MODELLING THE ROLE OF FINANCIAL KNOWLEDGE, ATTITUDE AND PRACTICES IN ECONOMIC EMPOWERMENT OF SINGLE MOTHERS

Siti Ruhani Mohd Yusoff
Zarina Md Nor (corresponding author)
Bahiyah Omar

ABSTRACT

Economic empowerment among single mothers is an important research avenue as these mothers are, in most cases, the heads of households. The economic ability of single mothers to support their dependents is crucial in ensuring the survival of their households. The income of single mothers mainly comes from paid jobs whereby these mothers are expected to work while at the same time looking after their young children. These mothers have to make economic decisions on the limited resources available and their decisions will have an effect on the entire households. Reports from the Malaysian Department of Statistics show that the income of female headed households (widows and divorcees / permanently separated women) is lower than that of married women. It indicates the vulnerability of this type of households to any economic shocks as they are the sole breadwinner of the family. In a quest to understand the economic decision made by single mothers, this present study adapts the Knowledge, Attitude and Practices theory or better known as the KAP theory to study their economic empowerment. In particular, this paper will determine indicator / variables as discussed in the previous studies in developing the framework of the model. This study postulates that financial knowledge, financial attitude and financial practices as well as the socio economic factors (age and income) are the most prominent indicators in studying women’s economic empowerment. Therefore the contribution of this study is in developing a testable model of economic empowerment of single mothers based on KAP theory.

Keywords: Single mothers, economic empowerment, financial attitude, financial knowledge, financial practices.

CONTRIBUTION / ORIGINALITY

This study develops an economic empowerment model of single mothers by adapting the KAP (knowledge, attitude, practices) theory. We employ financial attitude, financial knowledge and financial practices as predictors to single mothers’ economic empowerment and use multiple dimensions (i.e. family economic decision, household decision making and personal freedom) to measure economic empowerment.

RESEARCH OBJECTIVE

The main objective of this paper is to develop an economic empowerment model of single mothers. Further, we seek to identify the most prominent indicators in developing a model depicting the relationships among KAP elements and the role of specific socio economic factors (i.e. age and income) in predicting economic empowerment of single mothers.

INTRODUCTION

The terms ‘single mothers’ may carry different meanings in different settings. In Malaysia, a single mother usually refers to a divorced woman or a widow (Rohaty & Rais, 1999). In addition to that, the scope of a single mother also includes a woman who is permanently separated without the possibility of reconciliation (as defined by the Malaysia Department of Statistics); a wife who becomes the head of the family due sickness of the husband (Aini & Doris, 2012); a wife who does not receive financial support (Hamdan, 2007); a wife whose husband work far away from home for a long period of time (Hew, 2013) and a wife who lives separately from the husband (Rohaty & Rais, 1999). Single mothers are considered the head of the family, managing and raising children alone (Sufean & Jamaludin, 2006). However, in Malaysian context, single mothers are officially categorized as widow, divorced and permanently separated. The Population and Housing Census of Malaysia survey which is carried out once in every 10 years shows the number of single mothers has increased from 620,389 in 2000 to 831,860 in 2010 or equivalent to an average of 21,147 women becoming single mothers within a year. Table 1 shows the numbers of single mothers in Malaysia from 1980 to 2010.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>444,000</td>
</tr>
<tr>
<td>1991</td>
<td>653,500</td>
</tr>
<tr>
<td>2000</td>
<td>620,389</td>
</tr>
<tr>
<td>2010</td>
<td>831,860</td>
</tr>
</tbody>
</table>
Research shows that single mothers often times face economic hardship and incidence of poverty is prevalent in households led by
women (Walter, 2002). In most cases, financial difficulties lead to poverty (Rosmiza, 1997; Montenegro, 2004) that make it hard for
them to fulfil basic needs such as food, shelter, medicine and utility payments (Mary & Chi, 2011). This is due to the loss of income
from their husband or spouse (Montenegro, 2004; McLanahan & Sanderfur, 1994; Youngblut, Brady, Brooten & Thomas,
2010). Single mothers have to take over the breadwinner of the family and most often childcare may hinder them from going
to work (Nixon, Green & Hogan, 2012; Rosmiza, 1997; Youngblut et al., 2010). Apart from financial hardship, single mothers in
the society are found to be stigmatized (Crosier, Butterworth & Rodgers, 2007; Faizah & Hazirah, 2013; Rosmiza, 1997) and many are
deprived of support from family members, friends and local communities (Youngblut et al., 2010).

In Malaysia, the concern on the livelihood of single mothers and their family deepens as the prices of goods and services increase
constantly. The introduction of 6 percent goods and services tax (GST) starting April 1, 2015 has intensified this problem. The
escalating cost of living negatively affects single mother households from the lower income group. Data from the Malaysia Statistics
Department released in 2013 show that widowed employees have an average income and median income of RM1452 and RM900
respectively. Whereas, divorced/permanently separate employees have an average income of RM1545 and a median income of
RM1160. The figures differ significantly from that of married female employees at RM2241 and RM1765 accordingly. This is in line
with the 2010 Population and Housing Census Report which indicate the problem of low education level among majority of single
mothers. Most of them completed secondary school only and the highest qualification they possessed is the Sijil Pelajaran Malaysia
(SPM). Diyana, Doris and Aini (2012) also assert that many single mothers in Malaysia have relatively lower education attainment and
no certified skills.

Discourse on ways to prevent or remove single mothers from poverty has been undertaken by many quarters. Generally, the argument
is that economic empowerment process could prevent poverty (Keshab, 2013) and increase women's access to economic resources and
opportunities (Eyben, 2008). Empowerment is basically the process of enhancing the ability to make choices and then converts those
choices into desired actions and outcomes (Alsop, Bertelsen & Holand, 2006). This process helps the poor to have control over their
own lives (Chambers, 1993) and encourage them to make decisions for themselves. Therefore, we argue that economic empowerment
allows single mothers to participate in, contribute to and benefit from economic activities (Eyben, 2008). Further, they may be able to
overcome economic barriers surrounding their lives (Vakil & Mohamed, 2014). In Malaysia, research on single mother related topics is
limited in numbers and depth. Previous Malaysian studies focus on profile, issues, challenges and problems faced by single mothers
and studies on economic empowerment of single mothers are still lacking.

**ECONOMIC EMPOWERMENT**

Empowerment comes from the word empower which means 'to empower' (Keshab, 2013). Empowerment is an interdependent
multidimensional process and reflects the changes in power relations (Malhotra, Schuler & Boender, 2002). Empowerment enables the
poor individuals to think beyond their daily needs, to have control over their resources and to make better choices (Samia & Selma,
2013). Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in
ways that recognize the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the
benefits of growth (Kabeer, 2012). Economic empowerment is a process which leads to individual’s control over other areas of their
lives and covers four main dimensions which is power within: the knowledge, individual capabilities, sense of entitlement, self-esteem,
and self- belief to make changes in their lives, including learning skills for jobs or start an enterprise; power to: economic decision-
making power within their household, community and local economy (including markets) not just in areas that are traditionally
regarded as women’s realm but extending to areas that are traditionally regarded as men’s realm; power over: access to and control
over financial, physical and knowledge-based assets, including access to employment and income-generation activities and power with:
the ability to organize with others to enhance economic activity and rights (Pereznieto & Taylor, 2014). In simple words, economic
empowerment is the ability of an individual to access, own and control resources.

Past studies show that women’s economic empowerment provides space for women to participate, contribute and benefit from
economic growth whereby it enhances women's access to economic resources such as job opportunities, financial services and property
(Eyben, 2008; Allendorf, 2006; Qurratulain & Mahpara, 2005). Further, the participation of women in economic activity may also help
to increase their self-esteem (Eyben, 2008) whilst it is also a way of achieving greater gender equality (Blumberg, 2005). The
empowerment of women is important and it is an ongoing process that may differ significantly across different environment (Kabeer,
1999; Mahdumita & Ranjana, 2012) and more so for single mothers. Nevertheless, there are obstacles and challenges in achieving
greater economic empowerment among single mothers, which is the focus of this study. For instance, many single mothers are stated as
having low academic attainment and skills; low self-esteem, high domestic workloads; lack of motivation to participate in economic
activity; living in rural areas and lack of access to relevant information (Sofiah, Rohana, Sukeri & Rokiah, 2012).

Previous studies show that there are three key indicators in explaining economic empowerment namely, family economic decisions
(Mason, 2003), household decision making (Selamah, 2014) and personal freedom (Jeebhoy, 2000; Samia & Selma, 2013; Sridivi,
2005). Here, family economic decisions refer to the ways a person makes daily life decisions in regards to spending, food selection,
medicines, education and purchases (Samia & Selma, 2013). This factor is important in studying economic empowerment of single
mothers because women participation in family decision making is expected to increase their ability to improve family economy
(Thesiamma, 2011). This decision making process is influenced by the type of decision made and one's background (Acharya,
Jacqueline, Bell & Pramod, 2010). Next, household decision making refers to the decision on money management, spending,
purchasing, physical movement, personal freedom and social life (Rajwanul & Golam, 2013). This factor is important for single
mothers because women who have a great influence in household decisions are more capable of making their own choices, have a high

Source: Population and Housing Census 2010, Department of Statistics Malaysia


In this paper, single mothers’ financial practices refer to financial related practices in their daily life. An individual positive financial attitude regards money as crucial in life, money as symbol of success, money as status and pride whilst one’s negative attitude finds money as unimportant and associates it with disadvantages and disasters in life (Campion, 1991; Tang, 2007; Tang & Baumeister, 1984). Also, financial attitudes relate to spending habit, money management and financial practices (Fiona, Albert & Kim, 2012; Xiao, Noring & Anderson, 1995; Hayhoe, Leach & Turner, 1999). Financial knowledge is the basic concept in understanding money and its uses in life (Suzanne & Sharon, 2009). A basic knowledge on financial matters is important to prevent anybody from falling into difficulties (Chen & Volpe, 1998; Bryce & Jyoti, 2010). The lack of knowledge on financial matters may limit the ability to perform the best financial practices that could lead to financial difficulties. Next, financial practices indicate the processes adopted in managing one’s financial resources (Marianne & Jeanne, 2003). Good financial practices such as financial planning, saving and adherence to budget are capable in reducing financial stress and are found to have a direct impact on the well-being (Sorhaindo & Garman, 2002) and financial prosperity (Rice & Tucker, 1986; Joo & Grable, 2004). In this paper, single mothers' financial practices refer to financial related practices in their daily life. Hence, by adapting financial knowledge, financial attitude and financial practices and also the age and income as mentioned in earlier section to economic empowerment dimensions, a model has been developed and presented in Figure 1.

Figure 1: A conceptual model of economic empowerment of single mother

<table>
<thead>
<tr>
<th>Financial attitude</th>
<th>Family economic decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial knowledge</td>
<td>Household decision making</td>
</tr>
<tr>
<td>Financial practices</td>
<td>Personal freedom</td>
</tr>
</tbody>
</table>

- Age
- Income
Figure 1 shows the conceptual model of this study. This conceptual model and the measurement variables were derived from previous literature. In a personal context, the knowledge gained by someone may influence the individual’s attitude to cause changes in his/her behavior (Hilmi & Kamaliah, 2013) whilst practice is the way individuals express their knowledge and attitude through behavior (Kaliyaperumal, 2004). Financial practices such as having bank accounts for families, saving money and accumulating assets (jewellery, vehicle, house and land) have a positive impact on women’s economic empowerment (Qurratulain & Mahpara, 2015) whilst having a financial plan and adherence to budget seem to contribute to the financial and general wellbeing of individuals or families (Sorhaindo & Garman, 2002). The family economic decision indicates individual’s authority over a financial decision and is often described in the form of a decision-making pattern, either jointly or dominated by one party (Bernasek & Bajtelsmit, 2002). Women who have a huge influence on household decisions have more personal freedom (Acharya et al., 2010). Women’s empowerment process is affected by the level of their literacy in financial management, savings and debt (Hena, 2012). Empowerment also leads to the ability to make own financial decisions regarding spending and women’s income (Kim, 2007). Therefore, women who are capable of engaging in their own household financial activities can later improve their economic situation (Debasis & Anamika, 2012). Hence, elements of KAP theory (financial attitude, knowledge, practice) are expected to determine for economic empowerment (family economic decision, household decision making and personal freedom) of single mothers.

Further, previous literature suggests age and income affect female empowerment process as they seem to influence women’s decision-making and economic empowerment positively (Selamah & Jarita, 2010; Rajwanul and Golam, 2013; Hertz 1992; Solava & Sabina, 2007). Income is one of the key factors to women's decision-making power (Susmita, Manoranjan & Premananda, 2013). Women who are employed and have income and own property seem to have more rights in making household decisions than unemployed women (Grassbard, 2003). This is because the higher the value of income contribution to the family, the more positive the participation of a woman in making decisions for her family (Bernasek & Bajtelsmit, 2002). Therefore, age and income factors are also included in the model accordingly.

The proposed model is developed to explain economic empowerment of single mothers in Malaysia. This model integrates specific personal factors (i.e. knowledge, attitude and practices) and also moderating factors (i.e.: age and income) to help illustrate their effects on single mothers’ economic empowerment. Future research is recommended to test this model. The findings are expected to shed some lights on understanding how financial knowledge, attitude and practice affect financial well-being of single mothers and their families.

CONCLUSION

In conclusion, this conceptual study seeks to form an economic empowerment model of the single mothers. The application of KAP theory to the theory of economic empowerment has been derived from past studies. The contribution of this study to the theory is to create a model that can be applied by future researchers who study single mothers from financial and economic perspectives as well as fulfilling the gap in existing literature. The findings suggest the importance of financial attitude, financial knowledge and financial practices in predicting single mother’s economic empowerment. It is important to study personal factors like attitude, knowledge and practices before the empowerment process takes place. Further, there are supposedly many government’s supports programmes available to help single mothers should they aware and willing to take the opportunities. However, there is a need for new policies, procedures and programmes to be initiated and/or for the existing ones to be modified and improved to help single mothers to enhance their capabilities, economic conditions as well as their wellbeing. In addition, it is also important for the society to change their way of thinking or perception towards single mothers. The negative perception and connotation somehow becomes a barrier towards helping single mothers in their economic endeavour such as in finding jobs. Therefore the government’s policies and programmes should also focus on improving the economic opportunity to them. In addition, the model may provide some guidance for policymakers and other stakeholders in identifying important determinants for helping single mothers to empower themselves. Here, we stress the importance of financial practices factors in contributing to the actual change in the level of economic empowerment of single mother, in particular amongst those in the lower income group and also to the general group of single mothers.

ACKNOWLEDGEMENT

The financial support provided by the Universiti Sains Malaysia under the Research University Grant (1001/PJJAUH/816295) is cordially acknowledged.
REFERENCES


58
As a language model, I cannot directly read images or extract text from them. However, if you provide me with the text, I will be happy to help you with any questions or tasks related to it.


Siti Ruhani Mohd Yusoff
School of Distance Education
Universiti Sains Malaysia, Malaysia
Email: srmy82@yahoo.com

Zarina Md Nor (corresponding author)
School of Distance Education
Universiti Sains Malaysia, Malaysia
Email: zarina.nor@usm.my

Bahiyah Omar
School of Communication
Universiti Sains Malaysia, Malaysia
Emel: bahiyah@usm.my