



Financial Infidelity- Secret Saving Behavior of the Individual

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ABSTRACT

Financial infidelity is the cheating that the spouse make with their partner regarding financial matters. This issue has been into picture since long as we see many couples cheat their partner in money matters regularly around us. This paper attempts to develop the understanding of the influence of the demographic factors on the financial habits particularly infidelity of the respondents. For this the researcher has made the survey of 100 respondents in the area of Ahemdabad city through the structured questionnaire. Data were analyzed using reliability test, T-test as well as Anova techniques. The findings of this study could help the financial consultant in helping their clients achieve financial goals and decide their financial priorities accordingly by disclosing the saving habits of the clients. At the end of the paper suggestion is given regarding how to deal with financial infidelity and ways to overcome it.

Keywords: Infidelity, Consultant and Priorities.

INTRODUCTION

Since long finance had been at the root of many relational difficulties. So it is becoming even more important to identify the money patterns of the individual and make clear about the area of your relationship responsible for financial infidelity. Financial Infidelity is a form of cheating which the spouses are making with their partner.

Do you ever lie to your spouse about money? Do you have a secret credit card or a bank account? A survey by CESI Debt Solutions, says that 20% of married people have a secret financial matters. People are cheating their partner in number of ways, but cheating of money has been considered as a lesser sin as compared to other cheatings.

According to one book of "Financial Infidelity" the definition of infidelity has been given as doing something behind the back of partner in the matter of finance. For each couple this cheating varies from the amount of cheating as well as the way of cheating when it comes to money. Some housewife save from the grocery bills if their husband keeps watch on the tight budget, or some working women can hide their bonus or increment if their husband is denying to spend for certain personal expenses. This is one kind of money mistress that the couples are doing in their daily life.

LITERATURE REVIEW

If one gives a deep thought it has been found that almost everyone is a financial infidel. Each one who hides purchases from their spouse, have secret credit cards or

personal saving bank account, lie about their salary or have a stash of cash hidden from their spouse is said to be conducting financial infidelity in way or the other.

Eaker Weil says that, it is not necessary to clear each and every purchase with the spouse. But the couple should at least cater the habit of being transparent in the matter of all the income, spending and saving of each other. It is easier said than done, some couples have difficulty discussing finances with their spouse due to various reasons.

"People lie about money because they don't feel safe talking about money," said Eaker Weil.

There can be many reasons for this type of secret spending. One reason can be when people feel that they are insecure in their relationship or as a form of revenge when they are betrayed by their partner, another could be when they hide because of the fear that the other person won't approve about the spending to fill a void in their lives or to get a thrill.

According to Creditcards.com poll, women are more likely to lie to their spouse as compared to the men.

2005 Women & Investing Survey, done in New York City found that men as well as women both hide money from each other. It was found that out of 1000 investors surveyed, 40% of women and 37% of men keep secret savings account of which their partner does not have access. Both men and women rated cash as the No.1 item that they were hiding from their spouse.

One survey conducted by Insight Express says that for men the things which topped the list were electronics as 16% and entertainment as 20%, while among women clothing

comprises of 23% and food as 19%, a part from these there are other items also like gems and jewelry most common among women.

One survey proved that every third American was cheating their spouse about finances, whereas Australians were also not far behind them in this case. People does financial abuse in which one partner completely controls another partners finances and refuses to surrender that control. All this was done to financially dominate and abuse their spouse.

According to Harris Interactive survey of 2019 adults, commissioned by Forbes Woman and the National Endowment for Financial Education, 31% of Americans who have working spouse lied to their spouse about finances. Among them 58% hide cash, 54% hide a minor purchase, 30% hide a bill, 16% hide a major purchase, 15% hide a bank account, 11% lied about debts, and 11% lied about earnings.

According to Harris Interactive poll, January issue, One third of the citizen of America had committed the financial infidelity, wherein both the gender male as well as female lie to their partner in equal numbers. Among the surveyed candidates 67% had strong frequent arguments, 42% said that it breaks trust in the relationship, 16% led to divorce and 11% caused a separation due to financial infidelity.

One article of Wall Street Journal by Veronica Dagher (April 30, 2012) reported that 31 % of the respondents surveyed said that they had been deceiving about their finances with their spouse or significant other. And, among them 58% are hiding cash, 53% deceive about the prices of the product in question, 15% have hidden entire saving bank account, and 34% confessed about their infidelity.

RESEARCH METHODOLOGY

Objective of the Study:

To investigate the influence of demographical factors on financial infidelity of the individual.

To find out the influence of gender on financial infidelity.

To find out the influence of age on financial infidelity.

To find out the influence of education on financial infidelity.

Sample Design:

Area of the study: Ahmedabad City.

Sampling Method: Convenience Sampling.

Sample Size: 100 Respondents.

Sample to be Approached: Married respondents

Time dimension: September, 2012.

Data Collection Instrument: Structured questionnaire

Statistical techniques used:

Reliability Test, Independent Sample T-test and One-way Anova through SPSS - 16.

DATA ANALYSIS

TABLE 1: DEMOGRAPHIC PROFILE OF RESPONDENTS:

Demographic Variable		Frequency	Percentage
Gender	Male	50	50
	Female	50	50
Age (in years)	18-30 years	27	27
	31-40 years	46	46
	41-50 years	19	19
	Older than 50 years	8	8
Education	High school degree	13	13
	Graduation	33	33
	Post Graduation	39	39
	Professional Degree	15	15
Discussion about money	Yes	84	84
	No	16	16
Management of Money	Only I have Bank A/c	14	14
	Joint Bank A/c	29	29
	Separate Bank A/c	20	20
	Joint as well as separate Bank A/c	37	37

RESULTS OF RELIABILITY STATISTICS:

Reliability testing is essential part in the scale purification process. Cronbach’s Alpha of 0.700 or above should be

acceptable. Likert Scale of 10 statements was used to check the financial infidelity of the individual. Reliability Statistics has been used to check the reliability of this 10 statement which is as follows:

TABLE 2: RELIABILITY STATISTICS

Cronbach's Alpha	N of Items
0.709	10

INDEPENDENT SAMPLE T-TEST

Independent Sample T-test was used to check the impact of gender on the financial infidelity of the respondents.

H₀: Gender of the respondent has no significant impact on financial infidelity.

TABLE 3: T-TEST

		Levene's Test			t-test		
		F	Sig.	Decision	Df	Sig.	Decision
Financial Infidelity	Equal variances assumed	1.517	0.221	Do Not Reject	98	0.065	Do Not Reject
	Equal variances not assumed				95.880	0.065	

From the Levene's Test for Equality of Variances, an attempt was made to check that their variances were equal or different while comparing gender with financial infidelity of the respondents. The above table revealed that there was no significant difference between gender and the average of all the statements of financial infidelity.

From the table of levene’s test, it was found that the significance value was 0.221, greater than 0.05. So for t test, the upper row was used for inferring the result. i.e. equal

variances was assumed. The significance value of T-test was 0.065 which was again greater than 0.05. So it was interpreted that there was no difference between male and female in their opinion about financial infidelity, supporting null hypothesis.

ONE-WAY ANOVA

One Way Anova was employed to check the influence of age on financial infidelity of the individual.

H₀: Age of respondent has no significant impact on the financial infidelity.

TABLE 4.1: TEST OF HOMOGENEITY OF VARIANCES

Levene Statistic	df1	df2	Sig.
.207	3	96	.891

TABLE 4.2: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.	Decision
Between Groups	.821	3	.274	.460	.711	Do Not Reject
Within Groups	57.126	96	.595			
Total	57.948	99				

According Homogeneity of Variance (Table 4.1), it was inferred that respondents in the category of age had homogeneous variances among them ($p = 0.891 > 0.05$). As per the result of One Way ANOVA (Table 4.2), the respondents' opinion regarding the financial infidelity in the

age category was not found to be differed ($F = 0.460, p = 0.711 > 0.05$) which was in favour of null hypothesis framed for assessing the impact of age on financial infidelity. One Way Anova was employed to check the influence of education on financial infidelity of the individual.

H_0 : Education of respondent has no significant impact on the financial infidelity.

TABLE 5.1: TEST OF HOMOGENEITY OF VARIANCES

Levene Statistic	df1	df2	Sig.
.280	3	96	.840

TABLE 5.2 ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.	Decision
Between Groups	1.471	3	.490	.834	.479	Do not reject
Within Groups	56.476	96	.588			
Total	57.948	99				

According Homogeneity of Variance (Table 5.1), it was inferred that respondents in the category of education had homogeneous variances among them ($p = 0.840 > 0.05$). As per the result of One Way ANOVA (Table 5.2), the respondents' opinion regarding the financial infidelity in the education category was not found to be differed ($F = 0.834, p = 0.479 > 0.05$) which was in favor of null hypothesis framed for assessing the impact of education on financial infidelity.

FINDINGS AND IMPLICATION

The analysis of the research found that demographic factors like gender, age as well as education do not have that much influence on the financial infidelity of the individual. These means that financial infidelity does occur but there might some other factors which are influencing it.

The study will be helpful to reveal the amount of financial secret among the couples. This study guides the individual to be open in their relationship. The results of the study will be helpful to financial consultant as well as psychological consultant to help solve some queries related to this issue. This will also reduce the case of divorce in the society. It will help financial consultant to take out some secret saving from the couple. Improvement in financial infidelity

will help individual clear their financial goals and priorities.

Financial infidelity is one of the saving habits of the individual. Therefore it is advised to disclose this saving and invest it in most profitable investment to get its optimum return.

CONCLUSION

The results reveal that most of us are lying to their spouse about finance matter. You can realize this just by taking a look regularly at the people around you. It happens every day or rarely but it when it is comes as our own case everyone should remember that both the partner are not separate entities, they are one. When someone treat their financial life as "His" and "Hers" and not common they are more likely to face the problem of deceiving and mistrust resulting into tearing apart the relationship and they may even end it.

If the goal of both the partner appears to be different, they should talk about the priorities and should compromise accordingly. They should try to set an understanding about what is more important to both of them. Each one of them should develop the feeling of forgive and forget and make some financial sacrifices by delaying certain purchases. The couple should make regular financial conversations. They should either make rules of setting aside 15 minutes a

month or week to sit down with their partner to talk about money and their financial goals and priorities.

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