its object. That is, systems and their interactions/interrelations among different systems (Wilkinson, 2011). It is an interdisciplinary study of systems in general, with the goal of elucidating principles that can be applied to all types of systems at the nesting levels in all fields of research (Stichweh, 2011; CDCP, 2013). It focuses on an integrated set of parts that function together for some end purpose or result.

Systems theory applies Input → Throughput → Output → Feedback as basic elements to the concept of managerial effectiveness (Stichweh, 2011).

- **Input:** whatever is brought into the system, which includes; goals, demands, and resources.
- **Throughput:** processing/transformation of input.
- **Output:** end results, products, leftovers, waste, met/unmet goals, satisfaction /dissatisfaction with end results
- **Feedback:** Occurs when part of the output is retrieved to the input in the form of information. Feedback can be positive or negative.

Positive feedback is information put into the system that anticipates and promotes change; thus, it indicates what new course of action is needed.

Negative feedback is information put into the system that indicates that the system is deviating from the normal course and that, corrective measures may be necessary if the desired goal is to be met.

The Systems Theory applies to any system in life, whether formal (e.g. mathematics, music), existential (e.g. “real world”) or affective (e.g. aesthetic, emotional, imaginative) and therefore has been applied to the analysis of “the complexity” of biological, psychological, social, decisions and psychic system (Stichweh, 2011). Wilkinson, (2010) indicated that, rather than being an end in itself, Systems Theory is a way of looking at things and an internally consistent method of scholarly inquiry that can be applied to all areas of social science. He pointed out that in organisations, systems consist of people, structures and processes that work together to make an organisation “healthy” or “unhealthy”. Systems Theory is not one thing but a set of habits or practices. Thus, Systems Theory enjoins the researcher to examine the influence of socio-demographic characteristics on spending practices and consumer credit use and their overall impact on family welfare. It is within this context that the various study variables were examined. It is hoped that the Systems approach will enable the researcher to explain the interconnectedness, interdependent, interacting challenges and other dynamics that govern each sub-system to interpret challenges and develop balanced interventions and strategies to enhance family welfare.

2.15.3 Applying the Systems Theory in Managing Family Income

Family income (includes family monetary gains and consumer credit) together with family financial goals, demands (family welfare indicators) form **Input** to the financial managerial system.

The Input goes onto **Throughput** where they are transformed/processed through financial management/spending processes and principles including:

Planning: Setting and prioritizing financial goals, setting consumption standards for products to be purchased, identifying the available family income, drawing budgets.

Organisation: Estimating income and expenditure, sequencing bill payment, sharing responsibilities for financial management tasks, determining when, where and how to shop. Determining record-keeping practices.

Implementation: Making consumer purchases, monitoring and taking control of spending activities including savings and investments for the future.

Evaluation: Reviewing and appraising spending activities and practices.

During the processing/transformation of family income, situations such as insufficient income, emergencies could influence access and use of consumer credit. Personal factors such as age, educational level, occupation, marital status could also influence one's money income level as well as his/her spending practices.

The transformed/processed Input goes to Output as end results, products, met/unmet goals, altered resources, satisfaction or dissatisfaction with results.

The Output (in the form end results) goes to Feedback in the form of information. Feedback could be positive or negative. Positive feedback would result in good family welfare while negative feedback would result in poor family welfare. The feedback goes

back as input to the family financial managerial system. Figure 2.1 presents the conceptual framework indicating homemakers' demographic characteristics, family income management, spending practices/processes, consumer credit use and family welfare.

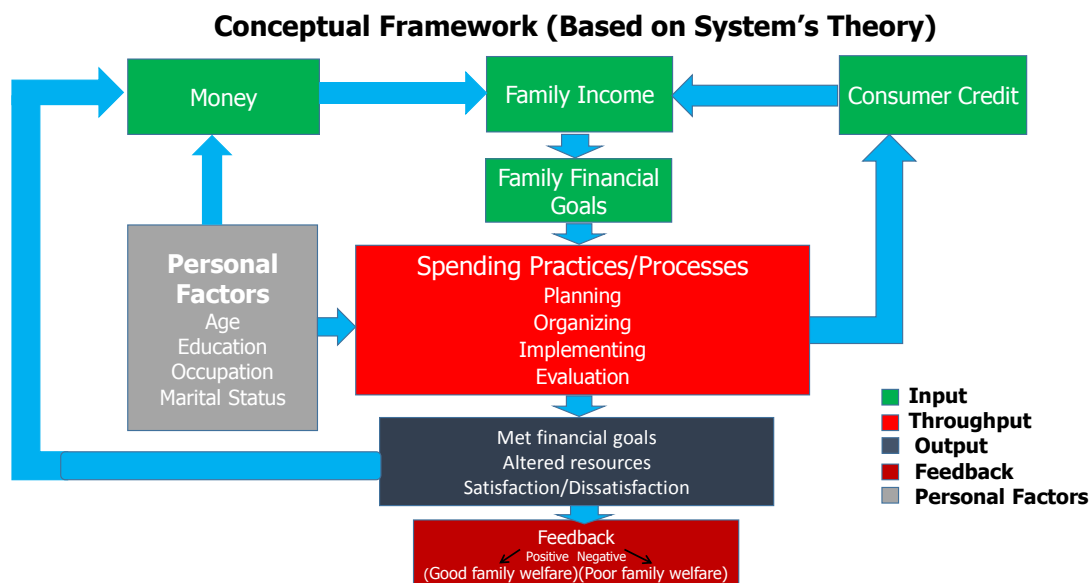


Figure 2.2: Conceptual Framework indicating Relationships among study variables

Source: Author's construct

Based on the theoretical framework and review of related literature, five null hypotheses (pp-1) were formulated and tested at an alpha level of 0.05.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the methodological framework that was used in this study. It describes how data was obtained and analysed. This includes the study design, study location, target population, sample size and sampling procedure, data collection instrument and procedure, pre-test, data analysis and presentation.

3.2 Study Design

Cresswell *et al.* (2003) define a study design as “a plan that describes how, when and where data is collected and analysed”. Vishnevsky and Beanlands (2004) also describe it as “the researcher’s overall plan for answering the research question or testing the research hypothesis”. The study design used was a cross-sectional survey which made it possible for the researcher to collect data from a subset of the target population at a point in time (Olsen and St. George, 2004; Bernard, 2012). This design was used because only a small sample of the homemakers living in Sakumono Estates was studied. Further, the design was also appropriate for describing the management principles applied by homemakers in the use of money and (the influence of spending practices and consumer credit use on family welfare) at a fixed point in time (Neuman, 2006).

3.3 Study Area

The study was conducted at the Sakumono Estates, in the Tema Municipality in the Greater Accra Region of Ghana. The area forms part of Tema Community 13 and was acquired in 1989 by Tema Development Cooperation (TDC) for workers' housing units. TDC allowed Social Security and National Insurance Trust (SSNIT) to build the housing units because of a lack of funds to house workers on a rental basis. A sampling frame which is a list of the SSNIT housing units obtained from the SSNIT Head Office (Estate Department) showed that there were two phases of housing units: -

Phase one: made up of semi-detached single-storey houses had 429 housing units.

Phase two: (3 series of flats)

Series 1: made up of 60 blocks, had 735 housing units.

Series 2: made up of 16 blocks, had 234 housing units.

Series 3: made up of 18 blocks, had 280 housing units.

As such, the number of housing units totalled 1,678.

These housing units provide accommodation for different homemakers with varied socio-demographic characteristics. The study area had basic infrastructure including four basic schools, four recognized churches, three recreational centres, one community hospital, two clinics, a post-office and some shops. There were good road networks as well as pipe-borne water and electricity. The area was chosen because of its cosmopolitan nature, different households with homemakers, organized data on household on all occupants of the housing units and above all being granted access, which made it possible for the researcher to solicit varied information about spending practices and consumer credit use from homemakers of different ethnic, educational and religious backgrounds.

3.4 Target Population

The target population for the study comprised all adult females (homemakers) who managed homes and resided in the 1,678 housing units at Sakumono Estates. Females were targeted because, in Ghana, the title “homemaker” is usually used to describe a female home manager who has the skills and abilities to maintain a home and actively performs such functions as financial management, meal management, home management and provides care for the family (Abotchie, 2008). As a result of the cosmopolitan nature of the study area, the homemakers would be made of people with varying demographics, economic status and other family circumstances. These varied characteristics are desired for a study like this.

3.5 Sample Size and Sampling Procedure

3.5.1 Sample Size

A sample size typically refers to the number of units that are chosen out of the population from which data is gathered (Lavrakas, 2008). It is imperative that a suitable sample size and technique be employed in the selection of respondents for the study. The sample size was determined based on the research design, population size, objectives of the study and planned analysis (Neuman, 2006). A sample size of two hundred and fifty-two (252) homemakers was selected to participate in the study based on Wilcox’s (2010) estimation that the sample size in a survey study design could be at least 10% of the target population. However, the researcher decided to use 15% of the target population. So, as to have more representation from the population to participate in the study. Evidence

from SSNIT office showed that a total of 1,678 households therefore applying the adopted Wilcox's (2010) formula, a total of 252 respondents was arrived at.

Thus, $\frac{15}{100} \times 1,678 = 251.7$ this was rounded up to 252.

3.5.2 Sampling Technique/Procedure

Sampling technique is important in statistical analysis because it consists of selecting some part of a population to study or obtain data from the population (Meng, 2013).

Proportionate sampling was used to determine the number of housing units to select from each of the locations. According to Salkind (2010), proportionate sampling is used in a study population which is made up of several subgroups that vary significantly from one another by numbers. In such cases, a sample size from each subgroup is determined by their number relative to the entire study population. The researcher first determines the population of each subgroup and then applies a proportionate sampling technique to select the sample size from each subgroup. Based on Salkind's (2010) explanation, the numbers of housing units were selected relative to the numbers in each of the four sub-locations of the target population using a formula proposed by (Newman 2006; Salkind, 2010).

The formula used is as follows: -

$$\frac{\text{Number of units in each phase}}{\text{Total number of housing units}} \times \text{Sample size}$$

Table 3.1 presents the proportionate sampling of the housing units.

Table 3.1 Proportionate Sampling of Housing Units

Housing Types	Total No. of Units	Formula Used	No. Of housing units selected
Phase 1: Single storey	429	$429/1678 \times 252$	65
Phase 2: Flats			
Series 1	735	$735/1678 \times 252$	110
Series 2	234	$234/1678 \times 252$	35
Series 3	280	$280/1678 \times 252$	42
Total	1678		252

Having obtained the number of housing units representing each sub-location, the systematic random sampling technique was then used to select the housing units that formed the study sample. Systematic sampling is a version of probability sampling where every unit within the population is given an equal chance of being selected for the study. A systematic random sampling technique is used when collecting data from a geographically dispersed population (Acharya, Prakash, Saxena & Nigam, 2013). In systematic sampling, every n^{th} item (skip interval) is chosen to produce a sample size for the study from a population (Bajpai, 2010). To derive the skip interval n^{th} , the researcher divided the total number of housing units in each sub-location by the number of units selected. For example, Phase 1: Single Storey = $429/65 = 6.6$. This was rounded up to 7. Having determined the skip interval of 7, the starting point was determined randomly after which every 7th housing unit in each sub-location was chosen until the required number was obtained. The homemakers in these selected housing units participated in

this study. To compensate for persons that might opt out of the study, the researcher added an extra 10% of the data collecting instrument as estimated by Salkind (2010).

3.6 Instrument for Data Collection

A structured interview schedule from Hayhoe *et al.* (2000) was adopted and modified to collect the data. This instrument was used because it ensured a standardized way of collecting data from the homemakers, and also very useful in obtaining detailed information about personal feelings, perceptions and opinions (Bajpai, 2010). It allows the researcher to meet face to face with respondents, usually achieves a high response rate and respondents' responses are recorded (Barbour & Schostak, 2005). The interview schedule with both closed and open-ended questions was designed to collect information on:

- i. demographic characteristics of homemakers
- ii. sources of income for homemakers
- iii. expenditure patterns of homemakers
- iv. management principles applied by homemakers in the use of money
- v. perception and consumer credit use by homemakers
- vi. Factors that influenced spending practices and consumer credit use.
- vii. Family welfare statuses of Homemakers.

(Refer to Appendix 1 for a sample of the instrument)

To measure spending practices, a fifteen-item index scale was developed using some financial management statements (Hayhoe *et al.*, 2000; Freeman, 2006 and Anyakoha and Eluwa, 2008) which homemakers ranked on a five-point Likert scale ranging from

(1) Never (2) Occasionally, (3) Sometimes, (4) Almost always and (5) Always.
(Statements used can be found in *Appendix 1, Section D*).

To determine financial stress, a fifteen-item index scale was developed using some financial stress statements which homemakers ranked on a five-point Likert scale ranging from (1) Never, (2) Occasionally, (3) Sometimes, (4) Almost always and (5) Always.
(Statements can be found in *Appendix 1, Section D*).

To measure consumer credit use, a thirteen-item index scale was developed using a variety of items purchased on credit which homemakers ranked on a five-point Likert scale ranging from (1) Never, (2) Occasionally, (3) Sometimes, (4) Almost always and (5) Always. (List of items can be found in *Appendix 1, Section E*).

To ascertain homemakers' perception of consumer credit, a seven-item index scale was developed using some affective credit attitude statements (Hartsaka et al., 2006; Finley, 2009) which homemakers ranked on a four-point Likert scale ranging from (1) Strongly disagree, (2) Agree and (3) Strongly agree. (Refer to *Appendix 1, Section D* for statements).

To assess family welfare, a ten-item index scale was developed using family welfare indicators proposed by Greve (2008) and homemakers stated how adequate these indicators were met by ranking them on a four-point Likert scale ranging from (1) Not at

all, (2) Fairly adequate (3) Almost adequate and (4) Fully adequate. The family welfare indicators used can be found in (*Appendix 1, Section E*).

3.7 Pre-Test

The structured interview schedule was pre-tested using twenty (20) homemakers from GHACEM flats at Sakumono. Those flats had similar features as the SSNIT flats and were occupied by workers just like those in the SSNIT flats. The pre-test brought to light that the time was insufficient as some questions were too long and time-consuming, so some open-ended questions were restructured into closed-ended with response categories to cut down on time spent. Therefore, the pre-test gave a good idea of how data collection would work out under real conditions. Many homemakers had difficulty in recollecting their expenditure patterns and the amounts spent. Again, this experience helped the researcher to determine the clarity, sequence, reliability and validity of the instrument. It was detected that many homemakers were uncomfortable disclosing their monthly income as well as money available for housekeeping. This experience ensured a standardized way of collecting data from the homemakers and useful in obtaining detailed information about personal feelings perceptions and opinion as homemakers were given income ranges to tick where applicable. It also offered the researcher the opportunity to ascertain the adequacy of response categories provided for close-ended questions. It ensured that any errors and inadequacies that occurred in the questions were reduced (Stewart *et al.*, 2007). Furthermore, it helped determine the average time needed for each interview and the number of interviews the researcher could carry out in a day.

3.8 Data Collection Procedure

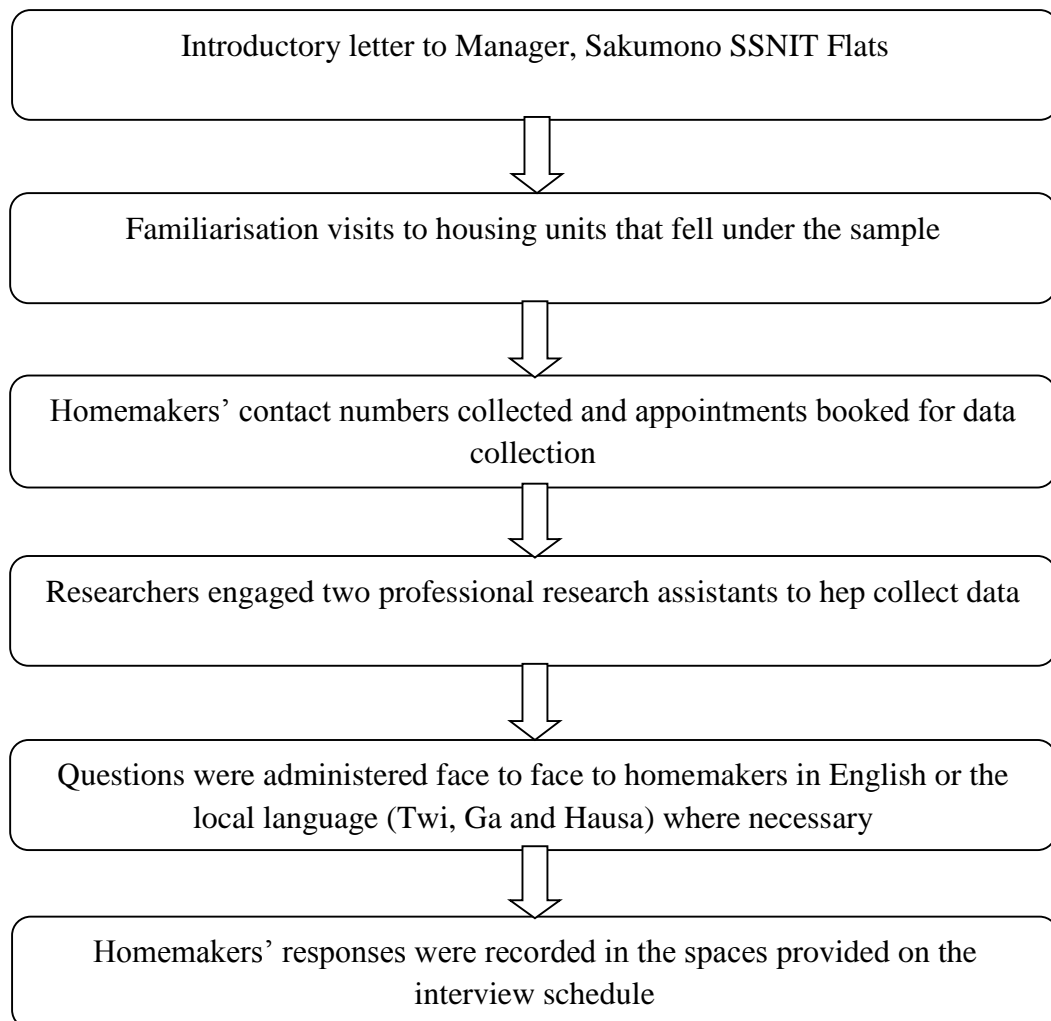


Figure 3.1: Data Collection Procedure

An introductory letter was taken from the Department of Family and Consumer Sciences to the Manager, Sakumono SSNIT flats for permission to collect data. Familiarisation visits were made to the housing units that fell within the sample. Homemakers' contact numbers were collected and appointments booked for data collection (date, time and venue). The researcher engaged two professional Research Assistants and explained the instrument and data collection procedure to them. The lead researcher assigned herself to

Series 1 of the flats which had 110 housing units while Research Assistant 1 and 2 were assigned to series 2 & 3 of the flats which had 77 units and single-storey houses with 65 units respectively. The questions were administered to the homemakers face to face in English or the local languages (Twi, Ga and Hausa) where necessary and homemakers' responses were recorded in the spaces provided on the interview schedule. To ensure validity, translation and back-translation approach was used. That is, for data that was collected in the above listed local languages, a professional translator was contacted to review the data to ensure and ascertain validity.

The interviews were conducted mainly in the evenings and at the weekends when homemakers were available and at their convenience. An average of one hour fifteen minutes was spent in interviewing each homemaker hence, an average of three homemakers were interviewed by each researcher on a trip. Participation in the research was purely voluntary and participants could withdraw at any point of the interview without any drawback. Ten replacements were made (6 homemakers from series one of the flats and 2 each from series two and three). This was necessary because these homemakers became unavailable or decided not to participate. The replacements were made by using information from the extra filled copies of the interview schedule collected to cater for unresponsive homemakers.

3.9 Data Analyses and Presentation

The data were hand-coded, edited, entered and analysed using the Statistical Package for Social Sciences (SPSS/PC) Version 21 software. Means, frequency and percentage distributions were generated. The Likert scale scores were converted into composite

scores to derive categories of spending practices, consumer credit use, perception of consumer credit, financial stress in spending and family welfare. The statements used in the Likert scale index (*Refer to appendix 1, Sections D and E*) were derived from literature, verified and approved by supervisors.

For categorisation of spending practices, total scores for each homemaker ranged between 15 and 75, which mean that a homemaker who responded “always” to all fifteen statements on the spending practice index had a score of 75 compared to a score of 15 for one who responded “never” to all statements. Scores of homemakers were categorized into three levels labelled effective, moderate and poor. This is presented in Table 3.2 below.

Table 3.2: Categorisation of Spending Practices

Scores range	Spending Practices
< 35	Poor
35-54	Moderate
55-75	Effective

Poor spending practices implied that homemakers never or rarely applied financial management principles in their spending.

Moderate spending practices implied that homemakers sometimes applied financial management principles in their spending.

To analyse the relationship between financial stress and spending practices, total scores for each homemaker ranged between 15 and 75. However, higher points scored here meant that the homemaker faced more financial stress implying that her spending practices could be poor. Lower scores meant less financial stress implying that her spending practices could be effective. This is presented in Table 3.3 below.

Table 3.3: Analysis of the Relationship between Financial Stress and Spending Practices

Scores Range	Financial Stress	Spending Practices
< 35	Low	Effective
35-54	Moderate	Moderate
55-75	High	Poor

Effective spending practices implied that homemakers almost always or always applied all financial management principles in their spending.

To analyse homemakers' perception of consumer credit total scores for the homemakers ranged between 6 and 24 and categorized into two levels: a high and low perception. This is presented in Table 3.4 below.

Table 3.4: Analysis of Perception of Consumer Credit

Scores Range	Levels of Perception of Credit
6-15	Low perception
16-24	High perception

Low consumer credit perception implied that homemakers strongly disagreed with the Affective Credit Attitude statements.

High consumer credit perception implied that homemakers agreed or strongly agreed with the Affective Credit Attitude statements.

To analyse consumer credit use, total scores for homemakers ranged between 13 and 65 and categorized into three levels: high, moderate and low. This is presented in Table 3.5 below

Table 3.5: Analysis of Consumer Credit Use

Scores Range	Levels of Consumer Credit Use
< 35	Low consumer credit use
35-49	Moderate consumer credit use
50-65	High consumer credit use

Low consumer credit use implied that homemakers never or occasionally purchased items on credit

Moderate consumer credit use implied that homemakers sometimes purchased items on credit.

High consumer credit use implied that homemakers almost always or always purchased items on credit.

For categorisation of family welfare status, total scores for each homemaker ranged between 10 and 40 which means that a homemaker who responded “fully adequate” to all ten indicators on the welfare index had a score of 40 compared to a score of 10 for one who responded “Not at all” to all indicators. Scores of homemakers were categorized into two levels, labelled good and poor. This is shown in Table 3.6 below,

Table 3.6: Categorisation of Family Welfare Status

Scores Range	Family Welfare Status
<25	Poor family welfare status
25-40	Good family welfare status

Poor family welfare status implied that homemakers never or fairly met family welfare indicators.

Good family welfare status implied that homemakers almost or fully met family welfare indicators.

To rank the 6 top expenditure categories homemakers were required to categorize based on how important they felt each category was to them and their families.

Cross tabulations of selected variables were done and the Chi-square statistic was used to test their relationships at 5% level of significance. The Pearson’s Correlation Coefficient and simple linear regression analysis were used to test the hypotheses at 5% level of significance ($p= 0.05$) (Refer to *Appendix 3* for details). Data presentation is mainly descriptive using graphic representations and tables where appropriate to present highlights.

3.10 Limitations of the study

1. The survey study design employed for the study did not allow for in-depth knowledge and critical observation of the homemakers' spending practices and credit use. Hence the researcher relied on only the information collected. A practical observation of homemakers' spending practices could have resulted in more accurate information in the areas such as their expenditure patterns and management principles applied in their spending.
2. Homemakers were unable to quote exact amounts spent on items in their expenditure, hence estimated amounts were recorded which did not reflect the true picture on the ground.

Despite these limitations in my opinion the data still provided satisfactory information on the homemakers' spending practices even without the practical observation. The estimated amounts quoted by the homemakers for their expenditure categories provided an idea about their expenditure patterns.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.0 Introduction

This chapter presents the key findings and discussions of the study. The chapter is divided into five sections which include Section I: the demographic characteristics of the homemakers used for the study while Section II presents the findings, analysis and discussions of the Homemakers income sources. Section III provides the findings, interpretations and discussions of the Homemakers spending an expenditure patterns and Section IV looks at Homemakers practices in view of the management principles whether they align or not and the implications that could have on family well fare. Section V presents credit and credit use by Homemakers while Section VI presents family welfare and the categorisation of the welfare of the families of the Homemakers in this study. The last section, Section VII analyses the relationships existing between the variables studied and based on the test statistic values, reject or accept the hypothesis formulated for the study.

4.1 SECTION I

4.1.1 Socio-Demographic Characteristics of Homemakers

This section presents the demographic characteristics of the respondents used for this study. As indicated early (refer to Chapter 3) two hundred and fifty-two (252) homemakers were used for this study and the following selected background characteristics were analysed: Age, Region of origin, Ethnicity, Religious Affiliation,

Marital Status, Type of marriage, Educational level, Occupation, Household composition and size. These demographic characteristics are selected specifically based on the idea that from the literature, some of them have been proven to have some level of relationship with the variables under study and therefore it would be interesting to find out how these would play out in this study.

4.1.1.1 Age Distribution of Homemakers

The ages of the homemakers ranged between 23 and 69 years, with the mean age being approximately 46 years. A majority (85% refer to Table 4.1 below) of the homemakers were between the ages of 23 and 53 years below the retirement age of 60 years in Ghana. This finding is an indication that a majority of the responding homemakers in this study were economically viable to engage in several economic and other income-generating activities. Again, close to 40% were below 40 years and were within the childbearing (or baby boom) age medically. The relative youthfulness of the homemakers is highlighted by the fact that 85% (refer to Table 4.1 below) were below 55 years of age. By implication, the younger nature of the respondents meant that they are likely to be abreast with technology, and thus, likely to take advantage with regards to looking up for and receiving information from various sources regarding income, personal finance, family welfare and wellbeing and credit, therefore, making this group of respondents suitable for a study like this.

Table 4.1: Age Distribution of Homemakers

Age Range (years)	No	%
23-37	81	32.1
38-53	133	52.8
54-69	38	15.1
Total	252	100

4.1.1.2. Region of Origin of Homemakers

The findings showed that the homemakers used in this study were from all parts of Ghana but the dominant group less than one-fifth (approx. 18%) were from the capital of Ghana Greater Accra while less than 3% were from the Brong Ahafo, and the rest spread across all the other regions (refer to 4.2 below). It must be noted from literature (Nukunya, 2003 & Abotchie) that every region of Ghana possesses a unique customs and traditions which invariably dictates the perceptions, norms and values the individuals from such region would possess. Therefore, as the respondents are coming from all the regions of Ghana, it would be interesting to examine how they perceive money and where the emphasis would be placed when it comes to spending in relation to family welfare.

Therefore, obtaining information from respondents from different regions of origin gives varying and diverse views which has far-reaching implications for a study such as this. Again, the regional origins of the homemakers highlight the incidence of migration (Nukunya, 2003) into the capital cities in search of greener and better life.

Table 4.2: Region of Origin of Homemakers

Region of Origin	No	%
Greater Accra	44	17.5
Eastern	37	14.7
Volta	36	14.3
Central	31	12.3
Northern	26	10.3
Upper West	24	9.5
Western	21	8.3
Ashanti	15	6.0
Upper East	12	4.8
Brong-Ahafo	6	2.4
Total	252	100

4.1.1.3. Ethnicity of Homemakers

The results show that though the respondents were from various regions of Ghana, the dominant group was Akan approximately 45% with the lowest number (less than 1%) being Nzemas (refer to Figure 4.1 below) with the others spread across other ethnic groups such as Ga and Adangbe, Ewes, Dagaaba, Dagomba etc. (refer to Figure 4.1 below). According to the Ghana Statistical Service report in 2012, the dominant ethnic group in Ghana at that time was the Akans. All these Ethnic groups have their way of life and therefore varied perceptions regarding making and spending money and even their

own ways of family and welfare. Therefore, obtaining information from such respondents provides varied opinions of homemakers from most ethnic groups in Ghana.

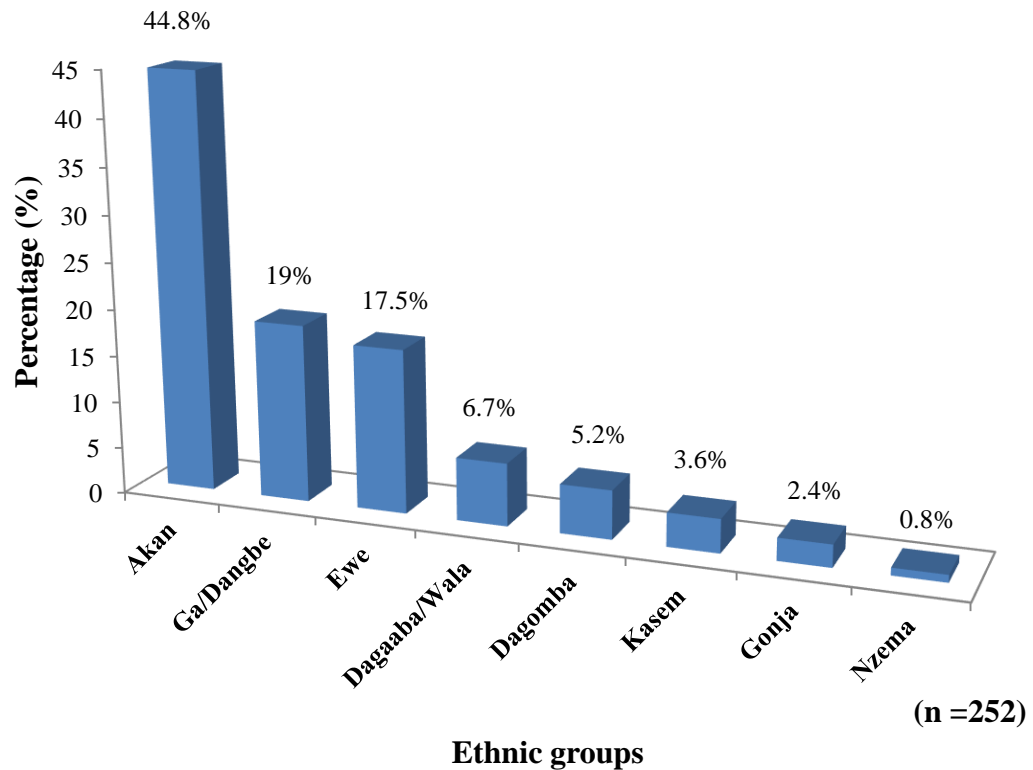


Figure 4.1: Ethnicity of Homemakers

4.1.1.4 Religious Affiliation of Homemakers

Figure 4.2 below shows that three key religious affiliations emerged in this study namely: Christianity, Islam and African Traditional Religion. However, majority of the homemakers (approx. 84%) indicated they were of the Christian faith while 14% said they were Muslims and a few (2%) classified themselves as belonging to the African Traditional faith. The Ghana Demographic Profile (2018) indicated that a majority of

Ghanaians show affinity to the Christian faith, therefore if similar sentiments were expressed by the homemakers in this study, it is not surprising. It must be noted that every religious belief teaches different values and beliefs regarding money, spending, family welfare, expenditure and credit especially. And as such having homemakers belonging to different religious beliefs could provide diverse views and opinions regarding the issues under study.

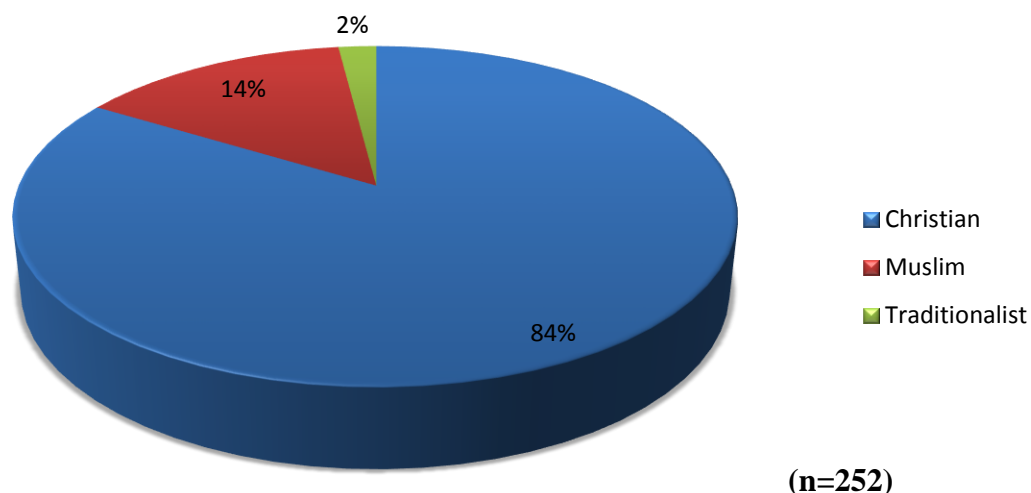


Figure.4.2: Religious Affiliation of the Homemakers

4.1.1.5. Marital Status of Homemakers

More than two-thirds of the homemakers (68%) were married and lived with their husbands. The rest were single (approx. 15%), divorced/separated (approx. 9%) or widowed (approx. 8%). An individual whether single or married have developed and built their ideas about money, spending and expenditures as well as credit use (or non-

use). However, when it comes to making some decisions, regarding money, spending and expenditures and patterns, there is the likely probability that those who have never been married might have their ways, those divorced or widows might also have their ways and couples are also likely to have their ways. Therefore, having a mixture of all these categories in this study would ensure the richness of the information used to answer the objectives of this study.

4.1.1.6 Type of Marriage

Further analysis of the type of marriage on the couples in this study revealed that the majority (81%) of marriages were monogamous, while (19%) were of the polygamous type. This finding may be attributed to the Christian affiliation of most of the respondents, as it is the belief that Christianity encourages and insist on monogamy and frowns upon polygamy, unlike the Muslim religion that is a bit permissive on polygamous marriage. Although Nukunya (2003) was of the view that polygamous marriage is the common marriage type in Ghana, however, the majority of the respondents who were married in this study were of the monogamous type. The implication of the type of marriage the respondent have is to assess whether or not there were just the nuclear family members the respondents had allegiance to or whether there were others, as these have implications on income and expenditures.

4.1.1.7 Educational Level Attained by Homemakers

Table 4.3 below shows different levels of formal education of the respondents. It ranges from no formal education to tertiary levels of formal education. However, the majority

(approx. 98%) had attained various levels within the formal educational system with more than two-thirds (70%) having attained post-secondary and tertiary levels of formal education at the time of the study. Most formal employment organisations always seek to employ individuals who have attained some levels of formal education. Therefore, 70% of homemakers having post-secondary and tertiary education qualifies them to be employed in any of the formal sectors if they so wish to work for such institutions. Thus, once they want to work and are employed it meant that these respondents would have a secured source of income to spend on themselves and their families. Again, having gone through various levels of formal education is also an indication of the homemakers' level of reading, understanding and writing. This is because all the levels of formal education expose individuals to reading and writing at various degrees within the various levels. It is therefore likely that through their formal education and training, most of these homemakers might have come across money, spending and expenditures, credit use (non-use) etc. or might have read about something on all or some of such issues. Further, while undertaking formal education training, individuals meet people from different cultures and traditions and learn to interact with and even make friends and form relationships with. All these impact peoples' perceptions about various things including money, welfare, spending and credit. Therefore, having homemakers with different formal educational levels presents a variation within the respondents which is deemed a plus for such a study like this.

Table 4.3: Educational Level Attained by Homemakers

Educational level attained	No	%
No formal education	4	1.6
Basic education	20	7.9
Secondary education	14	5.6
Vocational/Commercial	39	15.5
Post-secondary	58	23.0
Tertiary	117	46.4
Total	252	100

4.1.1.8 Primary Occupation of Homemakers

Table 4.4 shows the primary occupations mentioned by the homemakers in this study. Seventy percent (70%) of the homemakers worked in the formal sector and engaged in varied occupations ranging from health and social work (approx. 14%) to construction (approx. 1%). Others were found in various sectors including education, hospitality industry, financial institutions, and education. A chi-square analysis showed a significant relationship ($\chi^2 = 119.6$, df 10, $p = 0.000$) between educational level and occupational sector. That is, the higher the educational level of the homemakers the better their chances of working in the formal sector. As revealed (refer to Table 4.3 above) 70% of the homemakers in this study had had up to post-secondary and tertiary levels of education and the chi-square results are therefore not surprising. Though Nukunya (2003) states that many Ghanaian women are usually engaged in petty trading as a means of generating income to support themselves and their households. Twenty-eight (28%) of the homemakers were in the informal sector and these homemakers were mainly into business and trading (approx. 17%). Others were seamstresses and hairdressing while a

few were into petty trading. Babatunde (2010) and Nelson (2013) indicated that most Ghanaian women engage in various economic activities ranging from the formal to the informal sectors to generate income to support themselves and their families. Table 4.4 outlines the primary occupation of homemakers.

Table 4.4: Primary Occupation of Homemakers

Sector		No	%
Formal Sector	Health & social work	36	14.4
	Education	34	13.6
	Financial institutions	24	9.5
	Hospitality(Hotels/Restaurant)	20	7.9
	Communication	14	5.6
	Civil service	11	4.4
	Secretarial services	10	3.9
	Public administration	9	3.5
	Security Services	6	2.4
	Agriculture	4	1.6
	Manufacturing	4	1.6
	Construction	3	1.2
	Total		175
Informal Sector	Business/ Traders	43	17.2
	Seamstress	11	4.4
	Hairdressers	10	4.0
	Petty Traders	6	2.4
	Total		70

N = 245 (7 retirees)

4.1.1.9 Secondary Occupation of Formal Sector Homemakers

In addition to the primary occupation of those homemakers who worked in the formal sector, a little more than one-third (approx. 34%) of them engaged secondary occupations to supplement their income. Out of this number, half (50%) of them engaged in petty trading, 10% owned their grocery (provisions) shops and operated commercial vehicles respectively. Approximately 8% were seamstresses and hairdressers respectively while

approximately 7% each solely owned a nursery school or operated drinking spots. Nosè (2010) is of the view that several salaried and non-salaried workers are engaged in supplementary income-generating activities on their own outside their primary occupations. Probably, the homemakers had a level of welfare they sought for their families and just relying on their primary source of income alone may not get them to provide that kind of desired welfare and so they had to resort to some form of supplementary job to aid in that objective attainment.

4.1.1.10 Household Composition

Table 4.5 below presents the composition of respondents' households. This finding indicates the likely expenditure patterns the respondents are making. The composition is into three groups the average of 5 being the middle and above and below average were used as indicators. A Household is composed of a parent(s), biological children and extended family members. This study found that more than two-thirds (68%) of households had both parents living together and headed by males, while a little above a third (32%) had mothers only living with children and headed by females. The female-headed households comprised the single, divorced or separated and the widowed females with their biological children and/or extended family relations. The household size ranged between two to eight people. Forty-four percent (44%) had households less than the average household size while approximately one fifth (20%) had households with members more than the average household size. Though, the mean average household size is 5 for this study however, the Ghana Statistical Services Report (2012) placed an average of 7 for Ghana as a whole.

Table 4.5: Household Size of Homemakers

Household size	No	%
< average (5)	116	44.4
Average (5)	89	35.3
>average (5)	46	20.3
Total	252	100.0

4.2 SECTION II

4.2.1 Income Sources of Homemakers

This section presents the income and its sources as mentioned by the homemakers. Several sources including salaries, wages, remittances, dividends on investments and income from income-generating activities established by some of the homemakers were mentioned. It was also indicated that husbands, working children and other family relations were alternate income sources for the homemakers. The detailed findings and discussions follow.

4.2.1.1 Monthly Income Earned by Homemakers

Table 4.6 shows the income levels of the respondents. The incomes were classified into three categories: average, above average and below average. Less than half (42%) of the homemakers received monthly incomes that were below the average of one thousand and one hundred (1,100) an estimate of two hundred American dollars (\$200), while a little above one-third (32%) received a monthly income of above the average monthly income. A little less than one-third (26%) received just around the monthly average for the respondents.

Table 4.6: Mean Monthly Income of Homemakers

Income per month (GH¢)	No	%
<1,100	106	42
1,100	65	26
>1,100	81	32
Total	252	100

Receiving regular incomes by the respondents is an indication that there is money available at the end of the pay period to be used. Therefore, the respondents in this study had some various purchasing powers based on their monthly incomes, and can therefore give the desired welfare they wanted for their families.

4.2.2 Main Sources of Homemakers' Income

With regards to the main sources of the income of the respondents, Table 4.7 below identifies four key sources. These include salaries and wages which forms the main source for the majority (approx. 94%) of the respondents. Profits from business (approx. 54%), dividends from investment (approx. 19%) and remittances from relatives abroad (approx. 17%). It is interesting to note that 70% of the homemakers (refer to Table 4.4) were working in the formal sectors with 28% being in the informal sector while 2% were on retirement, however, 94% indicated they were receiving salaries as their main source of income. Probably, in addition to those in the formal sectors, some homemakers in the informal sectors are also on salaries/wages, explaining the high percentage of salary/wage recipients in this study. However, the Ghana Statistical Service Report (2012) and Nelson (2013) stated that formal sector women earned income from salaries and wages while

informal sector women earned income from self-employed jobs. But in this study, some of the homemakers in the informal sector stated that they were also on salaries/wages.

More than half (approx. 54%) of the homemakers in addition were also receiving income from the businesses they had established and operating while a little less than one-fifth (approx. 19%) were also receiving some incomes from the investments made in the form of dividends and approximately 17% received remittances from family and relations from abroad as another source of income.

Table 4.7: Main Sources of Homemakers' Income

Main sources of income	No	%
Salaries and wages	236	93.7
Profits from business	137	54.4
Dividends from investments	47	18.7
Remittances	43	17.2

n>252 (multiple responses)

Once the respondents had multiple sources of income, it can be deduced that they had monies available to spend on their own and family needs whenever such needs arose.

And this would have several implications on the welfare of their families.

4.2.3 Main Contributors to Monthly Housekeeping Money and Amounts

Contributed

Having revealed their sources of income, the homemakers were asked whether they were the sole contributors of housekeeping money and the responses given is presented in Table 4.8 below. Table 4.8 reveals three main groups of contributors to the housekeeping

money for the homemakers' households. The categories include homemakers themselves (98%), husbands (approx. 71%) for those who were married at the time of the study, and then income-earning children/family relations living with the homemakers (approx. 19%). From the above finding, it can be noted that almost all the homemakers (98%) contributed to the housekeeping money just as Leigh and Clark (2000), Hogarth & Hilgert (2002) & Ghana Living Standards Survey 6. (GLSS6), (2014) suggested. These studies reported that women made significant monthly contributions in cash and in-kind to the upkeep of their families. Further, Table 4.8 shows the average amounts each of the identified contributors contributed. It can be noted that the husbands mean monthly contributions for housekeeping money was higher (approx. GH¢ 397) (approx. USD 88: estimates based on exchange rates at the time of the study) followed by the contributions made by the homemakers (approx. GH¢ 274) (approx. USD 61) while income-earning children/relations contributed the lowest (approx. GH¢ 173) (approx. USD 38). Though studies (e.g. Leigh and Clark 2000; Hogarth & Hilgert, 2002; GLSS6, 2014) have shown that women contributed immensely to household welfare in various forms, however, in terms of average mean monthly money contributions, this study has shown that husbands of the married homemakers contributed higher amounts than the homemakers. Nukunya (2003) reported that in many Ghanaian traditions, husbands (men) are expected to provide entirely for their households, and so if the husbands were mentioned as contributing higher percentages of the household incomes in this study it is not surprising.

Table 4.8: Main Contributors and Mean Amount Contributed for Household Upkeep

Main contributors	No%		Mean Amounts Contributed (GH¢)
Homemakers	247	98.0	273.74
Husbands	178	70.6	396.60
Other family members	49	19.4	172.45

N>252 (multiple responses)

The homemakers were asked to indicate whether these contributions were just made by the individuals willingly or there was a system in place to determine how much contributors contributed. A little less than half (approx. 46%) of the married homemakers indicated that the amounts contributed was a collective decision between them and their husbands. With regards to family incomes, Osteen and Neal (2012) were of the view that couples mostly decided on how much to be contributed to family income. Both spouses pooling a percentage of their monthly income together for family upkeep is referred to as pooling shared management systems (Osteen & Neal, 2012). Approximately 16% indicated that the proportions contributed were solely their husbands' decision. Goldsmith (2005) and Horrocks (2010) suggested that a system in which the husband gives the wife a set amount of money every week or month to which the wife tops up when the need be can be likened to an allowance given to wives. More than one third (35%) of the homemakers said that decision was solely their own. The GLSS6 (2014) hinted that contributors to household income mostly influenced household expenditure decisions and patterns. This finding again establishes the idea that there were regular and available monies that were spent on family needs, and this could have several positive implications on family welfare of the homemakers in this study.

Further, the homemakers were asked about how they arrived at the amounts contributed by the various identified contributors and three systems were mentioned. One group (approx. 51%) of them said they itemize all the needs in the house at a particular month and put price tags to them. This gave them an idea of the total amount they needed and based on that contribution decisions are made. Anyekoha and Eluwa's (2008) stated that an important money management principle is to identify or itemize family needs to be achieved and align the available family money with it. The second group of the homemakers (49%) said they fish out for household items that have finished and then replenish them not necessarily listing them. So, based on what is needed then contribution decisions are made. All these two strategies used in determining how much is to be contributed helped to maintain a constant supply of needed goods and services for members to ensure that desired family welfare is achieved.

4.2.4 Money Available for Monthly Household Use

Monies that were available for the homemakers to spend on monthly basis varied between GH¢100.00 and GH¢900⁺ with a mean amount of GH¢600.00 (refer to Figure 4.3 below). More than three quarters 77% of them had between GH¢301.00 (approx. USD 67) and GH¢700.00 (approx. USD 156) for household use, while approximately 17% had between GH¢701.00 (approx. USD 156) and GH¢900+ (approx. USD 200+). Nineteen percent (19%) of the homemakers indicated that their mean monthly housekeeping money was the same for every month while the rest (81%) said it varies. Having constant housekeeping money for a long period could have significant implications on family welfare, especially in a high inflationary economy like Ghana

where prices of goods and services are not stable and keep increasing literally on a daily basis. Having constant money without any adjustments accordingly could be problematic as this can negatively affect family welfare desired. On the other hand, it was not surprising that a majority of the homemakers indicated that their household money keeps varying to cater to the price changes.

Explaining the causes of the variations in the household money, several reasons were given by the homemakers. Just below half (49%) of those who had varying household monthly money explained that their family needs keep changing and so they also have to change the money available to be able to take care of the changes that had occurred while more than one-third of them (33%) said market prices are not stable so as the price change they also change the household money.

Fifteen percent (15%) said that their monthly incomes are not stable and for them, they change their monthly household money per the changes associated with their monthly income and a few (5%) said the changes depends on their family size at a particular time. This group explained that they have wards who are in boarding schools, and so when they are home, household money goes up, and when they have to go back to school too it goes up as they need more to get them sufficient groceries and pocket money. However, once they leave, the family size reduces and therefore, for that period they are away the household monthly money is lessened.

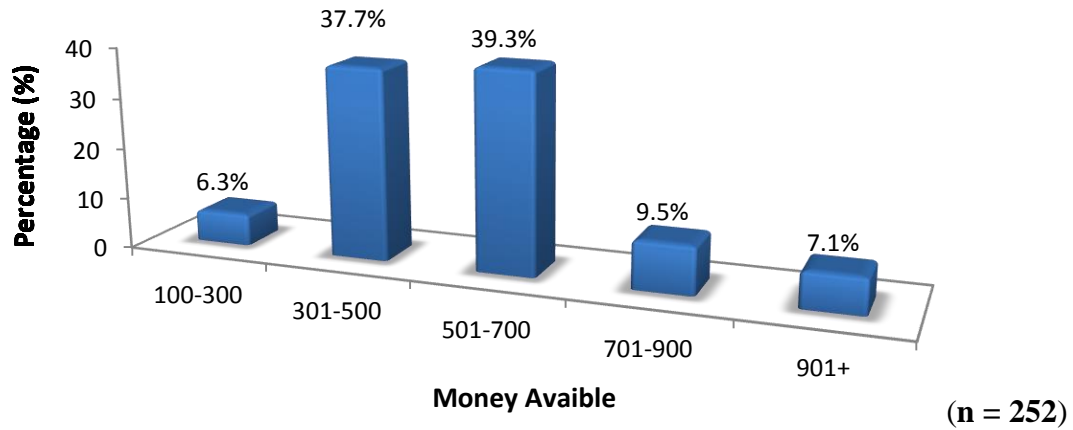


Figure 4.3: Money Available for Monthly Household Use (GH¢)

4.2.5 Handling of Housekeeping Money

Table 4.9 below shows the various ways monies were kept for house use. More than two-thirds (70%) of the homemakers kept the money for the entire period, while approximately one fifth (20%) of those married shared the money between husbands and wives but to be used on various agreed needs in the house. A few (approx. 2%) indicated that the housekeeping money is mostly kept at the bank to be withdrawn and used when needed. Ten percent (10%) of them revealed that they put their monies in envelopes and mark them for specific needs. Pine (2009) describes this approach as the envelope method of handling money. Pine continued that this method has some noted benefits as it is so easy for families to know how much of the money is left at any given time. Keeping money at home enabled homemakers have easy access to it in meeting family needs immediately or as and when the need arose. However, Horrocks (2010) stated that a disadvantage of this method is that it requires keeping larger amounts of cash around the house which may cause security challenges. Another challenge with such an approach is

that it could instigate impulse buying at any given time which could drain the family income and impact negatively on family welfare.

Table 4.9: Handling of Housekeeping Money

Handling of housekeeping money	No	%
Homemaker keeps the money.	165	65.5
Part of the money is kept by both spouses and spent on identified needs.	50	19.8
Money is placed in envelopes marked with specific needs.	25	9.9
Money is put at a common place in the house.	8	3.2
Money is put at the bank.	4	1.6
Total	252	100

However, regardless of the method, these homemakers were using to keep their monies, they had easy access to it and therefore whenever any need arose, they could easily see to them. This could have a positive implication on welfare for the members in the households of the study homemakers.

4.3 SECTION III

4.3.1 Expenditure Patterns of Homemakers

This section presents the expenditure patterns of homemakers. It has been sectioned into a wide range of categories and grouped under monthly, occasionally and yearly. The expenditure patterns showed items on which homemakers spent on and the mean amounts spent on each the categories. This section also represents individuals responsible for budget plans and budget decisions and implementation.

4.3.1.1 Expenditure Patterns and Mean Monthly Household Expenditure

The homemakers outlined various items which they mostly spend regularly on for their household members, these are presented in Table 4.10 below. At a glance, Table 4.10 reveals that basic needs comprising food, accommodation, clothing with transportation took the bulk of the homemakers' household expenditures while utility bills, church and other donations, as well as family remittances, followed as the next heavy expenditure items on the homemakers. The third group of expenditure items included entertainment, household equipment, personal grooming (including hairdressing & body cosmetics) and health and communication. Cumulatively, the homemakers spent a mean monthly average of six hundred and twenty-eight cedis ninety-four pesewas (GH¢628.94) an estimate of one hundred and thirty-nine American dollars seventy-six cents (USD 139.76). The second highest expenditure items cumulatively took a mean monthly average of three hundred and ninety-three cedis, seventy-four pesewas (GH¢393.74) an estimate of eighty-seven US dollars and fifty cents (USD 87.50), while the last third group of items on the expenditure list of the homemakers took a cumulative mean monthly amount of one hundred and eighty-five cedis, twenty-five pesewas (GH¢185.25) an estimate of forty-one US dollars and twenty cents (USD 41.20). The Living Cost and Food Survey Report (2010) and GLSS6 (2014) have indicated that food and non-alcoholic beverages formed one of the core and important items on all household budgets consumed.

Table 4.10: Mean Monthly Household Expenditure of Homemakers

Household Expenditure	Amount (GHC)	No	%	Person Responsible	Budget Source
Food & beverages	252.98	252	100	Homemakers	Regular
Accommodation	152.11	204	81	Husband	Supplementary
Transportation	130.60	245	97	Homemakers	Supplementary
Homemakers' clothes and footwear	93.25	207	82	Homemakers	Supplementary
Utilities	82.45	249	98	Both Spouses	Regular
Church duties, Charity	81.11	79	31	Both spouses	Supplementary
Savings	71.81	228	90	Homemakers	Supplementary
Remittances	56.47	249	98	Homemakers	Supplementary
Household services	52.15	151	59	Homemakers	Regular
Recreation/ Entertainment	49.75	111	44	Homemakers	Supplementary
Healthcare	44.82	242	96	Homemakers	Regular
Communication	36.86	249	98	Homemakers	Supplementary
Cosmetics	35.85	250	99	Homemakers	Regular
Hairdressing	34.95	250	99	Homemakers	Supplementary
Household equipment	32.77	251	99	Homemakers	Regular

N>252 (Multiple responses)

Looking at the total mean monthly expenditures and comparing them with the money available for household use (refer to Figure 4.3), some questions need to be raised. For instance, 77% of the homemakers indicated that they had between GH¢301 to GH¢700 (estimated USD 67-156), and 17% were having a mean monthly house money ranging between seven hundred and one cedis to nine hundred plus cedis (GH¢ 701 – 900+) (estimated, USD 156 – 200+). However, the total mean monthly expenditure from Table 4.10 as indicated by the homemakers is one thousand two hundred and seven cedis, ninety-three pesewas (GH¢ 1,207.93) (USD 268.46). It

could be deduced that only a few of the homemakers at the time of the study were able to meet their household expenditures from the money available to them. Meaning that the monies available to spend are less than the actual expenditures they make. According to Ahmed, (2009), insufficient housekeeping money is one factor that influenced consumer credit use.

Another look at Table 4.10 reveals that the homemakers were solely responsible for making several of the decisions regarding some of the expenditure items contrary to what the GLSS6 (2014) hinted that contributors to household income mostly influenced household expenditure decisions and patterns. However, some of the items on the expenditure list show the role that husbands played in making those expenditure decisions. For instance, accommodation expenditures decisions were solely made by husbands of the married homemakers while the singles, never married, divorced and widowed homemakers made those decisions themselves. Again, the husband's influence is seen with regards to utilities and church and other donations. Working children/relatives were not mentioned when it comes to persons responsible for making any of the decisions made on expenditures.

Again, it could be observed from Table 4.10 the roles played by regular and supplementary budgets. Some of the expenditure items (e.g. food and beverages, healthcare, cosmetics and utilities) were solely handled from the homemakers' regular budgets while all other expenditures were from supplementary budgets.

Although the homemakers itemized their expenditure, they added that some of the expenditures did occur only occasionally, termly and yearly. These expenditures are presented below.

Table 4.11 below shows that clothing purchases as mentioned in Table 4.10 above did occur occasionally. The homemakers did buy clothes for their, children, relatives and

their husbands (those married) in addition to some miscellaneous expenditures made. Thus, though the homemakers outlined clothing as part of their regular expenditures they make such expenditure occasionally. Regarding these occasional expenditures too, it is interesting to note the roles of husbands (of those married homemakers) in deciding on items purchased occasionally. Except for accessories and clothes, homemakers made the purchase for their relatives whereas husbands did not play any role in the decision making. Another revelation is that all the expenditures made on these occasional items were from the supplementary budgets and not the regular budget the homemakers made.

Table 4:11: Mean Occasional Household Expenditure

Household Expenditure	Amount (GH¢)	No	%	Person Responsible	Budget Source
Children's clothes & footwear	96.67	206	81	Both spouses	Supplementary
Husband's clothes & footwear	52.72	89	35	Both spouses	Supplementary
Clothes for relatives	47.79	34	13	Homemakers	Supplementary
Accessories	47.38	160	63	Homemakers	Supplementary
Miscellaneous	5.60	42	17	Both spouses	Supplementary

N>252 (Multiple responses)

Termly expenditures were those expenses homemakers made on their school-going children when the school term begins. A majority of the homemakers (93%) made such expenditures and they estimated a mean termly average of five hundred and thirty-nine cedis and twenty-six pesewas (GH¢ 539.26) (estimated USD 119.84). Items they spend on included: school fees, stationery, school uniforms, groceries (provisions) and pocket money. The homemakers again stated that the educational expenses for the children were

paid for from their supplementary budgets and both spouses (for those married) were responsible for the educational budget decisions and implementation, while the single homemakers made such decisions alone. The GLSS6 (2014) and Nelson (2013) stated that educational expenditures formed an important household expenditure component.

Yearly expenditure according to the homemakers were those made on bed-linen which took an average mean of twenty-three cedis eighty-two pesewas (GH¢ 23.82) (estimated: USD 5.29). However, it must be noted that only more than one-third of the homemakers incurred (32%) such expenditures. They also did indicate that this expenditure was paid from their supplementary budget and both spouses (for those married) were responsible for such budget decision and implementation.

A critical look at the homemakers' expenditure categories and patterns reveals some items which have been mentioned in Maslow's (1948) human needs. For example, expenditures made on basic needs which Maslow referred to as physiological needs such as food, clothing, and shelter, household utilities, among others. Other expenditures on entertainment, personal grooming aligns with the second-order needs within the Maslow's hierarchy of social acceptance. All these items are used in the assessment of family welfare, therefore, the homemakers in this study can be said to be particular about the welfare of their family members. This is because all the expenditure items are towards giving their household members what they need or would make them feel comfortable.

4.3.1.2 Ranking of Top 6 Expenditure Categories

The respondents were asked to rank the top 6 important expenditure categories of theirs and the result is presented in Table 4.12 below. Food and beverages were ranked the highest meaning that is the most important expenditure category for the homemakers, followed by healthcare, accommodation, education in that order. These top 6 expenditure categories for the homemakers form the basic needs and it is not surprising that the bulk of the homemakers' expenditures were on them (refer to Table 4.10 above). Interestingly, all these categories again fall within the indicators of family welfare, meaning that the welfare of the homemakers in this study was of top priority to them as shown in their expenditure patterns and the quantum of amounts spent on the respective items. The findings confirm those of Ba-ama *et al.* (2013), and GLSS6 (2014) assertion that the most important components of household expenditure in Ghana include food and non-alcoholic beverages, education, transportation, healthcare and household utilities. According to Maslow's (1948) theory on human needs, these basic needs must be met before the individual are motivated to seek other higher levels of needs. It is commendable that most homemakers were aware of the importance of these items as basic needs which when provided will impact positively on family welfare.

Table 4.12.: Ranking of Expenditure Categories by Homemakers.

Expenditure Categories	Priority score	Ranking in order of priority
Food and non-alcoholic beverages	237	1 st
Healthcare	445	2 nd
Accommodation	469	3 rd
Education	504	4 th
Household utilities	596	5 th
Transportation	623	6 th

*Note. * The lower the priority score, the higher the priority*

4.4 SECTION IV

4.4.1 Application of Financial Management Principles in Spending

This section assessed the homemakers' expenditure practices in line with the management principles thus, planning, organizing, implementation and evaluation. Literature has it that once all these principles are followed, there is a greater likelihood that desired objectives (desired family welfare in this study) will be achieved. The section presents the findings and the discussions along with the management principles.

4.4.1.1 Planning

4.4.1.1.1 Planning or Drawing Budgets for Household Expenses

Planning by the homemakers was assessed in the light of whether or not they drew budgets, the periods for the budget and the kinds and forms of budgets drawn. Majority of the homemakers (approx. 90%) indicated that they had budgets which guided them in

their expenditures while 10% said they do not have budgets. This implies that majority of the homemakers do plan for expenditures they made.

Out of the 90% that drew budgets, a little above two thirds (61%) explained that they drew budgets as it ensures monies at hand were well utilized, more than one fifth (23%) each explained that budgets help them to know exactly what to buy and they go for them, or for them to ensure that all family needs were catered for. Less than 10% said their budgets help them to know how much was needed for family upkeep and also to cater for pressing and/or important family needs. Muske and Winter (2004) were of the view that budgeting is a systematic approach for balancing income and expenses, and also to ensure that there is enough money to cover essentials needs. Thus, the majority of the homemakers who drew budgets had good reasons for doing so, as they wanted to ensure that their families were well catered for using good financial management principle.

Those homemakers (10%) who did not draw budgets gave reasons buying items as and when they got finished or when those items were needed. Others indicated that they followed routine expenditure patterns which were well outlined in their minds. Even though these homemakers said they did not draw a budget, they, however, have a system clearly outlined in their minds which they use to meet needs. Hilgert *et al.*, (2003) suggested that most homemakers operated mental budgets. A little less than one-third of them (26%) indicated that it was not necessary to draw a budget since money for housekeeping was insufficient anyway. Not drawing budgets could make such homemakers overspend or underspend on necessities which could impact negatively on their family welfare. Probably though these homemakers might not be drawing budgets

but they may also have something which seems to be working for them as they dispense their household money.

4.4.1.1.2 Kinds of Plans or Budgets Drawn

Out of the homemakers who drew budgets, 72% indicated that they drew written budgets, while approximately 18% had mental budgets. McGraw-Hill's (2001) stated that family spending is normally based on budget of some sort – written or unwritten, general or specific. This is because budgeting is a necessary function which guides families to effectively use their income in meeting household demands over a period of time. It may be recalled that 70% (refer to Table 4.3 above) of the homemakers had had post-secondary and tertiary forms of education and therefore, might know the importance of writing down things to serve as reference points when needed. More than two-thirds of those who drew budgets (72%) indicated that their budgets were partial thus, they planned for only major expenditure, while 25% mentioned that they drew detailed budgets all the time. The United States Department of Agriculture Research Report, (2006) has it that most homemakers have partial budgets which are mostly not on paper but in their heads. Though in this study most of the homemakers 72% out of the 90% who drew budgets had written budgets.

4.4.1.1.3 Time Period for Budgets

Approximately half (50%) of the homemakers who drew budgets said they drew monthly budgets, 46% said they rather drew weekly budgets, while approximately 5% drew. Drawing of monthly budgets by many homemakers could be attributed to the fact that many of them (70%) being in the formal sector received monthly salaries and probably

found it more convenient to draw monthly budgets. Goldsmith's (2005) alleged that typically, budgets are based on monthly average spending patterns. The Illinois Department of Commerce and Economic Opportunity IDCEO, (2013) suggested that monthly budgets allow individuals to ensure that money is available for major purchases. Probably because most people from some parts of the world are paid on monthly basis and may have money available when their salary payment is due. Drawing weekly budgets could be time-consuming, energy sapping in the sense that the homemakers would need to spend more time and energy in drawing weekly budgets. However, as long as it works for the homemakers that is all there is. However, the implication for this finding is that at least the majority of the homemakers are particular about the welfare of their household members and they painstakingly plan their expenditures to ensure members are well catered for.

With regards to making these financial decisions during the budgeting process, the homemakers indicated that they either make the decisions by themselves or together with their spouses (for those who are married). Figure 4.4 below shows that 73% of the homemakers made household financial decisions alone even while 17% did so with their husbands. This meant that mostly all the homemakers were involved in making financial decisions at home. Schlater (2007) stated that household financial decisions is usually performed by homemakers. Howard (2000) also said that when it comes to spending decisions, women are mostly in control because they control the majority of purchasing decisions in households. However, Sparks' (2008) believed that financial decision-making in the family involves more than one member's suggestions as revealed in this by

the role husbands played in financial decision making. It is commendable that 27% of husbands were involved in household financial decision-making.

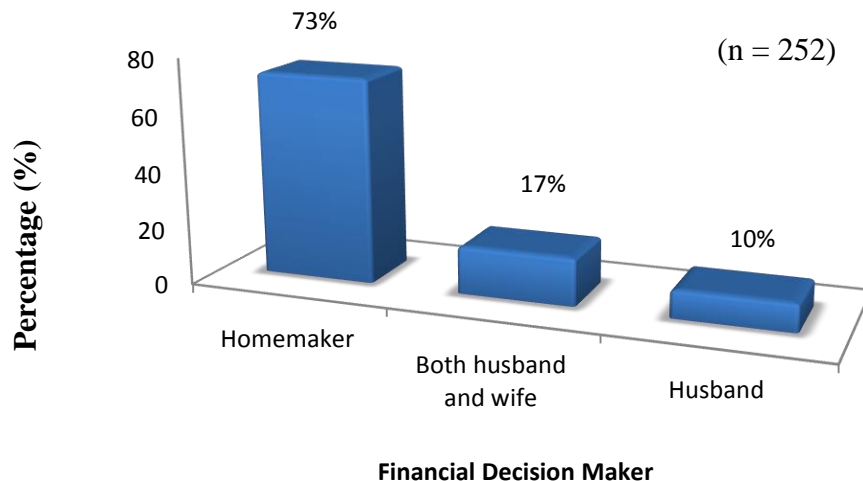


Figure 4.4: Household Financial Decision Maker

4.4.1.2 Organisation of Expenditure Plans

4.4.1.2.1 Preparation of Shopping List

This section presents the kinds of organisation strategies homemakers adopt as they spend their household money available to them. One key approach most (77%) homemakers mentioned was the preparation of shopping lists before shopping. These homemakers gave several reasons for adopting such an approach; most of them (74%) said preparing a shopping list guided them to buy exactly the items they had planned; less than one fifth (18%) mentioned that it prevented impulse buying and while a few (8%) said it ensures accountability in their marketing. Schlater (2007) suggested that a shopping list provides a visible means of controlling money by enabling an individual to focus on what to buy and avoid impulse buying, as indicated by the homemakers.

Twenty-three percent (23%) said they shop without any shopping list. A majority (93%) of such homemakers explained that they have been doing the shopping for some time and had therefore built a routine in their minds when doing the marketing. While the few (7%) remaining said they cannot read nor write and had to resort to their mental prowess when it comes to shopping for household items. Going by Schlater's (2007) assertion, there is the likelihood that if an individual goes shopping without a shopping list, the individual could focus on things not needed or impulsively buy things not wanted. However, once these homemakers claim that they have acquired some experience in shopping without a list, such impulse buying may not necessarily happen in their case.

4.4.1.2.2 Price Comparison during Purchases

Another strategy the majority of the homemakers (96%) adopted was to undertake price comparisons before purchasing items. They indicated that they compare prices so they can always get their money's worth in their purchases and also not taken advantage of by prowling and unsuspecting traders. A few (4%) of them said they did not compare prices and explained that it was a waste of time and energy because the prices in their view were almost the same everywhere a good or service is sold. Researchers (e.g. Freeman, 2006; Anyakoha & Eluwa, 2008) advised that comparing prices before purchases is one good spending principle which if followed can aid the attainment of set financial goals.

4.4.1.2.3 Factors Considered when Purchasing Food Items

Apart from the price comparison, there are other factors which when adopted could result in good spending practices (Riley *et al.*, 2007). An individual's ability to skilfully assess

the quality, cost or price, sales environment, packaging and expiry date of processed foods before purchases are made determines how knowledgeable that individual is when it comes to spending to achieve desired goals. Homemakers ranked these factors on a 5 point Likert scale, with 5 being the highest rank and 1 the lowest rank score. Table 4.13 below shows the total scores of the ranks by the homemakers. Quality ranked highest (with a score of 29) while expiry date ranked lowest with a score of 13. Quality of a food item according to Nti *et al.*, (2012) is the wholesomeness or freshness of a food item and no signs of spoilage or decay. Quality therefore being ranked highest is not a surprise as no individual would like to buy decayed, spoilt or rotten items with money. It must be noted that the homemakers had earlier on indicated that they always want to have their monies worth and so one sure way is to get home the quality they desired. According to Riley *et al.*, (2007), dirty food environment has a tendency to introduce dirt and germs to foods making it unwholesome for consumption. Therefore, buying items especially foods from a clean environment is the desire of every individual and therefore, ranking quality first and sales environment second as important factors for homemakers especially in Ghana is an indication of how the health conditions of household members is of prime importance to homemakers.

Personal observations by the researcher in many Ghanaian market places reveals that most food items sold are displayed on mats and sacks on the ground and in the sun. Such a practice in the view of Nti *et al.*, (2012), could have a negative impact on the food especially fresh fruits and vegetables. It is interesting to note that packaging was ranked the third important factor by homemakers, however, in Ghana here, freshest foods, fruits and vegetables are sold in their raw and unpackaged form except some processed foods,

beverages and others. Maybe the homemakers are referring to only packaged food items. When purchasing food items according to Riley *et al.*, (2007) many consumers are attracted by the packaging as it also provides useful information about the product. Majority of the homemakers in this study had had various levels of formal education and could read and write, and might also have been educated about the need to consider product information before purchases and consumption, this could have been the reason why this factor was important to the homemakers. Though cost of items is important, it was ranked last with expiry date being the least ranked. Nti *et al.* (2012) suggested that the cost of a food item is very important as it determines how much one could afford in terms of quantities per basket. Interestingly, quantities of food items were not so much important to homemakers implicitly than the quality of the items they purchased as per the rankings they made. As mentioned earlier probably the homemakers were more concerned about the health and general wellbeing of their household members and would therefore go for quality instead of quantities. Refer to appendix 3 for further details on the rankings.

Table 4.13: Factors Considered When Purchasing Food Items
Factors considered

Food items	Quality	Sales environment	Packaging	Cost per unit	Expiry date
Animal & animal products	5	4	3	2	1
Cereals and grains	5	1	3	2	4
Roots, tubers & plantain	5	3	2	4	1
Provisions (groceries)	4	1	3	2	5
Fats & oils	5	4	3	2	1
Fruits & Vegetables	5	4	2	3	1
Total	29	17	16	15	13

4.4.1.3 Implementation of Financial Plans

4.4.1.3.1 Person Responsible and Period for Household Purchases

Figure 4.5 shows individuals responsible for making the actual household purchases. The Figure reveals that a little lower than three-quarters of the homemakers (74%) did the purchases themselves. This confirms Howard's (2000) statement that homemakers are solely responsible for spending decisions and implementation in the home, as they control the majority of household purchases. Several reasons were given by homemakers as to why they did the purchases themselves; some (42%) said they would like to monitor expenditure to get their money's worth, others (33%) stated that they would like to be sure that family members' preferences and needs are met, while 25% said they had nobody to delegate to do the purchases, meaning that if such homemakers had people they could delegate purchases to they would have done so.

Less than 20% each of the homemakers said other family relations or grown-up children in their household or house helps do the purchases for their household. The implication here is that it is not always that homemakers do the purchases for the household as alleged by Howard (2000). Though anecdotal evidence in Ghana suggests that in many Ghanaian homes, the homemaker does the bulk purchases while house helps, grownup children and family relations in the household buy petty items when needed. Also, some husbands do some purchases on few occasions on their way home from work or when they travel outside the home. Although this normally happens, the homemakers did not mention such happenings.

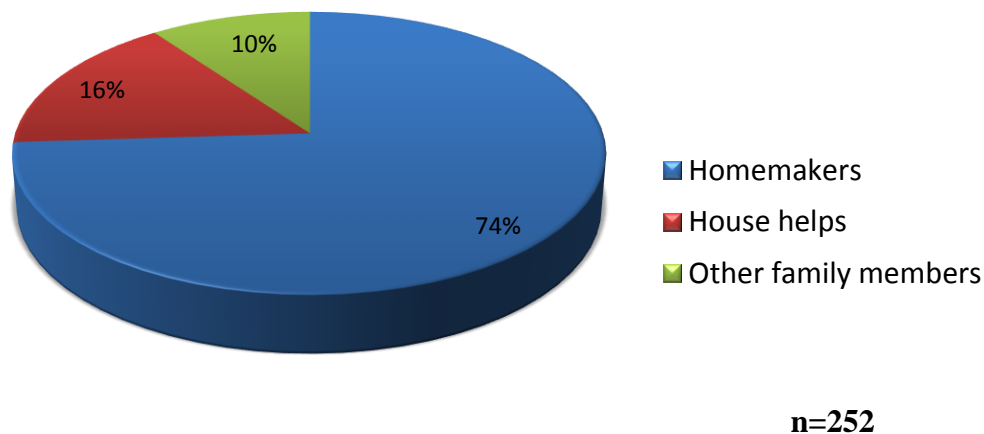


Figure 4.5: Persons Responsible for Household Purchases

Concerning the actual periods household purchases were done, more than half (approx. 58%) of the homemakers reported that purchases were done only on weekends as they did not go to work at such times, 27% said monthly mostly at the end of each month when salaries were paid, while approximately 14% said on market days. With regards to places for purchases, markets, supermarkets and hawkers were mentioned. With regards to markets, the homemakers did mention nearby markets or bigger and larger markets and explained that prices in the larger markets were mostly cheaper while nearby markets afford convenience and the avoidance of heavy traffic associated with having to drive to larger markets. Those who patronized the supermarkets said their products were fresh and neatly displayed hygienically and therefore very appealing. Those who mentioned hawkers said sometimes when they need minor items it is more convenient to just get them from hawkers for convenience. Lowe *et al'* (2007) outlined traditional markets,

retail stores, and non-store options such as door-to-door sales and from vendors as likely places where individuals normally do their shopping.

4.4.1.3.2 Quantities Purchased

The homemakers mentioned two main ways they bought the goods they mentioned as buying either in bulk or in smaller quantities. Seventy-eight (78%) of the homemakers bought in bulk all the time and they explained that this helps them to save money as they got discounts on the quantities bought. Again, they explained that it is a way for them to save on transportation cost as they carry all the bulk purchases en-bloc and hence pay a onetime transportation fee. They further added that bulk purchases save them time and energy to be used frequenting the market. Chatzky (2003) advised that individuals can save a lot by buying food items in bulk, and especially when the foods are in season. Those who did not buy in bulk (22%) lamented about the insufficient housekeeping money, having no appropriate storage facilities coupled with frequent power outages, which makes it difficult to buy and store larger quantities of perishables. It can be deduced that those homemakers who were not buying in bulk did not know the advantages they would have derived from that practice but they felt handicapped in a way, and this prevents them from bulk purchases.

The homemakers further mentioned some of the items they normally purchased in bulk (refer to Table 4.14 below) as provisions (groceries) (89%); sugar (54%), fruits and vegetables (8%). Probably less than 10% bought fruits and vegetables in bulk because of the ease of perishability.

Table 4.14: Items Purchased in Bulk by Homemakers

Item	No	%
Provisions	175	89
Cereals & Grains	172	87
Soaps & Detergents	164	83
Animal products	147	74
Fats & Oils	110	56
Sugar	107	54
Roots, Tubers & Plantain	36	18
Fruits and Vegetables	16	8

N>197 (multiple responses)

4.4.1.4 Evaluation of Financial Plans

Two main budget evaluations were carried out by those homemakers who drew budgets. Partial evaluation and no evaluation whatsoever. More than half (57%) did a partial review of their financial plans and made some effort to provide for unmet goals. A little above one quarter (approx. 27%) said they evaluated only when there was a need for it, while approximately 17% never evaluated their financial plans because they found it unnecessary. Anyakoha & Eluwa (2008) stated that evaluation is the assessment of progress whereby results are analysed and the effectiveness of the implementation plans determined. Therefore, for homemakers to be doing partial or not evaluating their financial plans (i.e. budgets) at all may result in not knowing how effective they may have been with regards to attaining their goals or formulating new plans or adjusting the existing ones.

Not evaluating financial plans could have some negative implications on the family expenditure, for instance, they may overspend on some items and underspend on others

which might affect the urgent family needs and hence welfare. Thus, if household monies run out due to overspending on some items leaving others un-provided, managers of household monies may be compelled to resort credit use to solve such emergency needs. However, it must be recalled that most of the homemakers had earlier on indicated that they resorted mental processes when it comes to spending and probably having relied on this practice for some time might have given them the needed experience which they may be relying on when it comes to household expenditures. So, they may be having their way of evaluating their plans but might not even consider them as an evaluation approach. Kempson *et al.* (2005) reported that knowledge and understanding of financial issues enable people to make an informed judgment and make effective decisions regarding the use and management of money. In this study, the homemakers appear to have knowledge about financial management as they follow many of the management principles either in part or whole knowingly or unknowingly.

4.5 SECTION V

4.5.1 Factors that Influenced Homemakers' Spending Practices

This section assessed the factors that undergirded the homemakers spending practices. These factors are grouped into personal, economic, social and business (media) factors (Lowe *et al.*, 2007). Table 4.15 below shows that all four factors mentioned were significant when it comes to the homemakers spending practices however, in addition, the homemakers mentioned other factors such as forming the foundation of their spending practices.

Table 4.15: Factors that Influenced Homemakers' Spending Practices

Factors that influenced spending practices	No	%
Personal	250	99.2
Economic	230	91.2
Social	180	71.4
Business	160	63.4
Other (missing in the write up)	90	35.7
N>252 (multiple responses)		

4.5.1.1 Personal Factors

Almost all the homemakers (99.2%) said personal factors such as their values, goals or demands, and lifestyle ways of buying highly influenced their spending. The homemakers indicated that what they value most formed the basis for all their expenditures. Some items which were listed as the most valued by the homemakers include food, healthcare, accommodation, education, household utilities and transportation in descending order. Food being valued and ranked high was among the items respondents spent highly on, in terms of the mean monthly averages. Again, the homemakers' goals or demand was another personal factor influencing the homemakers spending practices. The homemakers said that goals like family immediate needs such as food and other basic household needs are the most pressing needs of theirs and therefore, all their expenditures are geared towards such demands or goals. A majority (approx. 90%) of the homemakers said they plan by setting specific goals around family needs; they budget for them and implement such plans and this forms the basis of their spending practices. As Maslow's (1948) indicated in his hierarchy of human needs that until individuals can see to their basic or physiological, they would not be motivated to pursue other higher needs such as safety and security, love and belongingness, esteem and self-

actualisation. Homemakers formulating their goals and demands around basic needs which includes food, shelter, clothing etc. affirms the high expenditures they were making on such needs (refer to Table 4.10) and the rankings homemakers made as shown in Table 4.12 above. All these personal factors mentioned by the homemakers attest to the importance they attach to the welfare of their household members. The homemakers also mentioned other personal factors such as their lifestyle and some formed habits such as tastes, preferences and likes as other key influencers of their spending practices. The homemakers said they were used to some foods, and some kinds of clothing and some comfort they always desire and those of their household members and as a result when spending monies they always ensure that such preferences (regarding likes) were always on their budget list. Some of the homemakers (38%) indicated that sometimes they buy things that are not necessarily planned for and this also affects their spending practices. According to the College Foundation Factsheet (2004-2008), unplanned spending or spur-of-the-moment purchase often results in the purchase of unnecessary products that could lead to unnecessary debt and dissatisfaction with income used. If such practices are not checked, could impact welfare negatively.

4.5.1.2 Economic Factors

The next factor is economic where homemakers mentioned the availability of spending money and the prevailing market prices. All the homemakers said that when there is housekeeping money available, it determines several spending approaches and even modes of making payments. They stated that depending on the period of their budget either weekly, fortnightly or monthly (refer to Section 4.4.3.1) they spend the money

available. It must be noted here that all these monies homemakers spend were mostly on household members' needs, ensuring that their well-being is catered for. Another economic factor the homemakers did mention was the prices of items. They mentioned that as part of their organisation, they normally compare prices of goods and services and make sure they get their monies worth for every purchase made. Or they make it to larger markets where they do bulk purchases to enjoy discounts and save on transportation all these were strategies they use when it comes to spending.

4.5.1.3 Social Factors

Slightly less than three-quarters of the homemakers (approx. 71%) considered social factors such as household size, social status, popular taste or likes when spending. The homemakers indicate that their household size has a direct bearing on their spending practices. For instance, some mentioned that their household size changes per the school terms schedules (refer to Section 4.3.7.1) and this dictates the expenditures in the house. Others have household members either 5 or more as compared to those with 3 or 2. Those with smaller household sizes tend to spend relatively lesser than those with more household sizes. Homemakers mentioned that there are some gadgets which make living easier but are seen here on this part of the world as something for the rich or city dwellers. They mentioned gadgets like television sets (98%), gas or electric cookers (97%), deep freezers (82%), washing machines (63%). Others mentioned assets like land (35%), houses (25%), and cars while some mentioned expensive clothing (20%) and jewellery (15%) as being some of the major determinants of their spending. They indicated that some of these are expensive to acquire and maintain as they constantly take

money out from the household money but they were quick to add that they make life easier at home. In addition to the above, some of the homemakers did add that sometimes due to their standing in the society, there are some items they definitely must spend on and some of such items are not cheap and these drain their household monies.

4.5.1.4 Business (Media) Factors

Slightly more than two-thirds (approx. 63%) of the homemakers indicated that their spending was influenced by the media especially advertisement. These homemakers said that some of their spendings is highly influenced by the advertisements they hear. And that sometimes they would like to try some products advertised and so they spend. To the extent that more than half (approx. 56%) said they sometimes buy some of these advertise items on credit. Others said they purchase some of them during promotional sales where they think prices are reduced.

It must be noted from the above that regardless of the factor influencing homemakers spending practices, a majority of them are for the good of the members of their households. Therefore, it could be deduced that the homemakers in this study hold the welfare of their household members as a priority, as it directs and dictates the direction of most of their spending.

4.5.2 Categorisation of Homemakers into Levels of Spending Practices

Three levels of spending practices were used in categorising the homemakers in this study based on the classifications by Hayhoe *et al.* (2000) and Anyakoha *et al.* (2008). The homemakers were categorised into effective, moderate and poor spending practices

(Refer to data appendix 1, Section D, no.32 for items). These classes are based on the application of the management principles in the spending practices of homemakers and based on their scores, they were categorized into the classes and presented in Figure 4.6 below. Forty-three percent (43%) of the homemakers applied all the management principles in their spending practices and were deemed as being effective in their spending practices. The rest sometimes occasionally or never applied the management principles in their spending practices, hence were categorized as being moderate (44%) or poor (14%) in their spending. Approximately 86% of the homemakers were effective or moderate in their spending practices, however, it must be noted that though some of them may not have technical knowhow regarding the management principles yet they had their strategies when it comes to implementing their spending plans. On the other hand, it must be recalled that 70% of them had had post-secondary and tertiary levels of education and may have had technical knowledge in management and so applying such knowledge may not be difficult. A chi-square analysis showed a significant relationship ($\chi^2 = 27.11$, df 10, $p = 0.003$) between educational level and spending practices. This implies that, the higher the educational level of the homemakers, the better their spending practices. It must be noted here that the homemakers who had effective spending practices (42%) were among those who had attained tertiary levels of education.

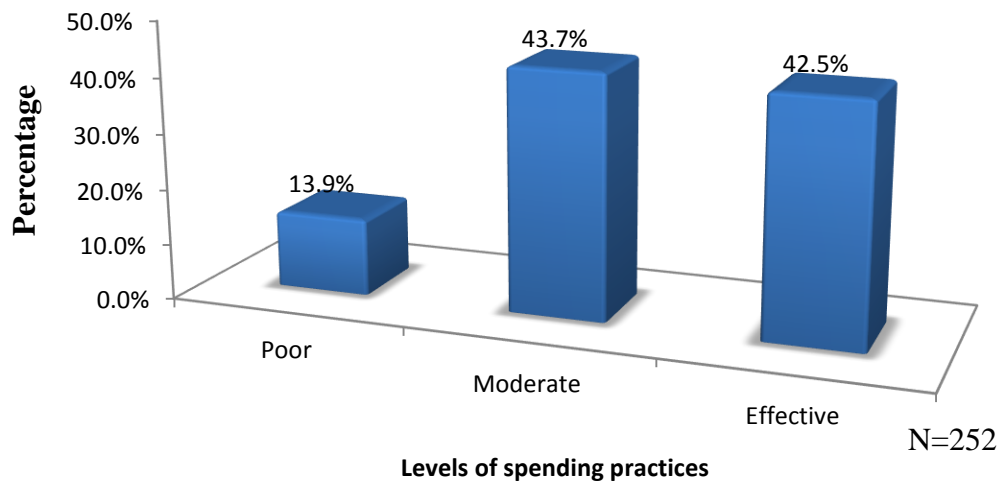


Figure 4.6: Categorisation of Homemakers into Levels of Spending Practices

4.5.3 Categorisation of Homemakers into Levels of Financial Stress Experienced

Three financial stress levels of the homemakers were assessed Hayhoe *et al.* (2000) scale (Refer to appendix 1 for items). Based on the scores homemakers received on the scale they were categorized into highly stressed, moderately stressed and lowly stressed financially. Figure 4.7 below shows that a majority of the homemakers (96%) experienced moderate to high financial stress while only a few (4%) were low financially stressed. A low financially stressed homemaker implied that such homemaker practised effective spending practices while a high financially stressed homemaker implied the application of poor spending practices. It is quite interesting that Figure 4.6 above showed the majority (approx. 86%) were categorized as having moderate to effective spending practices meanwhile only a few had low financial stress.

A chi-square analysis showed no significant relationship ($\chi^2 = 2.134$, df 4 p = 0.711) between financial stress and spending practices. This means that financial stress and

spending practices are statistically independent, which is contrary to the assumption made by Hayhoe *et al.* (2000) that, high financial stress predicts poor spending practice, but in this study, it is not so. The implication is that, even though 86% applied moderate to effective spending practices, in reality, they were financially stressed.

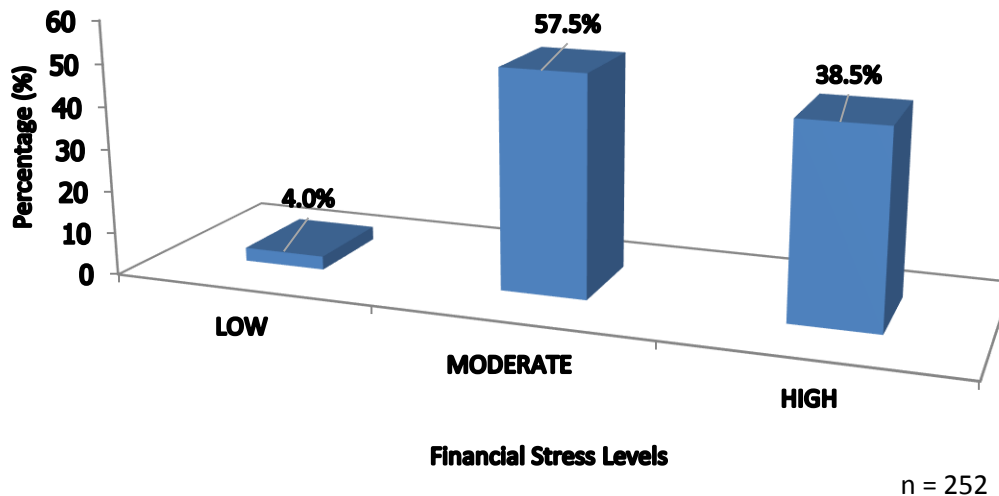


Figure 4.7: Categorisation of Homemakers into Levels of Financial Stress

4.6 SECTION VI

4.6.1 Perception of Consumer Credit and Consumer Credit Use.

4.6.1.1 Categorisation of Homemakers into Levels of Consumer Credit Perception

Two levels of consumer credit perceptions were used in this study based on Hayhoe *et al.* (2000) scale (Refer to appendix 1 for items). Two main categories high and low perception of credit use are the results of this scale. The general assumption is that an individual with a high perception of consumer credit would resort to high consumer credit use, while low consumer credit perception would result in low consumer credit use.

Based on the scores of the homemakers, more than half (approx. 54%) of the homemakers had a low perception of consumer credit while the rest (approx. 46%) had high consumer credit perception. By implication, more than half of the homemakers are likely not going to be high credit users as against the 46% who had high consumer credit use.

The chi-square statistical analysis showed no significant relationship ($\chi^2 = 0.033$, df 1 p = 0.855) between the perception of consumer credit use and actual credit usage. Thus, homemakers' consumer credit use did not depend on their perception of consumer credit. Hence, the assumption that a high consumer credit perception would result in a high propensity to use credit (Hayhoe *et al.*, 2000) was not the case in this study. The result also contrasts Chien and Devaney's (2001) findings that a favourable attitude toward credit use was positively related to having instalment debt. In this study, approximately 70% of the homemakers indicated that they used consumer credits at one point or the other contradicting the percentage of those who had a high and low perception of credit use stated earlier. Probably certain situations compelled homemakers to use consumer credits regardless of whether they had a low or high perception to use consumer credit.

Various reasons were given for using credit by the homemakers such as high cost of living (approx. 65%) and personal preferences (approx. 2%) (Refer to Table 4.16). Ahmed (2009) is of the view that the increased use of consumer credit by Ghanaian families was due to factors such as high cost of living, unemployment, low salaries, the impact of aggressive advertisement and increased availability of credit facilities. The results also support findings by Yankey (2006) and Ba-ama *et al.* (2013) that Ghanaian homemakers used credit because of the high cost of living.

Approximately 30% of the homemakers reported they did not use any credit stating the main reason as high cost associated with credit usage. Lowe *et al.* (2007) stated that most consumers are discouraged from using because of interest on credit they must pay.

Table 4.16: Reasons for Credit Use by Homemakers

Reasons for credit use	No	%
High cost of living	163	64.7
Increased availability of credit facilities	123	48.8
Insufficient income	99	39.3
Aggressive advertisement	18	7.1
Personal attitude/habit	6	2.4

N >177 (multiple responses)

4.6.1.2 Items Purchased on Credit by Homemakers

The homemakers were asked to indicate the items they normally purchased on credit and the frequency of such purchases. All the homemakers revealed that they had used or still using some form of credit in their purchases contrary to the 30% who had earlier on stated they never used credits. They mentioned items like water (approx. 92%), electricity (approx. 81%), telephone services (77%), rent on accommodation (approx. 34%), and other household services (approx. 72%). With regards to payment for the utilities, the homemakers indicated that they use the post-paid service where they are allowed to use them before paying for the cost associated. Leskinen & Raijas' (2005) said that payments made on household utilities in some parts of the world are mostly post-paid and may include services like household utilities, domestic helpers, school fees, hospital bills, and rent. Such payment arrangement gives family members some time to organize their

financial resources in settling. Finley, (2009) adds that though most services are used on credit payment do not attract any additional charges or interest. However, non-payment for these service bills would imply immediate disconnection which could negatively impact family welfare.

The homemakers said that the utility items were used on credit almost always but there are some items they occasionally or sometimes purchased on credit. They mentioned clothing (approx. 87%), household equipment (approx. 85%), educational expenses (approx. 39%), transportation (12%), food (approx. 10%) and medical expenses (10%). They said that with such items they had the luxury of paying for them in installment. Ahmed, (2009) stated that with regards to credit purchases customers and traders or business owners strike some form of agreement plan that allows customers to make instalment payments over a period agreed upon by both parties. The homemakers explained that when they buy expensive items on credit, it allowed them time and space to be able to meet pressing needs without having cash at hand. However, in the unlikely situation where there is interest on such purchases, the costs of the item(s) tend to increase under the interest charges. Deducing from above, the homemakers most of the above-mentioned institutions, or traders and businesses trading the in the items mentioned above formed the sources of credit for the homemakers. These sources include Ghana Water and Sewage Corporation, Electricity Company of Ghana, Telecommunication Companies (MTN, Vodafone, etc) and some domestic helpers such as house helps, drivers, security services, waste management institutions etc.

However, some of the homemakers were quick to add that they were able to get some consumer goods from some retailers (approx. 49%), hawkers (approx. 22%), market

women (approx. 15%) and few from manufacturers (approx. 5%). Hartaska and Gonzalez-Vegas (2006) identified some sources where consumer goods were mostly purchased on credit as stores, traders and other sellers, just like mentioned in this study by the homemakers.

The homemakers identified some household items that were mostly paid for and never or occasionally bought on credit. These items included Liquefied Petroleum Gas (LPG) and/or charcoal (97%), recreation or entertainment (approx. 97%), food (approx. 88%), educational expenses (approx. 86%), transportation (approx. 85%), medical expenses (approx. 84%), accommodation and rent (approx. 57%). They said these items were mostly cash and carry and can occasionally be purchased on. This could explain why a look at the homemakers' expenditure items (refer to Table 4.10 & 4.12) formed the bulk of the homemakers' expenditure and was ranked as the top six in order of importance with regards to expenditures made by homemakers. A critical examination of the items homemakers normally purchased on credit, food, shelter and utilities featured prominently, confirming homemakers' eagerness to ensure that the welfare of their families is not taken for granted in any way.

4.6.1.3 Sources of Consumer Loans Obtained by Homemakers

A majority (98%) of the homemakers again mentioned that they occasionally or sometimes obtained loans from various sources such as banks (approx. 52%), credit unions (25%), friends and relations (approx. 25%). A few mentioned, "susu-operators" (a sort of daily micro-savings scheme) (approx. 10%), co-operative societies (approx. 10%) and money lenders (approx. 1%). The mention of banks and cooperative or credit unions

and societies is not surprising, because most of the homemakers were found in the formal sectors of work and probably might be customers or contributors to these institutions and are therefore eligible to secure loans from such institutions. Also, most of them earned salaries/wages at the end of the month and could therefore use it as collateral for such loans. The GLSS6 (2014) mentioned institutions or businesses such as banks, credit unions, cooperative societies and individuals such as friends and family relations as regular sources of loans for salaried workers in Ghana.

4.6.1.4 Purpose for Consumer Loans Obtained by Homemakers

Table 4.17 shows the purposes with which the homemakers went for the loans. The loans according to the homemakers were for the purchase of household items (approx. 91%), rent (approx. 65%), or school fees (approx. 60%). A little less than one quarter (approx. 24%) mentioned family emergencies such as bereavements and/or sicknesses were normally taken care of with loans while approximately 74% said their loans were for investments either into their business or building projects.

Table 4.17: Purpose for Consumer Loans Obtained by Homemakers

Purpose for consumer loan obtained	No	%
Purchase household items	230	91.2
Pay rent	165	65.4
Pay school fees	150	59.9
Buy land or building project	96	38.0
Invest in business	90	35.7
Emergency – (funerals, sickness)	60	23.8

N >252 (Multiple responses)

Again, it could be seen here that the loans taken by the homemakers were channelled into items and situations which will maintain or enhance family wellbeing and welfare. It is worth noting that the homemakers (refer to Table 4.10) did spend on household items and here they still stated that they sometimes get loans for such items again, meaning they were particular about their household members comfort and sustenance.

4.6.2 Categorisation of Homemakers into Levels of Consumer Credit Use.

Three levels of consumer credit use by homemakers were determined by using Hayhoe *et al.*, (2000) credit use scale (Refer to Appendix 1, Section E, for items purchased on credit). This scale allowed homemakers to be categorized into low, moderate and high consumer credit users. Figure 4.8 below showed that all the homemakers had used credit at one point or the other though 30% did indicate earlier that they had never used any credit. A majority (approx. 97%) had moderate to high credit use while a few (approx. 3%) were rated as low credit users. A high consumer credit use implies that such individuals (homemakers in this study) applied poor spending practices, while low consumer credit use implies the use of effective spending practices. Meanwhile, in this study, the majority (approx. 86%; refer to Figure 4.6 above) were categorised as having moderate to effective spending practices, meaning applying the management principles in their financial planning and implementation. A chi-square analysis showed no significant relationship ($\chi^2 = 2.184$, df 2, $p = 0.335$) between credit use and spending practices. This means that homemakers' credit use and their spending practices are not statistically related in any way. Contrary to the assumption that high credit use is an indication of poor spending practices as originally argued by Hayhoe *et al.*, (2000). Thus, though the

homemakers might be practising moderate to effective spending practices, there may be some reasons beyond their control since they still needed to secure some loans to take care of some situations as they did indicate earlier, not that they were necessarily adopting poor spending practices.

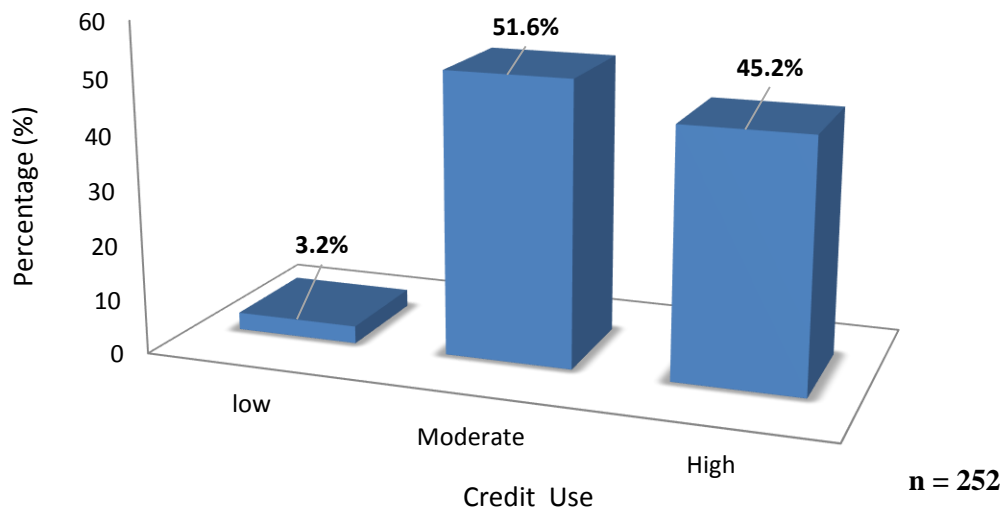


Figure 4.8: Categorisation of homemakers into Levels of Consumer Credit Use

4.7 SECTION VII

4.7.1 Family Welfare

This section discussed family welfare by examining Greve's, (2008) welfare factors in the light of the homemakers spending practices. According to Greve's, (2008) essential welfare indicators include food intake, clothing, healthcare, education, transportation, entertainment, economic security, accommodation, utilities, ownership of property and satisfaction from family income spent. The proceeding sections below analyses each of

these indicators in the light of the homemaker's expenditure patterns and then categorises the family welfare of the homemakers into status levels to end the section.

4.7.1.1 Family Eating

4.7.1.1.1 Regular Daily Meals Provided by Homemakers

All the homemakers hinted that they provided three square meals a day for their household members. However, not in a regular pattern as we are used to due to prevailing conditions at home. For instance, the majority (98%) indicated that supper is a must, while approximately 90% said they included breakfast every day. However, a little below half (approx. 49%) provided lunch for their household members on a daily basis. Those homemakers who did not serve breakfast (10%) explained that almost all members of the family have to leave home very early in the morning so, once they get to their destinations (mostly school and work), they have to take care of their breakfast. Because breakfast is not served at home and thus, family members have to fend for their breakfast outside the home. A similar explanation was given to why lunch was not served at home that family members were mostly unavailable at home during lunchtime and so had to take care of their lunch at the workplace or school. Approximately 16% added that they provided snacks for the younger school-going children to carry to school. Nti *et al.*, (2012) found that a majority of Ghanaian families eat at least two meals a day from home. Though the homemakers were not at home mostly they, however, have put in place various ways their household members would have their nourishment regardless of where they found themselves. Another indication of the importance the homemakers in this study is their attachment to the welfare of their family members.

4.7.1.1.2 Inclusion of Food Items from Food Groups in Daily Meals

All the homemakers indicated that they added all the various food groups in their daily meals given at home. Thus, they added animal products, fruits and vegetables, root, tubers and plantain, cereals and grains, nuts, beans oil seeds and fat and oils in the foods at home. However, the quantities added for the homemakers varied. The majority (approx. 92%) who added animal products into their foods said they do so because they know the importance and the nutritional contributions it provides especially for their growing children. Andrea *et al.*, (2018) suggested that the intake of sufficient animal products help build the body and contribute to human growth which invariably impacts positively family welfare. However, one fifth (approx. 20%) did indicate that though they add animal products to their meals, they do not add it frequently.

Regarding fruits and vegetables, 88% of the homemakers said they always add vegetables to their meals either in the stews, soups, salads or fillings and toppings for their household while fruits were given not always, although, more than one fifth (approx. 23%) of the homemakers explained that adding fruits to meals either daily or frequently ensures that family members get the needed protection from diseases as possible, which has been affirmed by Marquis (2004). Again, they said the vegetables also play protective roles for the members in their family especially as it provides micronutrients that improves the immune system of their bodies. Andrea *et al.*, (2018) indicated that vegetables and fruits provide vitamins and minerals that protect the body against diseases and regulate body processes. Greve, (2008) highlighted the importance of fruits and vegetables to the human body by explaining that these act as protectors and regulators in our bodies and when taken regularly will impact positively on family welfare. A similar

trend was mentioned for root, tubers and plantain, cereals and grains and beans, nuts oilseed and fats and oils. The homemaker suggested that the roots, tubers and plantain were their main sources of carbohydrates which provided the bulk of the meal and supply them and their family members' energy. Greve, (2008) and Nti *et al.*, (2012) confirmed the energy given aspect of carbohydrates by saying that sufficient intake of carbohydrates ensures a constant supply of energy to the body. The homemakers brought out the advantages they and their family members would derive from taken in beans, seed oils and nuts. They said these items contain protein and vital vitamins and minerals that could supplement animal protein in their meals and especially in vegetarian diets. Such reasons were also mentioned by Nti *et al.*, (2012), that beans, nuts and oilseeds provide the body with essential vitamins and minerals as well as proteins which are vital for growth and protection of the body against diseases. But a little less than half of the homemakers (approx. 49%) were quick to add that beans is not something they always add to their meals but occasionally and explained that it takes a long time to cook hence, tends to waste fuel. Marie, (2004) suggested that beans take long to digest when eaten and produce gas, which makes people feel uncomfortable. Mentioning these food groups by homemakers is not surprising because earlier on (refer to Table 4.13) when talking about major influencers or determinants of their purchases, the homemakers outlined all the food groups and ranked six most important factors they consider before they purchased these items.

Findings from the family food intake as revealed by the respondents suggest that most homemakers had good knowledge of food items to include in their meals to ensure their family members get balanced meals and therefore were likely to meet the nutritional

needs and requirements for their family members. Nti *et al.*, (2012) explained that when individuals take in recommended daily allowances for the various food groups, they are likely to meet their daily nutritional needs and requirements which can impact positively on their welfare. Though the homemakers included foods from the various food groups however, the frequency of inclusion varied from one homemaker to the other.

4.7.1.1.3 Family Clothing Purchased by Homemakers

The homemakers had earlier on (refer to Table 4.11) that they do purchase clothing for their children, husbands (those married) and family relations occasionally. In their purchases, a majority of them (approx. 91%) hinted that they patronized custom made clothes, approximately 75% patronized second-hand or used clothes while (46%) patronized ready-made clothes. The reasons given by the homemakers for patronizing custom-made clothes was because they appear colourful, affordable, sewn to one's specifications or taste and mostly the use of the local or Ghanaian prints or fabrics which were more fashionable for them. Those who patronized the second clothing explained that they were relatively cheap and could be used as office wears or house wears. Those who patronized ready-made clothes explained that such clothes were classy but expensive. Greve, (2008) said the ability to meet the family's clothing needs have a positive impact on family welfare.

4.7.1.1.4 Health Facilities Patronized by Families of Homemakers

Healthcare was one of the key items that homemakers spent money on (refer to Table 4.10) and was ranked second by the homemakers in their expenditure order of priority.

This signifies the importance of health care for the respondents of this study. However, two-thirds (approx. 60%) of them said when they need healthcare, they (homemakers) and their families attended government hospitals while approximately 36% patronized private hospitals. Approximately 12% attended any clinic available while a few (approx. 3%) resorted to herbal centres. Several reasons were given for these choices made by the homemakers. Those who attended Government hospitals said they do so because they were covered by the National Health Insurance Scheme (NHIS) and so they pay nothing or something very little while those who attended the private hospitals and other clinics stated that because they could afford the bills themselves or their employers did pay or reimburse them afterwards. The above finding indicates homemakers' eagerness to keep themselves and their family members in good health which has positive implications for welfare Greve (2008).

4.7.1.1.5 Educational Institutions Patronized by Wards of Homemakers.

Education also featured on the expenditure patterns of the homemakers (refer to Table 4.10) and ranking of expenditure priority items as well. The homemakers revealed that they made their children attend either the public schools (approx. 68%), private schools (approx. 26%) or international schools (approx. 5%). The homemakers explained that the schools their wards attend were of a good standard and also within their locality. And those whose wards attended private and international schools said it was because they could afford the school fees. Leigh and Clark (2000). Suggested that provision of good education enhances students' financial decision-making prowess and can help in securing good jobs in the future.

4.7.1.1.6 Means of Transportation for Family Members

Transportation also featured prominently on the homemakers' expenditure list (Table 4.10) and was ranked sixth on the homemakers' expenditure priority order. Four main types of transportation means were revealed by the homemakers. They either own cars (approx. 61%), used taxis (approx. 76%) or resorted to the public transport system (approx. 48%). A few (7%) said their institutions have their transport pickups so they use that means of transportation always. This finding showed that all the homemakers have their transportation arrangements to make it convenient to move about within their society. Greve (2008) was of the view that having a regular means of transportation helps in meeting some deadlines and getting to desired places when needed and on time which impact positively on family welfare of members.

4.7.1.1.7 Entertainment or Recreation for Homemakers and Families.

Entertainment was one of the items that made it on the expenditure list of the homemakers (refer to Table 4.10) and among the few items homemakers did not purchase on credit. However, according to Figure 4.9 below, 71% of the homemakers said they did not have entertainment often, 14% had entertainment on their part had it very often while 15% said they never had entertainment at all. Ranking entertainment last on priority items may be due to the unimportance some homemakers attach to it. For instance, those homemakers who did not regularly have entertainment or never had entertainment explained that they do not attach any importance to it. This is probably because of the homemakers' busy schedules; meanwhile, entertainment is one of the items that impact

positively on welfare and hence having less of it as revealed by the homemakers could negatively impact the welfare of members

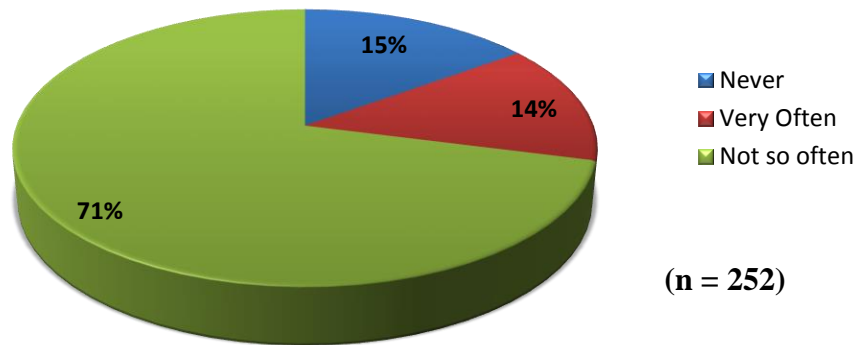


Figure 4.9: Frequency of Entertainment or Recreation

4.7.1.1.8 Regularity of Savings by Homemakers

Savings are a part of family income which is set aside for future use or to meet emergencies (GLSS 6, 2014). The findings showed that a little more than two-thirds of the homemakers (61% refer to Figure 4.10 below) saved regularly while only (3%) never saved. The homemakers who saved regularly were likely to include those who had a regular income and/or had knowledge about the importance of savings or were part of some savings schemes put in place at their workplaces. Some reasons that were given by the respondents as to why they saved regularly included the belief that savings served as a reliable source of income to fall on in cases where regular monthly income was insufficient to meet family needs or for emergencies. These reasons agree with Gaspard's (2003) assertion that saving is important for security and safety as well as meet

emergencies. The GLSS6 (2014) reported that more urban households operated savings accounts as compared to rural areas. Regular savings by many homemakers also agree with Pine’s (2009) findings that the majority of the women studied saved a little money each month. It is commendable that, 61% of the homemakers saved regularly which implies that the family will have some money to fall on in times of emergency. This practice as suggested by the women will make monies available in emergencies or when needed and will impact positively on family welfare.

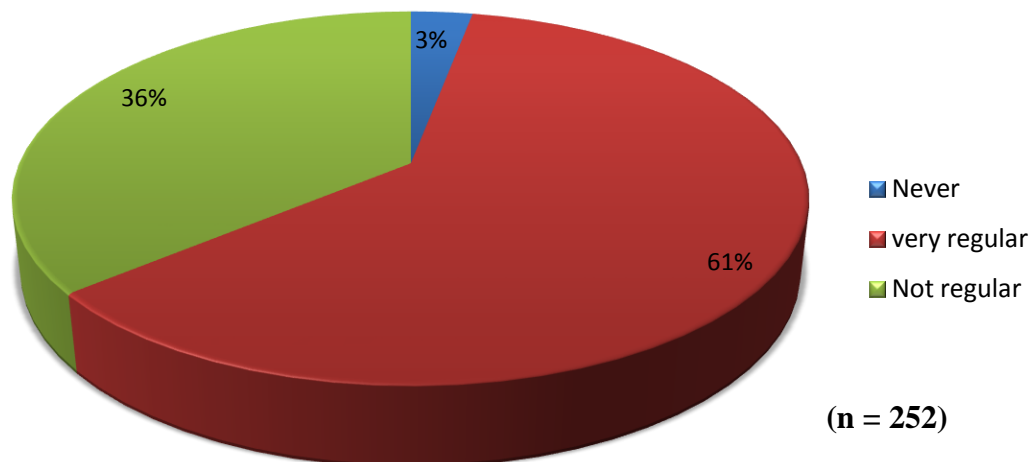


Figure 4.10: Regularity of Saving by Homemakers

4.7.1.1.9 Economic Security of Homemakers

For income sufficiency, a little more than half (approx. 52%) said family income was insufficient, while (approx. 48%) were of the view that their incomes were sufficient. This is surprising because although these group of homemakers who said their incomes were sufficient still resorted to credits and loans to cater for emergencies and family needs. Those who said their incomes were insufficient gave several reasons as, having

low paid jobs (approx. 52%), and trading in the informal sector where incomes were irregular coupled with large household sizes to cater for. Though, income insufficiency has been argued as a likely factor to impact negatively on family welfare (Greve, 2008). All the homemakers in this study resorted to some form of credit in their purchases to cater to family needs. The implication here is that though homemakers' income were reported insufficient, they used credits to cushion or leverage the gaps that insufficiency can create.

4.7.1.1.10 Accommodation for Homemakers and Families

Accommodation was one of the key expenditure components for the homemakers in this study (refer to Table 4.10) and was one key component that some of the homemakers even resorted to loans in paying for it (refer to Table 4.17 above) showing the importance the homemakers in this study attached to it. It must be noted that it was also among the few items they never or occasionally paid for on credit. However, three key accommodation arrangements were revealed by the homemakers. There those who rented where they lived (82%); those who lived in accommodations given by employers (19%) and those who lived in their own houses (6%). With regards to payments, more than two-thirds (64%) said they paid monthly rent (28% paid yearly). However, those who lived in their employers' accommodation facilities hinted that their rents were subsidized for them.

The provision of adequate accommodation by homemakers affirms Boamah's (2010) assertion that accommodation is a prerequisite for human safety and comfort and also creates an enabling environment for households to perform both domestic and economic

activities. Greve (2008) adds that having a place called home for family members' impact positively on welfare. These findings imply that the homemakers ensured that all the accommodation needs of their members were met in every way possible, an indication again of their commitment to ensuring their family members attain the welfare they (homemakers) desired.

4.7.1.1.11 Utilities Available to Homemakers and Families

Household utilities were one of the key expenditure items for the homemakers of this study. It can be recalled that all homemakers indicated they had access to utilities such as pipe-borne water, electricity, private telephone, liquefied petroleum gas for cooking and private garbage disposal. They further said some of these utilities were post-paid while others were never purchased on credit. An assurance that these utilities were available to them and their household member and therefore another positive implication on family welfare (Greve, 2008).

4.7.1.1.12 Ownership of Property and Household Equipment by Homemakers and Families

Walker (2005) pointed out that in economics, welfare is mainly connected to the individual's perception and utility of income. Its core has to do with fulfilling essential needs including ownership of property by individuals and families. It is clear from Table 4.19 that homemakers owned a variety of properties with the main one being television sets (98.8%) and the least being houses (15.8%). The findings showed that every family or household owned some important basic equipment needed in urban homes for comfort.

Ownership of adequate household equipment and property will impact positively on family welfare (Greve, 2008). Household equipment was occasionally or sometimes purchased on credit by many homemakers (84.5%) and their main purpose of obtaining loans was for household equipment (91.2%). Acquisition of household equipment and property through credit and loans will attract high interest which to some extent, could impact negatively on family welfare. Table 4.19 outlines the property/household equipment owned by homemakers.

Table 4.18: Ownership of Property or Household Equipment by Homemakers

Property or Household Equipment	No	%
Television set	249	98.8
Gas or electric cooker	245	97.2
Refrigerator	243	96.4
Computer or laptop	172	68.3
Deep freezer	159	63.1
Microwave oven	119	47.2
Land	65	25.0
Washing machine	52	20.6
Building or houses	40	15.8

N >252 (multiple responses)

4.7.1.1.13 Satisfaction of Homemakers with Family Income Spent

More than half (57.8%) of the homemakers said they were partially satisfied with family income spent, while only (2.8%) said they were not satisfied. A chi-square analysis

showed a significant relation ($\chi^2 = 32.2$ df 4 p = 0.000) between satisfaction with family income spent and spending practices. This implies that effective spending practices adopted could lead to satisfaction with family income spent. It is likely that those who were fully satisfied with family income spent (approx. 39%) were among those who applied moderate to effective spending practices (85%) while those who were partially satisfied (approx. 58% refer to Fig 4.11 below) included those who had moderate to low spending practices. The few (approx. 3%) who were not satisfied with family income spent could be among those whose spending practices were poor (approx. 14%). Being partially or not satisfied with how family income was spent meant homemakers might want to change their spending practices given the chance. However, what changes homemakers were likely to make in their spending practices was not assessed in this study

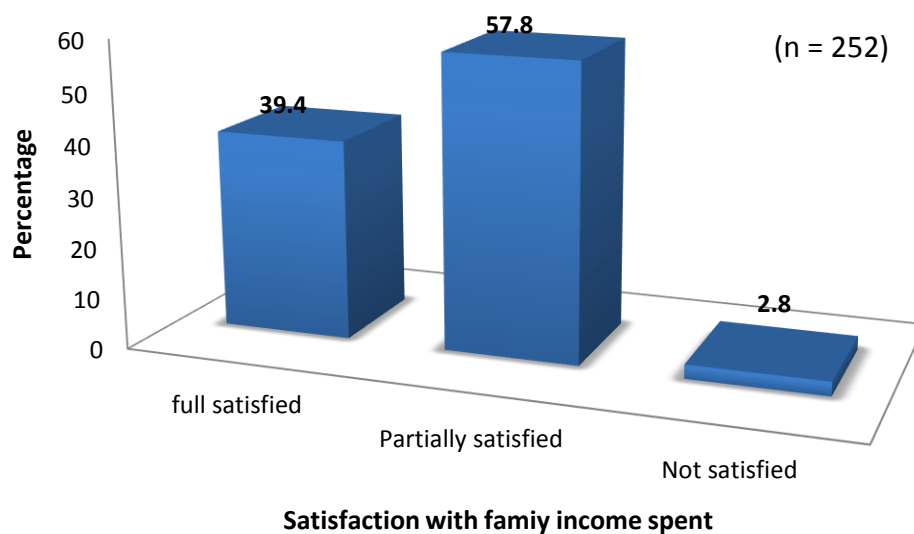


Figure 4.11: Satisfaction of Homemakers with Family Income Spent

4.7.1.1.14 Overall Assessment of Spending vis-à-vis Family Goal Attainment

The homemakers were asked to assess their overall spending practices against the attainment of the goals they set for themselves and their families. Figure 4.12 below shows that a few (approx. 1%) gave themselves excellent meaning their spending practices adopted gave them exactly what they were looking for while more than half (approx. 56%) rated themselves very good or fair (approx. 43%). Walker (2005) pointed out that in economic theory, welfare is the evaluation assigned by individuals with regards to income and spending practices. From these findings, it can be seen that none of the homemakers rated themselves poor, though some of them (approx. 14%) had poor spending practices (Figure 4.6 above). This rating of the homemakers indicates they felt good about the practices they have in place so far. Probably because these homemakers were able to meet the needs of their family regardless of some complaining about insufficient incomes.

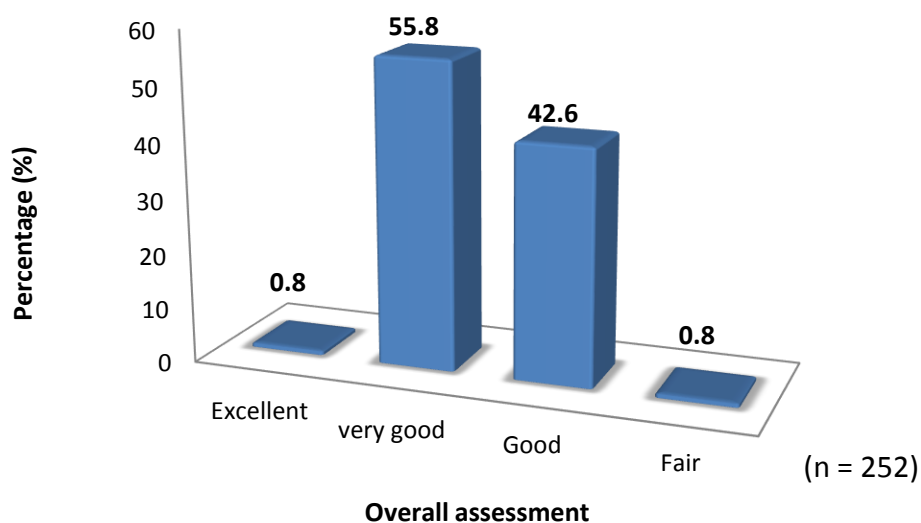


Figure 4.12 Overall Assessment of spending vis-à-vis Family Goal Attainment

4.7.2 Categorisation of Homemakers into Levels of Family Welfare Status

Two levels of family welfare statuses were established using Greve's (2008) scale of family welfare status (Refer to appendix 1 for items). Figure 4.13 below shows that more than two thirds (approx. 69%) had good family welfare status for their families while the remaining (approx. 31%) had poor family status. Greeve (2008) has it that when an individual adopts effective spending practices there is a greater likelihood that that individual will attain a good family status for the family members and the reverse is true. The indicators used by Greeve, (2008) to assess family welfare status included items like clothing, education, transportation, health-care. In this study, all the homemakers provided all these items to their family members and resorted to loans to fill gaps that emerged. The chi-square analysis showed a significant relationship ($\chi^2 = 4.584$ df 2 $p = 0.001$) between family welfare status and spending practices. This implies that, though a homemaker might feel excellent about her spending practices, unless she adopts effective spending practices, her family welfare status will be poor. Again, it is interesting to note that from Figure 4.6 above, though as many as approximately 86% of the homemakers in this study had moderate to effective spending practices yet only a little less than 70% had good family status. Thus, though Greeve (2008) attributes effective spending practices to the attainment of good family welfare status in this study even some homemakers with moderate spending practices were able to have good family welfare status contrary to Greeve's assertion.

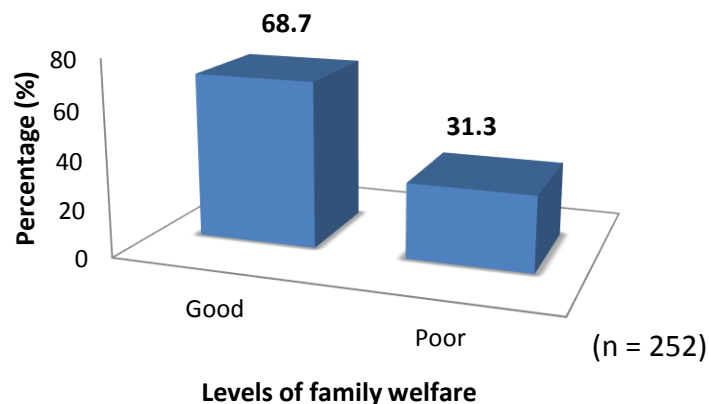


Figure 4.13: Categorisation of Homemakers into Levels of Family Welfare

4.8 SECTION VIII

4.8.1 TESTING OF HYPOTHESES

Five null hypotheses were tested using the P values of the chi-square test statistic. First, the Pearson's correlation coefficient analysis was undertaken to determine the relationships among selected study variables, while the chi-square test statistic was used to determine whether or not the variables under study were statistically related in any way. The 95% significant correlations (that is, those relationships with probability scores, $p \leq .05$) were used and emphasized. The relationship existing between variables such as homemakers' spending practices, consumer credit use and family welfare was tested using a simple linear regression model. The results of these analyses are presented and discussed below.

4.8.2 Hypothesis One

The null hypothesis (H_{01}): There is no relationship between homemakers' demographic characteristics (age, marital status, educational level, occupation, income) and spending practices were tested statistically. The results for hypothesis one are summarized and presented in Fig. 4.15 (refer to appendix 5a for details).

Results of the Pearson's correlation coefficient analysis showed that, age (0.182**); educational level (0.327**); occupation (0.197*); income (0.346**) significantly correlated with homemakers spending practices whereas marital status did not. Meaning that to some extent, certain homemakers' socio-demographic characteristics had a significant correlation with their spending practices. The chi-square statistical analysis (χ^2) revealed age ($p = 0.000$), occupation ($p = 0.002$) and income ($p = 0.001$) had significant relationships with homemakers spending practices. Therefore, the null hypothesis one was rejected but not for all demographic characteristics. This is because homemakers spending practices improved with age, education, occupation and income, thus the older the homemakers get the better their spending practices, and the higher their incomes the better their spending practices. These variables with strong positive correlations were further subjected to statistical analysis to test for the strength of the relationship they have with spending practices of the homemakers.

4.8.2.1 Age and Spending Practices.

Age was measured using the chronological age (in years) of the homemakers at the time of the study. Age was strongly correlated with spending practices ($r = 0.182$, $p < 0.01$)

which implies that, the older the homemaker, the more effective the spending practices, thus, spending practices improved with age possibly backing the age-old adage that “Experience is the best teacher”. A simple linear regression was calculated to predict spending practices based on homemakers’ age. A significant regression equation was found $F(1, 249) = 8.486, p = .004$, with an R^2 of .033. Spending practice was found to be equal to $44.798 + 0.144(\text{age})$. This implies that when spending practice is measured, it is improved by 14.4% for each increase in age. Thus, as age increases spending practices improves. This finding supports Hayhoe et al., (2000) assertion that age influenced spending habits.

4.8.2.2 Educational Level and Spending Practices

The educational level of homemakers involved the degree of education attained at the time of the study. The statistical analyses revealed a significant relationship between homemakers’ educational level and spending practices ($r = 0.327, p < 0.01$). The results imply that the higher the educational level of the homemakers, the more effective their spending practices. Thus, spending practices improved with higher education. Though earlier, in aggregation, education correlated positively with spending practices but not to be statistically significant. A simple linear regression was calculated to predict spending practices based on homemakers’ educational level. A significant regression equation was found $F(1, 249) = 29.874, p = 0.000$, with an R^2 of 0.107. Spending practice was found to be equal to $42.319 + 1.765(\text{educational level})$. This implies that spending practices improved by 176.5% with each increase in educational level. Hilgert *et al.*, (2003) reported that financial knowledge is associated with financial practices like cash-flow

management, credit management, savings and investments. Thus, as an individual's knowledge increases his/her financial management skills improves. These findings support Ba-ama et al., (2013) study that there is a significant relationship between knowledge in financial management and money management practices in that the greater the knowledge in financial management, the better the money management practices.

4.8.2.3 Occupation and Spending Practices

Occupation referred to the kind of work (formal or informal) that the homemakers were engaged in at the time of the study. There was a significant relationship between occupation and spending practices ($r = 0.197, p < 0.01$). The result implies that the more structured the form of the homemaker's employment the more enhanced their spending practices. Thus, spending practices improved with working in the formal structured systems like the formal sector and some private institutions. In this study, more than two thirds (approx. 69%) of the homemakers had regular salaries which made it possible for them to budget and spend to meet family needs. A simple linear regression was calculated to predict spending practices based on homemakers' occupation. A significant regression equation was found $F(1, 250) = 10.049, p = 0.002$, with an R^2 of 0.039. Spending practices was found to be equal to $45.753 + 3.080(\text{occupation})$ indicating that spending practice improved by 308% for each occupational status attained. Thus, the more structured the homemakers' occupations the better their financial management skills. Probably once they were paid monthly, they had to work out their spending practices to reflect the period of payment to run out of vital family supplies.

4.8.2.4 Income Status and Spending Practices

Income status of the homemakers was measured using the monthly incomes earned (GH¢) at the time of the study. There was a strong relationship between income status and spending practices ($r = 0.346, p < 0.01$). The result suggests that the homemakers who earned regular income had better spending practices thus, spending practices improved with higher income. A simple linear regression analysis was carried out to predict spending practices based on homemakers' income status. The statistical model predicted spending practices based on homemakers' income status and a significant regression equation was found $F(1, 249) = 33.907, p = 0.000$, with an R^2 of 120. Spending practice was found to be equal to $42.277 + 1.092$. This implies that when spending practice is measured, it improved by 109.2% for each increase in income earned. Thus, the homemakers had to structure their spending according to their incomes received and the periods they receive such incomes. Probably because of the monthly nature of their incomes their spending is spread and tailored to suit when the next income received.

4.8.3 Hypothesis Two

The null hypothesis (H_0) stated that:

There is no relationship between homemakers' demographic characteristics (age, marital status, educational level, credit, occupation, income status) and consumer credit use was tested statistically.

The results of the Pearson's correlation coefficient analysis revealed that, educational level (0.128*) and occupation (0.198**) correlated positively with consumer credit use, while the other demographics though were positive but not significant. Therefore, null

hypothesis two was rejected, though not in its entirety as some of the demographics did not show any strong correlation. These two items were extracted and further subjected to statistical analysis to ascertain the degree of relationship. A summary of the Pearson's correlation coefficient analysis for H_{02} is summarized and presented in Figure 4.15. (Refer to appendix 5b for details).

4.8.3.1 Educational Level and Consumer Credit Use

The result implies that the higher the educational level of homemakers, the higher the consumer credit use. Thus, consumer credit use correlated with levels of education, probably due to exposure or awareness and easy access to credit to such group of people. A simple linear regression was calculated between homemakers' educational level and credit use produced the regression equation of $F(1, 250) = 4.150, p = 0.043$, with an R^2 of 0.016. Thus, consumer credit use was found to be equal to $2.162 + 0.053(\text{educational level})$. This implies that credit use increased by 5.3% with each increase in educational level attained. Meaning the higher an individual gets with education there is about 5% chance that he/she would use credit in one form or the other.

4.8.3.2 Occupation and Consumer Credit Use

The correlation result implies that occupation correlated with consumer credit use, thus consumer credit use increased with having a secured and well-structured job. A simple linear regression was calculated to show or predict consumer credit use and homemakers' occupation produced the regression equation was of $F(1, 250) = 10.242, p = 0.002$, with an R^2 of 0.039. Consumer credit use was found to be equal to $2.019 +$

0.238(occupation) indicating that credit use increased by 23.8% for each occupational status. This is not surprising because once an individual has a structured job with a regular source of salary or wages, there is approximately 24% chance of that individual using credits in one way or the other.

4.8.4 Hypothesis Three

To test the null hypothesis (H_{03}) states that:

There is no relationship between homemakers' spending practices and consumer credit use.

The Pearson's Correlation Coefficient results revealed no significant correlation ($r = 0.110$, $p = 0.082$). Therefore, the null hypothesis (H_{03}) was accepted. This is because consumer credit use did not depend on the homemakers' spending practices. So, the homemakers used consumer credit, irrespective of their spending practices. This is evidenced by the fact that only 3.2% of the homemakers were low consumer credit users (refer to Figure 4.9 above).

4.8.5 Hypothesis Four

The null hypothesis (H_{04}) states that:

There is no relationship between homemakers' spending practices and family welfare.

The results revealed a statistically significant relationship ($r = 0.402$, $p = 0.001$) between spending practices and family welfare. Therefore, the null hypothesis (H_{04}) was rejected.

A summary of the Pearson's correlation coefficient analysis for hypothesis 4 is presented Figure 4.16 (refer appendix 5c for details).

This is because family welfare depended on spending practices. Thus, spending practices predicted family welfare status in the sense that, effective and some moderate spending practices enhanced family welfare status. Using a simple linear regression model, a test was further carried out to assess whether spending practices of homemakers predicted family welfare status. A significant regression equation was found $F(1,250) = 48.188, p = 0.000$, with an overall model fit, $R^2 = 0.162$. The homemakers' predicted family welfare was equal to $1.017 + 0.019 (\text{spending practice})$, implying that anytime the homemakers adopted effective spending practice, their family welfare improved by 0.019 units (1.9%).

4.8.6 Hypothesis Five

To test the null hypothesis (H_{05}) which stated that there is no relationship between homemakers' consumer credit use and family welfare, the statistical test analysis revealed a negative correlation ($r = -0.087, p = 0.167$). Therefore, the null hypothesis (H_{05}) was rejected. This is because the higher the consumer credit use, the poorer the family welfare status. Thus, dependence on consumer credit use could lead to indebtedness and subsequently impact negatively on family welfare status. (Refer to *appendix 5c*) for the table of correlation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents a summary of the study, conclusions drawn and recommendations made for future research.

5.1 Summary

The aim of the study was to assess how the spending practices and consumer credit use among homemakers in Sakumono Estates in the Greater Accra Region of Ghana influenced their families' welfare. The specific objectives of the study were to: examine the income and expenditure patterns of homemakers; investigate the management principles applied by homemakers in the use of money; investigate the perception and use of consumer credit by homemakers; identify factors that influenced homemakers' spending practices and credit use. It hypothesized that: Ho₁: There is no relationship between homemakers' demographic characteristics (age, educational level, marital status, occupation, income status) and spending practices; Ho₂: There is no relationship between homemakers' demographic characteristics (age, educational level, marital status, occupation, income status) and consumer credit use; Ho₃: There is no relationship between homemakers' spending practices and consumer credit use; Ho₄: There is no relationship between homemakers' spending practices and family welfare; and Ho₅: There is no relationship between homemakers' consumer credit usage and family welfare. A proportionate sample of two hundred and fifty-two (252) homemakers was interviewed

using a structured interview schedule. The data were analysed using the Statistical Package for Social Sciences (SPSS/PS) version 21 software to generate frequency and percentage distributions. The Pearson's Correlation Coefficient and simple linear regression analysis were used to test the null hypotheses at the 5% level of significance ($p= 0.05$). Likert scale scores were transformed into composite scores to generate categories of spending practices, financial stress, consumer credit use, perception of consumer credit and family welfare. Cross tabulations of some variables were done and the chi-square statistic was used to test their relationships. The report of the findings is generally descriptive using graphic representations and tables where appropriate to present highlights.

Findings of the study revealed that, homemakers had a mean age of 45.5yrs, were married (68%), Christians (83.7%), attained post-secondary to tertiary education (70%), had a mean household size of 5 and worked in the formal sector (69.4%). Homemakers earned a mean monthly income of GH¢1100 from both formal and informal sectors of the economy and the main income source was salaries and wages (93.7%). The mean monthly amount for household upkeep was GH¢600 contributed by both homemakers (98%) and husbands (70%). Household expenditure covered a variety of categories but the top six categories with high mean expenditure included education (GH¢539.26), food and non-alcoholic beverages (GH¢252.98), accommodation (GH¢152.11), transportation (GH¢130.60) children's clothing and footwear (GH¢96.67) and utilities (GH¢82.45). The homemakers operated with regular and supplementary budgets sources.

The homemakers had some knowledge in financial management and applied several management principles in their spending including planning or budgeting 226 (89.7%) and 182 (72%) drew written budgets for household spending. In organising expenditure plans, 73% of the homemakers were the financial decision-makers and 77% prepared and used shopping list. During the implementation of financial plans, 75% of the homemakers did the household purchases in common markets close to their localities such as TEXPO and Nungua. Many homemakers (78%) bought household items in bulk and also compared prices of items before purchasing (96%). The findings revealed that when purchasing food items, homemakers considered factors such as quality, expiry date, sales environment, cost of the items and packaging. As regards the evaluation of financial plans, more than half (57%) did a partial review and made effort to provide for unmet goals. Assessment of homemakers spending practices revealed that 42.5% applied all the financial management principles in their spending and were categorized as being effective while the rest sometimes, occasionally or never applied these principles, hence were categorized as being moderate (43.7%) or poor (13.9%). Almost all the homemakers (96%) experienced moderate to high financial stress. This implies that even though over one-third applied all the financial management principles in their spending, in reality, they experienced financial stress as well. This suggests that the heavy burden of financial management by homemakers could have serious health implications.

More than half (54.4%) of the homemakers had a low perception of consumer credit but 70.2% of them used credit in their purchases for various reasons. The results provide evidence that the assumption that a low perception of credit would result in a lower

tendency to use credit was not the case in this study. A measure of levels of homemakers' consumer credit use revealed that 51.6% were 'moderate' while 45.2% were 'high' consumer credit users.

Factors that influenced homemakers' spending practices ranged from personal (99.2%), economic (91.2%), social (71.4%) and business factors (63.4%). Factors that influenced homemakers' consumer credit use included high cost of living (64%), increase availability of credit facilities (48.8%) and insufficient income (39.3%). Family welfare was assessed by looking at factors that impacted on welfare such as family eating pattern, patronage of clothing, health facilities patronized, educational institutions patronized by wards of homemakers, means of transportation, entertainment and recreation patronized among others. More than two-thirds (68.7%) of the homemakers were categorized as having good family welfare status. Majority of homemakers (97.2%) were partially (57.8%) or fully (39.4%) satisfied with how their incomes were spent and (55.8%) assessed their overall spending vis-à-vis family goal attainment as very good while 42.6% viewed it as good.

The Pearson's correlation coefficient analysis revealed that homemakers' demographic characteristics such as age ($p = 0.01$), education ($p = 0.01$), occupation ($p = 0.01$) and income ($p = 0.01$), had significant relationships with spending practices whereas educational level ($p = 0.05$) and occupation ($p = 0.01$) predicted consumer credit use. The statistical analysis revealed no significant correlation between homemakers' spending practices and consumer credit use. However, the analysis confirmed that spending

practices ($p = 0.001$) predicted family welfare in the sense that, good spending practices enhanced family welfare. There was a negative correlation between consumer credit use and family welfare implying that dependence on credit use would lead to poor family welfare. It is concluded that to some extent, homemakers spending practices and consumer credit use did influence their family welfare both positively and negatively. It is recommended that stakeholders in the field being examined including Ministry of Education, Extension workers, Ghana Home Economics Association (GHEA), Microfinance and Consumer Credit institutions, should design practical educational programs for both formal and informal deliveries to provide knowledge and skills required for financial management matters particularly good spending practices and consumer credit use to enable both present and future homemakers make informed and effective decisions regarding the use and management of money and credit to enhance family welfare. Also, the stress experienced by homemakers as they perform the important responsibility as financial managers of households is likely to reduce. Acquisition of such skills by as many homemakers as possible would reduce the stress experienced by homemakers as they perform these important responsibilities which are central to family welfare.

5.2 Conclusion

In conclusion, the findings of the study revealed that to some extent, homemakers' spending practices and consumer credit use did influence their family welfare both positively and negatively in that, homemakers who applied effective spending practices and depended less on consumer credit had good family welfare status. Homemakers who applied poor spending practices and depended more on consumer credit had poor family welfare status.

5.3 Recommendations

The results revealed that homemakers operated with partial plans, did a partial evaluation of financial plans and did not keep financial records. Even though more than half (54%) of the homemakers had a low perception of consumer credit, many housemakers (70.2%) used consumer credit. The categorisation of homemakers into levels of consumer credit use confirmed that only (4%) were low consumer credit users. In light of these findings and conclusion of the study, it is recommended that:

1. Copies of this work would be given to stakeholders in the field being examined including Ministry of Education, Extension workers, Ghana Home Economics Association (GHEA), Microfinance and Consumer Credit institutions, should design practical educational programs for both formal and informal deliveries to provide knowledge and skills required for financial management matters particularly good spending practices and consumer credit use to enable both present and future homemakers make informed and effective decisions regarding

the use and management of money and credit. Acquisition of such skills by as many homemakers as possible would reduce the stress experienced by homemakers as they perform these important responsibilities which are central to family welfare.

2. Ministry of Education should make the subject Home Economics compulsory and examinable at the Senior High Schools and Home Economics teachers should stress emerging issues in financial management including good spending practices and effective consumer credit use. This would enable the students (especially the young girls) acquire some knowledge and skills in financial management and consumer credit use that would help them in their future household financial management.

5.4 Suggestion for Further Research

Further study could be carried out using the case study design on family or household spending to enable a more critical observation of homemakers' spending practices to provide in-depth knowledge of problem areas which are likely to be overlooked by a survey. A case study would allow the researcher to observe only a few homemakers and record their expenditure categories and the actual amounts spent. The observation could also their spending practices as consumer credit use.

5.5 Research Contribution to Knowledge

1. The findings have contributed important primary data to the rather limited information on "the influence of homemakers' spending practices and consumer

credit use on family welfare” particularly in Ghana. This could serve as a base point of reference for the government of Ghana, policy-makers, regulators and future researchers on their deliberations about spending practices and consumer credit use.

2. The results have also provided updates to the literature on the roles and responsibilities of women as financial managers of households and the challenges they face.
3. These findings suggest that in Ghana’s fast-growing economic environment, there is need for homemakers to acquire knowledge and understand the skills required in financial management matters particularly on consumer credit use, a fast spending practice in Ghana. Such empowerment would enable homemakers to make informed and effective decisions regarding the use and management of money and credit to enhance family welfare. The stress experienced by homemakers as they perform the important responsibility as financial managers of households is likely to reduce.
4. Since one of the Ghana government’s aim is to achieve good quality life for all families, the findings underscore the need to include in the national policy agenda, strategies to empower homemakers to enable them to maintain the well-being of families the basic units of society.
5. The results debated the assumption that a high perception of consumer credit would result in a higher tendency to use credit. Reason being that, certain situations beyond the homemaker's control might have compelled those with even low perception to use credit.

6. The findings also provided evidence that financial stress levels did not portray the corresponding spending practices levels. The results were contrary to the assumption that high financial stress predicted poor spending practice. This is evidenced by the fact that even though over one-third of the homemakers applied all the financial management principles in their spending and were categorised as having effective spending practices, in reality, they experienced financial stress as well. This suggests that the heavy burden of financial management by homemakers could have serious health implications.

BIBLIOGRAPHY

- Abotchie, C. (2008). Structure of Traditional Ghanaian Societies: Traditional Ghanaian Social Institutions. Hans Publications Ltd. Accra.
- Acharya, A. S., Prakash A., Saxena, P., & Nigam, A. (2013) Sampling: Why and how of it. *Indian Journal of Medical Specialties*, 4(2), 330-333.
- Advertising,” *Journal of Marketing Theory and Practice*, 13(3), 62-75
- Ahmed, M. S. (2009). Management in living for Senior High Schools (Combined Edition). Rich print & Services, Kumasi.
- Allen, K, R. (2000). “Becoming More Inclusive of Diversity in Family Studies”. *Journal of Marriage and the Family*. Available from <http://family.jrank.org/pages491/>
- Andrea M. Leschewsh, Dave D. Weatherspoon, Anne Marie Kuhns, (2018). “Household Acquisition of Healthy Food away from Home.” *British Food Journal*, Vol. 120 Issue: 3, PP 588-601, <https://doi.org/10.1108/BFJ-07-2017-0372>. Roskilde University.
- Anyakoha, E. U. & Eluwa, M. A. (2008). Home Management for Schools and Colleges. Onitsha, Nigeria, Africana – FEP Publishing Ltd.
- Aramand, M. (2013) “Women Entrepreneurship in Mongolia: The Role of Culture on Entrepreneurial Motivation.” *Equality, Diversity and Inclusion*, Vol. 32 No. 1, PP. 68 – 82.
- Asare, E. & Quartey, O. (2002). Management Principles: Application and Use of Resources. Asquart Publications.

- Atogiyire, F. (2003). Business Management Made Simple for Senior High Schools. Funky Publications, Accra.
- Ba-ama, E. M., Agyeman, D. & Kumador, D. K. (2013). Financial Management Practices of Formal and Informal Sector Women in Dodowa; Ghana. *Journal of Asian Regional Association for Home Economics*, 20 (2), 66 – 75.
- Babatunde, D. (2010). Comparative Study of Expenditure Patterns of Ghanaian Families Headed by Workers in the Formal and Informal Sectors in Tabora. A Suburb of Accra. Unpublished M.Phil Thesis Submitted to the Home Science Department, University of Ghana, Legon.
- Bajpai, N. (2010) “Business Statistics.” Pearson Education India.
- Balance, T. (2011). Money Management. Balance Track. Retrieved from <http://www.balancetrack.org/moneymanagement/podcast.html>. May 10, 2015.
- Barbour, R. & Schostak, J. F. (2005). Interviewing and Focus Groups. In: B. Somekh & C. Lewin, (eds.) *Research Methods in the Social Sciences* (pp. 41-48). London: Sage.
- Bell, S. (2001). The role of the state and the hierarchy of money, *Cambridge Journal of Economics*, Volume 25, Issue 2, Pages 149–163,
- Bernard, H. R. (2012). *Social research methods: Qualitative and Quantitative Approaches*. Sage.
- Black, E. & Hang, G. (2004). Effects of Family Life-Cycle stages on Consumer Debts. *Journal of Family and Economic Issues*, 25(3). Springer Science and Business Media Inc.
- Boamah, N. A. (2010). Housing Affordability in Ghana: A Focus on Kumasi and Tamale. *Ethiopian Journal of Environmental Studies and Management*, 3(3).

- Brigaam, E. F. & Houston, J. F. (2001). *Fundamentals of Financial Management*. 9th Ed. Harcourt Asia Pte Ltd. Singapore, pp 68 – 75.
- Cambell, J. Y. (2006). “*Household Finance*”. NBER Working Paper 12149. Retrieved from <http://papers.nber.org/papers/w12149.pdf>. June 5, 2016.
- Centers for Disease Control and Prevention CDCP, (2013). *Strategies to Prevent Obesity and Other Chronic Diseases: The CDC Guide to Strategies to Support Breastfeeding Mothers and Babies*. Atlanta, GA: U.S. Department of Health and Human Services.
- Chatzky, J. (2012). The Ten Commandment of Financial Happiness. *Money*. Retrieved from <http://www.chatzky.ten.commandments.financial.happiness>. April 12, 2016.
- Chien, Y. & Devaney, S. A. (2001). The Effect of Credit Attitude and Socioeconomic Factors on Credit Card and Installment Debt. *Journal of Consumer Affairs*, 35 (1), 162 – 179.
- Coertze D.J. & Anderson D.J. (2001). Recommendations for an Educational Programme to Improve Consumer Knowledge and Attitudes Towards Nutritional Information on Food Labels. *South African Journal of Clinical Nutrition*.
- Creswell, J. W., Plano Clark, V. L., Gutmann, M. L., & Hanson, W. E. (2003). Advanced Mixed methods research designs. *Handbook of Mixed Methods in Social and Behavioral Research*, 209-240.
- Customer-Firm Relationships, Involvement and Customer Satisfaction. *Academy of Management Journal*.38(5).
- Dahlia, I. Harun, R. & Mohamed, Z. I. (2009). A study on Financial Literacy of Malaysian Degree Students. *Canadian Academy of Oriented and Occidental Culture*, 5 (4).

- Deacon, R. E. & Firebaugh, F. M. (1988). Family Resource Management, Principles and Applications. 2nd Edition. Allen and Bacon Inc. Toronto. pp. 52 – 62.
- Department of Economic and Social Affairs Statistics Division, (2009). Classification of Individual Consumption According to Purpose (COICOP). *SERIES M No. 84*. UNITED NATIONS, New York. ISBN 92-1-161420-1
- Desai, M., Majumdar, B., Chakraborty, T. and Ghosh, K. (2011), “The Second Shift: Working Women in India”, *Gender in Management*, Vol. 26, PP 432 – 450.
- Dolphyne, FM. (1991). The Emancipation of Women. An African Perspective. Ghana University Press. Accra, Ghana. pp. 21 – 53.
- Finlay, S. (2009). Consumer Credit Fundamentals. 2nd Edition. Pagave Macmillan. Retrieved from www.crediman.co.uk. June 12, 2016.
- Free Dictionary, (2017). Consumer Credit. Retrieved from <https://www.thefreedictionary.com/consumer+credit>
- Freeman, S. (2006). Money Management. Retrieved on July, 2013 from <http://www.sheilafreemanconsulting.biz/index.html>
- Gaspard, M. (2003). Ramsey's theory of National Saving: A Mathematician in Cambridge. *Journal of the History of Economic Thought*, 25(4), 413-435. <https://doi.org/10.1093/cje/25.2.149>
- Gbadamosi, G. & Joubert, P. (2005). Money Ethic, Moral Conduct and Work-related attitudes: Field Study for the Public Sector in Swaziland. *Journal of Management Development*, 24, 754 -763.

- Ghana Statistical Service (2002). Population and Housing Census: Summary Report of Final Results.
- Ghana Statistical Service (2008). Ghana Living Standards Survey: Report of the Fifth Round (GLSS5).
- Ghana Statistical Service (2011). Family Spending. Ghana Living Costs and Food Survey Report.
- Giles, D. (2011). Relationships Always Matter: Findings from a Phenomenological Research Inquiry. *Australian Journal of Teacher Education*, 36(2).
- Goldsmith, E. B. (2005). Resource Management for Individuals and Families. 3rd Edition. Wadsworth Thompson Learning, Belmont, CA, USA. pp 96 – 176; 342 – 365.
- Goodman, P.S., Mark Fichman, F., Lerch, J. & Synder, P.R. (2017).
- Greve, B. (2008). What is Welfare? *Central European Journal of Public Policy*, 2(1).
- Hartarska, V. M. & Gonzalez-Vega, C. (2006). “Evidence on the Effect of Credit Counsellig on Mortgage Loan Default by Low-income Households”. *Journal of Real Estate Finance and Economics*, 3 (3), 227 – 250.
- Hastings, R.P., Allen, D. Baker, P. & Gore, N. (2013). A conceptual Framework for Understanding Why Challenging Behaviours occur in people with Developmental Disabilities. *International Journal of Positive Behavioral Support*. 3(2).
- Hayhoe, C. R., Leach, J. L., Turner, P. A., Bruin, M. J. & Lawrence, F. C. (2000). Differences in Spending Habits and Credit Use of College Students. *Journal of Consumer Affairs*, 34(1), 113 -133.
- Hevi-Yiboe, (2004). Family Resource Management in Action. Practical Home Management Book for all. The Shepherd Printing Press, Accra- North, Ghana.

- Hevi-Yiboe, L.A.P. & Aglobitse, D. M. (2004). Women, Men and Housework in Ghana. *Journal of ARAHE*, 11, 250 – 258.
- Hilgert, M. A., Hogarth, J. M. & Beverly, S. G. (2003). Household Financial Management: The Connection Between Knowledge and Behaviour. Federal Reserve Bulletin. July, 2003.
- Ho, S. (2004), “Women Managers in Hong Kong: Traditional Barriers and Emerging Trends”, Equal Opportunities International, Vol. 3 No. 4, PP 7 – 10.
- Hogarth, J. M. & Hilgert, M. A. (2002). “Financial Knowledge, Experience and Learning Preferences: Preliminary Results from a New Survey on Financial Literacy”. *Consumer Interest Annual Issue*, 48, 1 – 7.
- Horrocks, A. M. (2001). Financial Management Practices and Conflict Management Styles of Couples in Great Marriages. (Master’s thesis, Utah State University).
- Howard, R. (2000). Some Sociological Dimensions of Consumer Spending. *Canadian Journal of Economics and Political Science*, XXVI (3), 452 – 458.
- Improving Power and Accuracy. (2ndedition). London: Springer.
- Kempson, E., Collard, S. & Moore, N. (2005). Measuring Financial Capability: An Exploratory Study. *Consumer Research Report*, 37. Financial Services Authority. Retrieved from www.researchreport.com. March 12, 2016.
- Kirchler, Hoelzl and Kamleitner (2008). Factors that Influence Spending Decisions. www.elsevier.com/locate/enconbase Retrieved on June 2008.
- Lavrakas, P. J. (2008). Encyclopedia of Survey Research Methods. Sage Publications.

- Lee Siew Kim, J. and Seaw Ling, C. (2001), “Work-Family Conflict of Women Entrepreneurs in Singapore”, *Women in Management Review*, vol. 16 No. 5, PP. 204 – 221.
- Leigh, S. & Clark, J. A. (2000). Financial Decision Making in Step Families. *Outreach and Extension*, 1 – 6. University of Missouri Extension – Columbia.
- Leskinen, J. & Raijas, A. (2005). Consumer and Financial Capability – A life Cycle Approach. Published Thesis. National Consumer Research Centre. University of Helsinki. pp 1 – 16.
- Liston Heyes (2005), “Consumer Socialization in Wired World: The Effects of Internet Use and Parental Communication on the Development of Skepticism to
- Lowe, R. E., Malouf, C. A. & Jacobson, A. R. (2007). Consumer Education and Economics. (4th Ed.). Glencoe/ McGraw-Hill Companies, USA.
- Marie-Pierre S, (2004). Dietary fats, teas, dairy, and nuts: potential functional foods for weight control? *The American Journal of Clinical Nutrition*, Volume 81, Issue 1, Pages 7 – 15. <https://doi.org/10.1093/ajcn/81.1.7>
- Marquis, M. (2004) “Strategies for Influencing Parental Decisions on Food Purchasing” *Journal of Consumer Marketing*, Vol. 21 Issue: 2, PP. 134 – 143, <https://doi.org/10.1108/07363760410525696>.
- Maslow, A. H. (1948). A Theory of Human Motivation. Belmont, California: Wadsworth Publishing Company, Inc.

- McGraw-Hill Companies (2001). Money Management Strategy: Financial Statement and Budgeting. Irwin/McGraw-Hill.
- More J., & Asay, S.M. (2007). Strong Families Around the World. *Marriage & Family Review*, 41, 1 - 10.
- Morgan, R. (2003). ANZ Survey of Adult Financial Literacy in Australia: Final Report. ANZ Banking Group, Melbourne.
- Munro, B. & Munro, G. (2003). Definition of Family. In J.J. Ponzetti, Jr. (Ed.), *International Encyclopedia of Marriage and Family*. New York; Macmillan, USA.
- Muske, G. & Winter, m. (2001). An In-Depth Look at Family Cash-Flow Management Practices. *Journal of family and Economic Issues*, 22, 353 – 372.
- Nelson, E. B. (2013). Financial Management Systems and Practices of Ga Rural Women and their Influence on Family Welfare. M.Phil thesis submitted to the Department of Family and Consumer Sciences, University of Ghana, Legon.
- Neuman, L. W. (2006). *Social Research Methods: Qualitative and Quantitative Approaches*.
- Nosé, C. (2010). The Role of Modern Women in the Family Structure. Retrieved from <http://www.online-guide.nosecnet.com>. June 23, 2016.
- Nti, C. A., Brown, A. & Danquah, A. (2012). "Adolescents' Knowledge of Diet-Related Chronic Diseases and Dietary Practices in Ghana". *Food and Nutrition Sciences*.
- Nukunya, G.K. (2003). Tradition and Change in Ghana. An Introduction to Sociology. Ghana University Press. Accra. pp 49 – 54.
- OECD. (2005). Improving Financial Literacy: Analysis of Issues and Policies. Paris: OECD Publishing

- Olesen, M. (2004). Exploring the Relationship between Money Attitudes and Maslow's Hierarchy of Needs. *International Journal of Consumer Studies*, 28, 83 – 92.
- Olsen, C., & St George, D. M. M. (2004). Cross-sectional study design and data analysis. *College Entrance Examination Board*.
- Olson, H. & Defrain, J. (2000). Marriage and the Family: Diversity and Strengths. 3rd Ed. Mayfield Publishing Company, Mountain View, California.
- Opong, C. and Abu, K. (1987). Seven Roles of Women: Impact on Education, Migration and Employment on Ghanaian Mothers. ILO, Geneva.
- Osteen, S. R. & Neal, R. A. (2012). Couples and Money: Let's talk about it. Oklahoma State University. pp 1 - 5.
- Ozgen, O. & Bayoglu, A. S. (2005). Turkish College Students' Attitudes Towards Money. *International Journal of Consumer Studies*, 29, 493 – 501. Pages 7–15,
- Park, J., Turnbull, A. P. & Turnbull, H. R. (2002). Impacts of Poverty on Quality of Life in Families of Children with Disabilities, *Exceptional Children*, 68(2), 4 – 5. University of Hertfordshire.
- Parsons, Talcott (2005). *The social system*. (New York: Free Press).
- Patil, M. (2012). Management Functions and Process. Guarav Akrani. Retrieved from <http://www.kalyan.cityblogspot.com/2012/06/mamagement-functions-process-managemnet.html>. July 20, 2016.
- Pely, D. (2011), “Women in Sulha – Excluded yet influential: Examining Women's Formal and Informal role in Traditional Dispute, within the Patriarchal Culture of

- Northern Israel's Arab Community," *International Journal of Conflict Management*, Vol. 22 No. 1, PP. 89 – 104.
- Pine, K. J. (2009). Survey of Female Economic Behaviour and Emotion Regulatory Role of Spending. Sheconomics Survey Report. University of Hertforshire. pp 4 – 10.
- Prokerala (2013). Tips on Maintaining the Financial Balance in the Family. Retrieved from <http://www.prokerala.com/relationships/family-financial-planning.php>. May 23, 2016.
- Rathmayr, R. (2004). The Concept of Dengi (Money) in the St Petersburg Population at the Beginning of the 1990s. *Journal for East European Management Studies*, 9, 175 – 189.
- Rice, S. A. & Turker, S. M. (1986). Family Life Management. 6th Ed. Macmillan Publishing Company, New York. pp 341 – 385.
- Riley, A. & Rudd, N. A. (2007). Shopping Behavior among Gay Men: Issues of Internalized Homophobia and Self-esteem. *International Journal of Consumer Studies*, 31, 333 – 339. Blackwell Publishing Ltd.
- Robert, J. A. & Jones, E. (2001). Money Attitudes, Credit Card Use and Compulsive Buying Among American College Students. *Journal of Consumer Affairs*, 35, 213 – 240.
- Salkind, N.J. (2010). *Encyclopedia of research design*. Thousand Oaks, CA: Sage.
- Schlater, M. (2007). Family Resource Management. Retrieved from <http://www.fcs.uga.edu/fyd/familyresourcemanagement>. April 26, 2016.
- Social Research Report (2010). Financial Literacy in Romania. Vol. 16. Expert Project Publishing House. Retrieved from www.researchreport. March 12, 2016.

- Sparks, L. (2008). Family Decision Making. In W. Donsbach (Ed.) International Encyclopedia of Communication, 4, (pp 1720 – 1737). Oxford, UK and Malden, MA. Retrieved from <http://www.chapman.edu/our-faculty/lisa-sparks.com>. April 26, 2016.
- Stichweh, R. (2011) "Systems Theory", In: Bertrand Badie et al. (eds.), International Encyclopedia of Political Science. New York., Pp. 44-45, 48, 50-51.
- Stone, L. (2005). Domestic Credit to Private Sector. Wikimania.
- Sussman, M. B. (2002).: Toward Parity in Family Roles". Pennys' Forum: New Perspectives on Changing Roles. Spring/Summer, J. C. Penny Company, New York, 14.
- Swanson, B. B. (1981). Introduction to Home Management. Macmillan Publications Inc. New York. pp 199 – 226.
- The College Foundation Factsheet (2004 - 2008). Your Spending Decisions. Decision Partners Inc. North Carolina.
- Thomas, H. & Greco, Jr. (2001). Money: Understanding and Creating Alternatives to Legal Tender. Chelsea Green Publishing Company White River Junction, Vermont.
- U.S. Department of Agricultural Research Report, USDA (2002). Helping Families Manage their Finance. Agricultural Research Service. *USA Home Economics Research Report, No. 21*, Washington D. C.

- U.S. Department of Commerce, Bureau of the Census (2004). Money Income of Households, Families, and Persons in the United States. *Consumer Income Series*, 60(151), 70 – 77. Washington, D.C.: U.S. Government Printing Office.
- U.S. Environmental Protection Agency (EPA). (2008) EPA's 2008 Report on the Environment. National Center for Environmental Assessment, Washington, DC; EPA/600/R-07/045F.
- U'dry, C. & Woo, H. (2006). Households and the Social Organization of Consumption in Southern Ghana. Consumer Education Economics. 4th Edition.
- UN Census Bureau (2000). Geographic Mobility. *Current Population Report, May Series*, 20(380). Washington D.C.
- Van Praag, B. M. S. & Frijters, P. (2009). "The Measurement of Welfare and Well-Being."
- Vishnevsky, T. & Beanlands, H. (2004). Qualitative research. *Nephrology Nursing Journal*, 31(2), 234.
- Walker, R. (2005). Social Security and Welfare: Concepts and Comparisons. Bershire: Open University Press.
- Wilcox, R. R. (2010). Fundamentals of Modern Statistical Methods: Substantially
- Wilkinson L.A. (2011) Systems Theory. In: Goldstein S., Naglieri J.A. (eds) Encyclopedia of Child Behavior and Development. Springer, Boston, MA. https://doi.org/10.1007/978-0-387-79061-9_941.
- Winter, M. & Muske, G. (2004). Personal Financial Management Education. *An Alternative Paradigm*, 15(2), 71 – 90. Association for Financial Counseling and Planning Education.

Yankey, S.B. (2006). Financial Contributions of Women to their Households in Some Selected Communities in the Central Region. Unpublished M.Phil Thesis presented to the Department of Home Science, University of Ghana, Legon.

APPENDICES

APPENDIX 1

INTERVIEW SCHEDULE ON THE INFLUENCE OF HOMEMAKERS' SPENDING PRACTICES AND CONSUMER CREDIT USE ON FAMILY WELFARE AT SAKUMONO ESTATES, TEMA

My name is Elizabeth M. Ba-ama, a Ph.D. student offering Family Resource Management in the Department of Family and Consumer Sciences at the University of Ghana, Legon. I would appreciate it very much if you could assist me to obtain some information on spending practices and consumer credit use to enable me to submit a thesis.

All responses are strictly confidential.

A. BACKGROUND INFORMATION OF HOMEMAKERS

1. House No:Tel. no.:
.....
2. Ethnic group: Region of origin:
3. Age (years):
4. Religious Affiliation
 1. Christian
 2. Muslim
 3. Traditionalist
 4. Others:(Specify)
5. Marital Status
 1. Single
 2. Married
 3. Divorced
 4. Widowed
 5. Separated
6. Type of Marriage:

1. Monogamous

2. Polygynous

7. If the marriage is polygynous, how many co-wives are there?

One

Two

Three

More than three

8. What is your status among the wives?

First

Second

Third

Fourth

Others (Specify).....

9. What is your Educational level?

No formal education

Basic education

Secondary education

Vocational/Commercial

Post-secondary

Tertiary

Others:

(Specify).....

10. What is your occupation?

Primary occupation.....

Secondary occupation.....

11. Approximately how much income do you earn in a month? (GH¢)

50 - 100

101 - 200

201 -300

301 -400

401- 500

501 - 600

601 - 700

701- 800

801- 900

901 - 1,000

Above 1,000

12 Ownership of residence

1. Owned by family

2. Rented

3. Duty Post

4. Others (specify).....

13 Household composition

S/NO.	MEMBER	AGE	GENDER	EDUCATIONAL LEVEL	OCCUPATION	RELATIONSHIP TO HEAD
1.						
2.						
3.						

B. SOURCES OF FAMILY INCOME

14 What are the main sources of your family income?

Salaries

Interests on savings

Dividends from investment

Profit from business

Remittances

Others.....

15 Approximately how much money is available for regular monthly household use or family upkeep? (GH¢)

<100

101– 200

201– 300

301– 400

401– 500

501– 600

601– 700

701– 800

801– 900

901– 1,000

Above 1,000

Is this amount usually the same for all months?

Yes No

Explain.....

16 Who are the main contributors to your household income and how much is contributed by each person?

Contributors to household income	Amount contributed (GH¢)	Frequency of contribution (daily, weekly, fortnightly, monthly)
1. Husband		
2. Homemaker		
3. Others: (Specify)		

17 Who decides on how much to contribute for household upkeep?

1. Homemaker
2. Husband
3. Both Husband and homemaker
4. Others (Specify).....

18 How do you determine the contributions to be made by each person?

1. By itemizing family needs
2. Equally shared between both husband and wife
3. A percentage of monthly income from each spouse
4. The husband provides the bulk of money and wife adds the rest
5. The wife provides the bulk of money and husband adds the rest
6. Husband only
7. Wife only
8. Others. (specify).....

19 How is your housekeeping money handled?

1. Homemaker keeps the money
2. Money is put at a common place in the house
3. Part of the money is kept by both spouses and spent on identified needs
4. Money is placed in envelopes marked with specific needs

5. Put at the bank
6. Others, (specify).....

C. EXPENDITURE PATTERNS OF HOMEMAKERS

20 Do you usually draw a budget for household expenditure?

Yes No

Explain.....

21. How is the budget drawn?

1. Written on Paper
2. Mentally

Explain.....

22. What is the form of your budget?

1. Detailed
2. Partial

3. Others (Specify).....

23. What period do you usually make your budget for?

1. Daily
2. Weekly
3. Fortnightly
4. Monthly

24. Who identifies/decides on household needs?

1. Homemaker
2. Husband
3. Both husband and homemaker
4. Others: (specify)

25. Which of the under-listed items from your regular household expenditure and approximately how much is spent on each?

Household expenditure	Approximate amount spent (GH¢)	Specified period for expenses (Daily/ weekly/monthly)	Persons providing for expenses	Budget source Regular/supplementary
Accommodation/housing 1. Rent 2. Maintenance/				

<p>repairs</p> <p>Household Utilities</p> <ol style="list-style-type: none"> 1. Water bill 2. Electricity bill 3. Telephone bill 4. Cooking fuel (gas, charcoal etc.) 5. Garbage disposal <p>Food</p> <ol style="list-style-type: none"> 1. Animal Products 2. Cereals and grains 3. Roots, Tubers and Plantain 4. Provisions 5. Soup Ingredients 6. Fruits and vegetables 7. Fats and oils <p>Clothing & Foot Wear</p> <p>Homemaker</p> <ol style="list-style-type: none"> 1. Casual wear 2. Occasional wear 3. Funeral cloths 4. Underwear <p>Others, (specify)</p> <p>Children</p> <ol style="list-style-type: none"> 1. Casual wear 2. Occasional wear 3. Under ware 4. Others, (specify) <p>Husband</p> <ol style="list-style-type: none"> 1. Casual wear 2. Occasional wear 3. Under ware 4. Other (specify)... <p>Accessories</p> <ol style="list-style-type: none"> 1. Jewellery 2. Beads 3. Wristwatches 4. Handbags 5. Handkerchiefs 6. Other (specify)..... <p>Cosmetics</p> <ol style="list-style-type: none"> 1. Body cream/ 				
--	--	--	--	--

<p> pomade 2. Powder 3. Makeup 4. Perfume 5. Nail polish 6. Other (specify)..... </p> <p> Bed linen 1. Bedsheets and pillowcases 2. Blankets 3. Pillows 4. Other (specify)..... </p> <p> Hairdressing 1. Barbering 2. Hair Products 3. Salon charges 4. Manicure and Pedicure 5. Other (specify)..... </p> <p> Clothes for house help /houseboy Clothes for other relatives </p> <p> Healthcare 1. Food supplements 2. Hospital bills 3. Pharmaceutical 4. Exercises 5. Other medical expenses (specify)..... </p> <p> Education: School fees Basic Secondary Tertiary Extra Teaching fees Stationary Textbooks School uniforms </p>				
--	--	--	--	--

Pocket money Personal dev't Other (specify)... Household Equipment/materials 1. Kitchen linen 2. Kitchen equipment 3. Serving dishes, 4. Electrical gadgets 5. Cleaning equipment 6. Detergents and insecticides Toiletries Transportation 1. Lorry fare 2. Car Maintenance and Repairs 3. Fuel (car) 4. Other (specify)..... Recreation/entertainment 1. Gifts for special occasions 2. Family outings & parties 3. Visitors 4. Hobbies 5. Other (specify)..... Remittances 1. Mother 2. Father 3. Relatives 4. Social organisation: (dues, church contributions/donations) 5. Charity 6. Funerals 7. Other (specify)..... Savings 1. Susu 2. Bank 3. Welfare				
--	--	--	--	--

4. Societies 5. Emergency Household services 1. House help 2. Gardener 3. Driver 4. Security Taxes 1. Income Tax 2. Interest on loans 3. Other (specify) Communication 1. Telephone 2. Mobile phone 3. Other (specify) Miscellaneous expenses (Specify).....				
--	--	--	--	--

26. What plans have you made towards retirement and or investments?

.....

Rank your top six expenditure in order of priority

Expenditure	Ranking of priority	Reason
-------------	---------------------	--------

<ol style="list-style-type: none"> 1. Accommodation/shelter 2. Healthcare 3. Education 4. Household Utilities 5. Transportation 6. Clothing 7. Food 8. Home maintenance 9. Recreation/entertainment 10. Savings 11. Remittance 12. Household equipment 13. Investment 14. Other (Specify)..... 		
--	--	--

D. APPLICATION OF MANAGEMENT PRINCIPLES IN SPENDING

27. Do you usually do the purchases for your family or you delegate somebody to?

Yes No

Explain.....

28. When is marketing normally done?

1. Daily 3. Weekends
 2. Market days 4. Monthly

Others: (specify).....

Explain:

29. Where do you normally do your purchases?

1. Large Markets 4. Large Supermarkets
 2. Common Markets 5. Smaller Supermarkets
 3. Hawkers 6. Around residence

Others
 (specify).....

Explain.....

30. Do you buy in bulk?

1. Yes 2. No

Explain.....

Which items do you purchase in bulk?

- 1. Animal Products
- 2. Root tubers & plantain
- 3. Cereals and grains
- 4. Soup ingredients
- 5. Provisions
- 6. Fruits and vegetables
- 7. Fats and oils
- 8. Soaps & Detergents

Others: (specify).....

31. What do you look for when purchasing the following?

Items	Quality	Cost/ per unit	Expiry date	Selling Environment	Packaging	Others
1. Animal products						
2. Cereals & grains						
3. Roots tubers & plantain						
4. Provisions						
5. Soup ingredients						
6. Fruits & vegetables						

32. Spending Practices Index (Respond appropriately to each of the under-listed Financial Management Statements).

Financial Management statements	1 Never	2 Occasionally	3 Sometimes	4 Almost always	5 Always
1. Making a budget					
2. Planning expenditure/spending					
3. Making a shopping list					
4. Following the shopping list					
5. Comparing prices					
6. Bargaining					
7. Controlling spending (Keeping to family budget)					
8. Buying in bulk					
9. Reading information or labels					
10. Keeping records of expenditure (bills, receipts)					
11. Making payments on bills					
12. Saving on a regular basis					
13. Making some investments					
14. Feeling satisfied with spending					
15. Evaluating spending activities					

33. Which of these factors influence your spending? (Tick as many as applicable)

- 1. Price of the item
- 2. Personal values
- 3. Family goals
- 4. Life style
- 5. Money available
- 6. Family size
- 7. Social status
- 8. Advertisement
- 9. Sales promotion
- 10. Impulse purchase
- 11. Others

(specify).....

34. Financial Stress Index (respond appropriately to each of the under-listed Financial Stress Statements).

Financial Stress Statements	1 Always	2 Almost always	3 Sometimes	4 Occasionally	5 Never
1. Not able to discuss financial matters without getting upset					
2. Having financial concerns that affect relationships					
3. Impulsive buying					
4. Not able to provide nutritious meals					
5. Not able to purchase clothing					
6. Not able to save for emergencies					
7. No money for medical bills					
8. Not able to keep the car running/pay transport bills					
9. Not able to pay school fees					
10. Not able to pay utilities					
11. Money gets finished before the end of the month					
12. Not able to have entertainment/recreation					
13. Feeling sorry for purchases made					
14. Not able to remit parents					
15. Not able to make investments					

7. Buying on credit cost more due to high interest (reverse score).			
---	--	--	--

37. Variety of **Credit Purchases Index**. (Respond appropriately to each of the under-listed items purchased on credit.)

Items purchased on credit	1 Never	2 Occasionally	3 Sometimes	4 Almost Always	5 Always
1. Food 2. Clothing 3. Accommodation/rent 4. Household equipment 5. Transportation 6. Educational expenses Utilities: Water Electricity Telephone services Gas/charcoal Medical expenses Household services Recreation/entertainment					

38. Which sources of Consumer loans have you used?

- 1. Banks
- 2. Credit unions
- 3. Cooperate Societies
- 4. Moneylenders
- 5. Friends/relatives
- 6. Susu Operators

1. Ghana Water Company
2. Ghana Telecom
3. Electricity Company of Ghana
4. House helps
5. Transport owners
6. Health care providers

Others, (specify).....

7. Others (specify).....

39. What do you use consumer loans for?

.....

40. What are the sources of Consumer goods you have purchased on credit?

1. Hawkers
2. Market women
3. Retail traders
4. Shops
5. Manufacturers
6. Others (specify).....

Explain:

41. What are the sources of Service credit you have used?

.....

F. INFLUENCE OF SPENDING PRACTICES ON FAMILY WELFARE.

42. What are the regular daily meals for your family?

1. Breakfast
2. Lunch
3. Supper
4. Snacks
5. Others.....

43. How frequently do you include these food groups in your daily meals?

Food Groups	Frequency of Consumption				
	1 Never	2 Occasionally	3 Most Often	4 Always	5 Reasons
Animal products					
Fruits					
Vegetables					
Roots and tubers					
Cereals					
Beans and Nuts					
Fats and oils					

44. What type of clothing do you usually patronize for family members?

1. Ready-Made
2. Custom made
3. Second hand
4. Others.....

45. Which health facility do you and your family members usually patronize?

1. Government hospitals
2. Private hospitals
3. Clinics
4. Herbal Centres

5. Others.....

Explain:

46. Which educational institutions do your children attend?

- 1. Public schools
- 2. International schools
- 3. Private schools
- 4. Others.....

47. What means of transportation do your family members usually patronize?

- 1. Private Means
- 2. Institution / Company bus
- 3. Public Means; Trotro Taxi Dropping

48. How often does the family have entertainment/recreation?

- 1. Very often
- 2. Not so often
- 3. Never

Explain:

49. How regularly do you save?

- 1. Very regular
- 2. Not regular
- 3. Never

Explain:

50. Which of these household equipment do you own?

- 1. Gas/electric cooker
- 2. Refrigerator
- 3. Defreezer
- 4. Television set
- 5. Washing machine
- 6. Microwave
- 7. Computer/ Laptop
- 8. Others.....

Is your income sufficient to meet family expenses?

- Yes No

Explain.....

51. How adequate are you able to meet the following needs of your household?

Household needs	1 Not at all	2 Fairly adequate	3 Almost adequate	4 Fully adequate
Feeding				
Clothing				
Healthcare				
Education				
Accommodation/shelter				
Recreation/entertainment				
Transportation				
Utilities - Water - Electricity - Telephone				

52. How do family members feel about what they get from family money spent?

1. Fully satisfied
2. Partially satisfied
3. Not satisfied

Explain.....

53. What is your overall assessment of your spending vis-à-vis family goal attainment?

1. Excellent
2. Very Good
3. Good
4. Fair
5. Poor

APPENDIX 2

MEASUREMENT OF STUDY VARIABLES

VARIABLES	WHAT WAS MEASURED	HOW IT WAS MEASURE	ANALYSIS
Household income	Income contributed by family members for household use	Daily income, weekly income, monthly income	Means and percentages
Household expenditure	Expenditure within the specified time on fixed expenses, flexible expenses	Lists of items bought within the specified time and the amount spent on each item	Frequency and % distribution , charts / graphs
Spending practices	The extent to which homemakers applied appropriate money management principles in spending.	Likert scale adapted from Hayhoe <i>et al.</i> (2000); spending practices index was derived from the sum of responses to ten questions dealing with financial management.	Correlation with selected demographic variables.

VARIABLES	WHAT WAS MEASURED	HOW IT WAS MEASURE	ANALYSIS
Financial stress in spending	The extent to which a homemaker is stressed through her spending practices	Also adopted from Hayhoe <i>et al.</i> (2000); financial stress index was formed using a number of yes responses to ten possible financial stressors.	Correlation with spending practices to validate the responses to the spending practices questions; the expectation was that sound spending practices would result in less financial stress in spending
Consumer credit use	The types of purchases made by homemakers on credit	Checklist of commonly bought items (obtained from Ghana Statistical Service) indicating which items and frequency of purchase.	Frequency and % distribution, charts/graphs
Constraints faced from consumer credit use	Constraints that households experienced as a result of consumer	Homemakers were required to indicate the constraints they faced from using	Frequency and % distribution, charts/graphs

	credit use	consumer credit	
VARIABLES	WHAT WAS MEASURED	HOW IT WAS MEASURE	ANALYSIS
Personal data: Age, occupation, marital status, educational status, and income status	Demographic data of the respondents	Homemakers were required to select the categories that best described them	Correlation with spending practices and consumer credit use
Family Welfare	Welfare indicators of the family.	4-point Likert scale requiring homemakers to indicate how well they met the feeding, clothing, health, education, shelter, and social needs of their families.	Regression analysis of family life on spending practices and consumer credit use to determine their influence on family life.

APPENDIX 3

FACTORS CONSIDERED WHEN PURCHASING FOOD ITEMS

Factors considered when purchasing food items												
Food Items	Animal products		Cereals & grains		Roots, tubers & plantain		Provisions		Fats & Oils		Fruits & vegetables	
Ranking	Attribute	n	Attribute	n	Attribute	n	Attribute	n	Attribute	n	Attribute	n
	5											
First	QLY	244	QLY	242	QLY	237	EXD	241	QLY	239	QLY	242
Second	SAE	236	EXD	158	CPU	231	QLY	230	SAE	186	SAE	219
Third	PKG	29	PKG	96	SAE	26	PKG	128	PKG	12	CPU	193
Fourth	CPU	23	CPU	33	PKG	8	CPU	25	CPU	10	PKG	10
Fifth	EXD	10	SAE	31	EXD	7	SAE	17	EXD	9	EXD	8

QLY – Quality; SAE- sales environment; PKG - packaging; CPU – Cost per unit; EXD – Expiry date.
n= 252 (multiple responses)

APPENDIX 4

PEARSON CORRELATIONS AMONG STUDY VARIABLES

		1	2	3	4	5	6	7	8	9	10
Age											
Age	(1)	-									
Marital status	(2)	.385 ^{xx}	-								
Education level	(3)	-.024	-.104	-							
Occupation	(4)	.044	-.043	.614 ^{xx}	-						
Income	(5)	.089	-.030	.529 ^{xx}	.294 ^{xx}	-					
Perception of credit	(6)	.009	.049	-.075	-.060	-.045	-.004	-			
Consumer credit use	(7)	.082	.093	.128 ^x	.198 ^{xx}	.116	.176 ^{xx}	.052	-		
Spending practices	(8)	.182 ^{xx}	.054	.327 ^{xx}	.197 ^{xx}	.346 ^{xx}	-.049	-.091	.110	-	
Family welfare	(9)	.142 ^x	-.023	.364 ^{xx}	.237 ^{xx}	.410 ^{xx}	.137 ^x	-.103	-.087	.402 ^{xx}	.410 ^{xx}

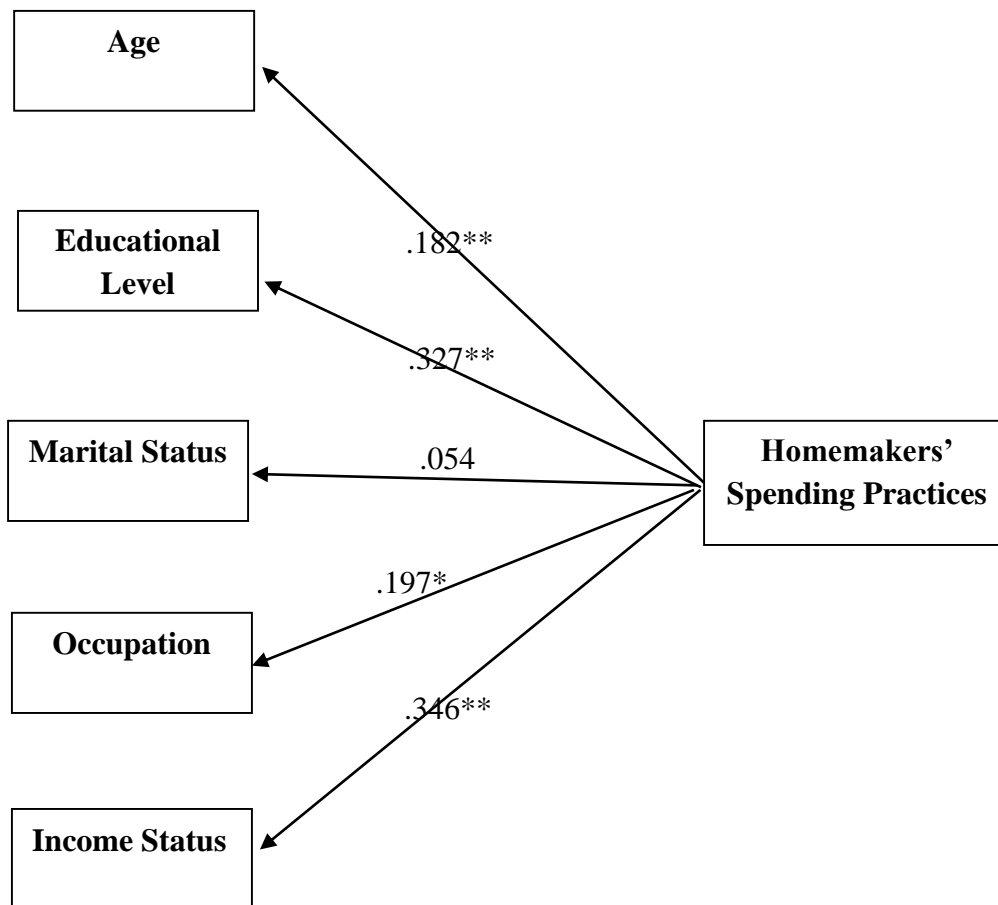
* represents $p \leq .05$, ** represents $p \leq .01$ level of significance (2-tailed)

APPENDIX 5

DIAGRAMMATIC REPRESENTATION OF HYPOTHESIS

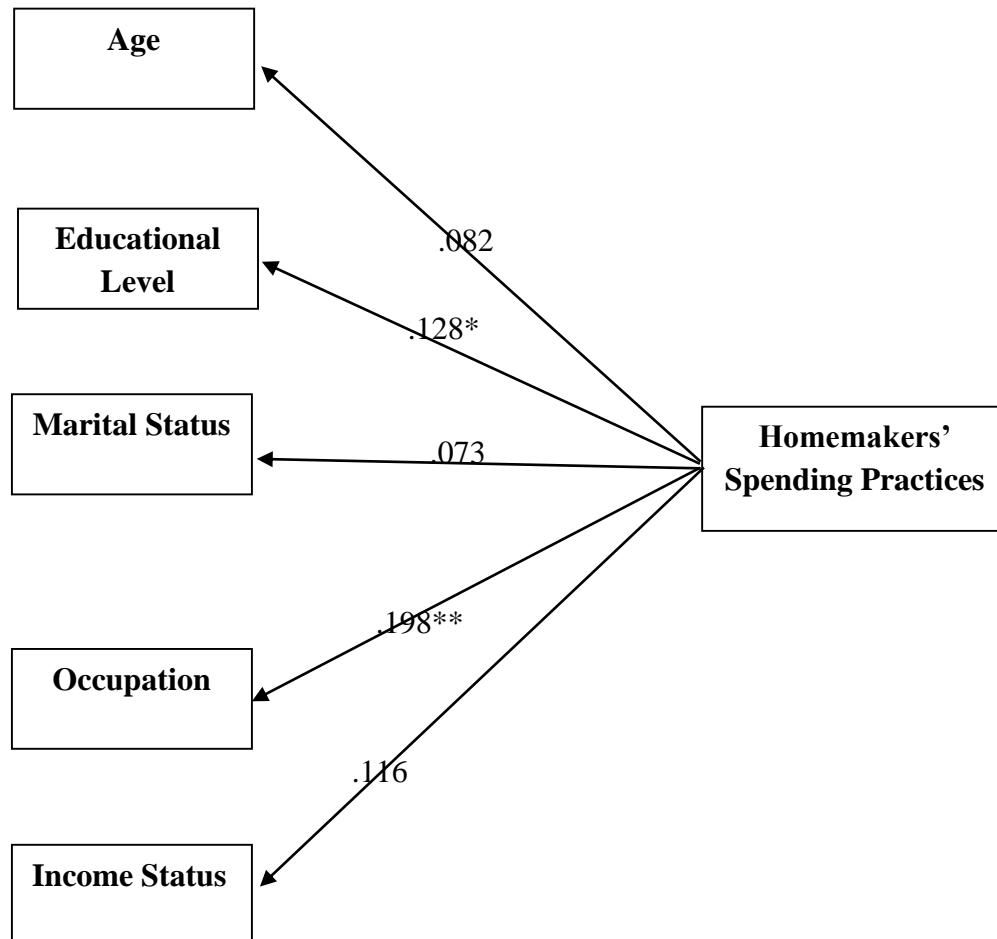
HYPOTHESIS ONE

Pearson's correlation coefficient analysis between homemakers demographic characteristics (age, educational level, marital status, occupation, income) and spending practices.



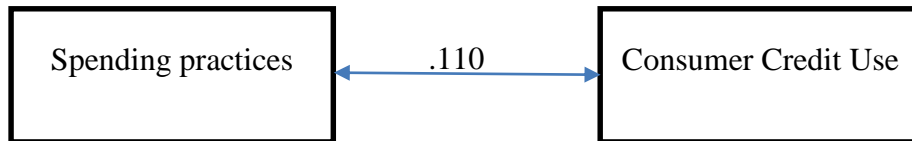
HYPOTHESIS TWO

Pearson's correlation coefficient analysis between homemakers demographic characteristics (age, educational level, marital status, occupation, income) and consumer credit use.



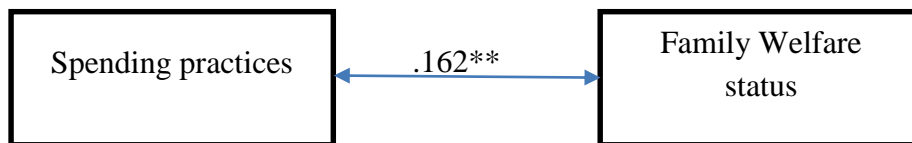
HYPOTHESIS THREE

Pearson's correlation coefficient analysis between spending practices and family welfare status.



HYPOTHESIS FOUR

Pearson's correlation coefficient analysis between spending practices and family welfare status.



HYPOTHESIS FIVE

Pearson's correlation coefficient analysis between spending practices and family welfare status.

