



Financial Wellbeing of Older Peninsular Malaysians: A Gender Comparison

Benjamin Chan Yin-Fah (Corresponding author)

Research Associate

Institute of Gerontology, Universiti Putra Malaysia

Centre of Excellent for Sustainable Consumption Studies, Universiti Putra Malaysia

Tel: 60-3-8946-7097 E-mail: SB2020@putra.edu.upm.my

Jariah Masud

Senior Research Fellow

Institute of Gerontology, Universiti Putra Malaysia

Tel: 60-3-8946-7099 E-mail: jariahmasud@yahoo.com

Tengku Aizan Hamid

Institute of Gerontology, Universiti Putra Malaysia

Serdang, Selangor, Malaysia

Tel: 60-3-8947-2750 E-mail: aizan@putra.upm.edu.my

Laily Paim

Centre of Excellent for Sustainable Consumption Studies

Faculty of Human Ecology, Universiti Putra Malaysia

Tel: 60-3-8946-7051 E-mail: laily@putra.upm.edu.my

Abstract

Longer life expectancy means older persons can live longer but it also implied that they need more money to sustain their old age. Nevertheless, research on financial wellbeing of older persons in Malaysia is few and this lead to this study highlighting some facts related to financial wellbeing of older Malaysians. A total of 1,841 older Malaysians from 60 territorial divisions in Peninsular Malaysia have been interviewed. Looking at gender differences, male and female respondents have significant differences in financial literacy, monetary attitude, financial practices as well as financial problems. Multiple regressions explained 31% variance in financial wellbeing. Female in this study are more likely to be relegated because of lower education and less net worth compared to older men. It is therefore a great challenge for older women as well as other parties to increase the financial wellbeing of older women.

Keywords: Older persons, Financial wellbeing, Malaysia

1. Introduction

As we move into the 21st century, many countries in the world are experiencing an expansion in their population of older persons due to the improvement in general health care. At present, one out of every ten persons in the world is 60 years or older. By the year 2050, one out of every five will be 60 years or older and by 2150, it will be one out of every three persons (UNDP, 1999). The Department of Statistics, Malaysia estimates about six percent of the total national Malaysian population is made up of older persons aged 60 years and above in 2000. It also means that one out of every sixteen persons in Malaysia today is sixty years or older. As people expect to live longer than before, they also seek

continuing wealth throughout their extended old age (DeVaney, 1995). This is because living longer will increase the chances of experiencing poverty and outliving available income and assets.

Looking into the gender different in life expectancy, Malaysian women have consistently outlived men by four years or more in the past 20 years (DOSM, 1999). Life expectancy of the sexes may have increased over time, but women continue to live longer than men. In 2005, life expectancy at birth for men is recorded at 70.3 years but the national average for women is 75.2 years. In the 2000 Census, 958,300 persons aged 65 years or over are recorded and 512,100 of them are women (Department of Statistics, 2001). This means that 53.4% of the elderly population in Malaysia is female. When compared to 1980, the percentage of older women has increased 3 percentage points from 50.4% to 53.4%. If we use the Vienna demarcation, there are currently 1,451,665 older persons (60 years and over) in Malaysia and 52.3% or 758,541 of them are women. There are more, older women in every age and their proportion grows with increasing age.

The meaning of living longer is (referring-deleted) also changing. In fact, all these changes in (1) work (2) health status, and (3) independence to dependence cannot be carried out without money. Looking into the changes in work, people accumulate wealth over their working lives to finance consumption after retirement (Friedman, 1957). The longer the employment period, the larger return of the saving accumulated, even though some of the accumulation will be spend on marriage, car, children, house and so on. As this group of people reached to retirement age, they will be moved into dissaving stage. They still need to spend money for their daily expenses and maintain a basic lifestyle from their accumulated saving (Garmen, 1997). It would not be an exaggeration to say that the financial future of the elderly in Malaysia is directly related to, or proportionate with the proper utilization of Employees Provident Fund (EPF). EPF was launched in 1951 as a mandatory savings scheme for old age which allows early withdrawals for housing, health care and education purposes. Its active employee members grew from 1.6 million in 1966 (Malaysia EPF Annual Report 1970) to 5.7 million in 2008 (official webpage). In details, of the 5.7 million active members in 2008, only fifty-one thousand or about one percent of them are older active members aged 60 and above. This means that it only covers only a small group of the older working Malaysians.

Health is an important indicator in determining the financial wellbeing of older persons. Arokiasamy (1997) noted that "Increased longevity implies vulnerability to diseases and disabilities, with consequent increased costs of health care and created greater burden of caring for the elderly by the individual, family and the society", it means that older person may suffer from illnesses that require frequent treatment by doctors. Hence, the expenditure on health treatment will increase the cost of living in later ages. Many older Malaysians are lived with their children. In this case, the consumption needs of the elderly are covered by their children where parents invest in their children and the children will support them later in returns (Mazanah Muhamad and Mazalan Kamis, 2002). Data drawn from the Second Malaysian family Life Survey (MFLS-2) (1993) indicates that two thirds of older Malaysians co-reside in an extended family, but this figure has been decreased, where there is only 20.6 percent of extended family in Malaysia base on data drawn from Forth Malaysian family Life Survey (MFLS-4) (2004). This possibly due to older person chooses either to stay alone, stay with spouse or by the setting that lost of spouse and death of family members. This gives a greater financial pressure for this population in sustaining their consumption in old age.

2. Literature Review

In this paper financial aspects encompassed financial literacy, money attitudes, financial practices, financial problems, and net worth of older Malaysians. Financial literacy refers to adequate knowledge of personal finance facts and vocabulary for successful personal financial practices (Garmen and Fogue, 1997). According to the National Community Reinvestment Coalition Report (2004), financial literacy begins with education and understanding. When concepts are understood, basic habits will be changed. It would equip a person with necessary knowledge to make good decision with regard to spending, saving and investment choices, detect and from being cheated, as well as to enhance the efficiency in resource allocations (needs rewording). Older Malaysians need basic knowledge about money. They might have financial problems without basic knowledge about money (Chen & Volpe, 1998; Joo, 1999). For instance, most of the employee (before turning into older persons group) would invest their savings passively, entrusting some government body or the financial experts to do it for them while waiting for the gains from dividends or returns. However, recent surveys revealed that majority of retirees spend almost all of their EPF savings within a few years after retirement (Mazanah Muhamad and Mazalan Kamis, 2002). After having painstakingly saved throughout one's working life, the money is used up within a short period of time. Lack of personal financial knowledge limits personal financial practices and may cause financial problems, resulting in lower financial wellbeing. As such, financial literacy is very critical to maintain a high quality of life in their old age.

Money attitude pertain to the general attitude toward finance (Garmen et al., 1997) and older persons value their own money differently (Furnham, 1998). Meanwhile, some other researcher might define money is psychological as well as financial (Curtler and Devlin, 1996). A positive money attitude is the key to financial practices. Previous research showed that older person tends to showed a positive attitude toward money than the youth (Tang, 1992), but they will

be more worried about their future finances than younger people, possibly because they had greater financial responsibility with families, children and mortgages (Furnham, 1998). According to Ajzen and Fishbein (1980), a positive money attitude will directly influence good financial practices of an older person. Lown and Ju (1992) found a positive relationship between attitudes and practices. Looking at gender differences, Prince's (1993) found that males are more competent in handling money, while females have a greater sense of envy with money as a means of obtaining things. Furnham (1998) in his study revealed that more females are conservative and security conscious than males in terms of handling money.

Financial practices refers to the process people use in managing their financial resources to achieve financial success in the areas of retirement plans, financial planning, credit and money management (Garmen et al., 1997). Previous Studies (Joo, 1998; Marianne & Hogarth, 2003; Chan 2005) have shown that financial practices had been found to be positively associated with financial wellbeing. Simply increasing knowledge of finance principles does not ensure that a person will be more effective in financial practices. Knowledge must be applied as those who have a higher financial literacy are more likely to follow recommended financial practices (Marianne and Jeanne, 2003).

Financial wellbeing is the outcome of the financial practices (Joo, 1998). According to Tucker and Rice (1986), good financial practices effects financial wellbeing. Ross and Huber (1985) found that financial wellbeing was positively related with individual characteristic (income, education, and age) but negatively related with number of children and debts. It does mean that one knows what his or her financial resources are, and understand how the resources can best work for him or her, at now and in the future

Studying the financial literacy of older Malaysians is crucial to know whether they are equipped to make correct financial decision or not. A positive money attitude is a key to good financial practices but there is a dearth of information on money attitude of older Malaysians. The financial situation of the older Malaysians is dependent upon the financial practices while financial practices are related in financial literacy and money attitude. Consequently, the financial wellbeing of older persons can be explained by their net worth. The objective of this paper is to explore the financial aspects of Malaysia aging society, focusing on financial literacy, their money attitude, financial problems and financial practices of older Malaysians. Besides, this paper will also study the differences of certain financial aspects in gender perspectives.

3. Research Methodology

3.1 Data and Sampling

The data for this study derived from IRPA project title "Economic & Financial Aspects of Aging in Malaysia" under Quality of Life of Older Malaysians. Data for this cross-sectional study was obtained through interview with 1841 older persons (aged 55 years and above) in Peninsular Malaysia. Systematically, Seventy-five out of the national total 1173 sub-division/mukim (provided by Department of Statistic) was chosen and four Enumeration Blocks (EBs) with highest number of older persons age 55-75 were selected from each sub-division. From each Enumeration Blocks, ten households will be selected at a sequence interval of seven and the first sample must start from Point A of each EB. A 10-items scale measuring money attitude by Furnham (1999) was adopted for the study ($\text{Alpha}=0.792$). Four items measuring financial satisfaction were developed based on previous published literature. Two self created instruments in measuring financial literacy ($\text{Alpha}=0.352$) and financial practices ($\text{Alpha}=0.605$) were used in this study.

3.2 Measurement of variables

Financial literacy among the respondent was assessed using seven statements covering the aspects of investment, saving, insurance, spending, borrowing, and money management on the scale of "True" or "False". The scores for each question were then totaled to obtain the Financial Literacy Score. The highest score possible was seven and the lowest was zero. Greater score indicates higher in financial literacy for an individual.

Money Attitude refers to the general attitude toward finance and was measured by ten statements adopted from Money Ethnic Scale (Furnham, 1998). Respondents are required to express their opinion whether they agree or disagree of the ten statement. In this study, scores ranged from 10 - 20 points. Greater score indicates the more positive attitude towards money of an individual.

Financial Practices was measured by using a list of financial practices statements adapted from previous studies by Joo (1999) and Garman (1998). Respondents were asked to choose one of the three answering categories: Never, sometimes, and always. A total financial practices index was obtained by summing the coded numbers. The highest score possible was thirty and lowest possible score was ten. In this study, the scores obtained ranged from 12-30 with means score 19 points. They were then divided into three groups; poor financial practices scored 12-17 points, moderate financial practices scored 18-23 points and good financial practices scored 24-30 points.

It is important to study the financial problems of the respondents as financial problems have a negative relationship with financial wellbeing (Portal, 1999; DeVenay, 1993; Garmen, 1997). It is means that older persons are hardly to have a

good financial situation if they have a lot of problems regarding with their personal finance. This study has outlines seven financial problems cover aspect (1) borrow money from “along”, (2) been cheated from scheme pyramid, (3) Bad debt, (4) asset repossess. (5) No emergency fund, (6) Borrowed money from others for living cost and (7) cannot afford to pay bill punctually. Each respondent were asked whether they have the above problems or not during the study period and the possible score range from zero to seven. The greater value for this score indicates the greater financial problems being faced by the respondent.

Net Worth was used to measure personal financial status in previous studies (Fitzsimmons and Leach, 1994) as well as in this study. The value less liabilities of assets is the net worth of the respondent. In this study, ten assets namely land, house, vehicle, shop lot, insurance, poultry, jewellery, saving, investment and EPF were used to compute the total assets. The total of liabilities for each respondent was computed based on their monthly payment with their remaining months of installment. Since age is an important factor in determining the adequacy of net worth. The calculation equation for the adequacy of net worth is as: $(\text{Life expectancy} - \text{age of respondent}) \times (\text{RM } 510.00 \times 12 \text{ months})$. [1 USD = RM 3.80]

Financial wellbeing in this study was defined as satisfaction in personal finance. The four items were developed based on previous published literature for this study (Joo, 1998; Kratzer, Brunson, Garman, Kim and Joo, 1998; Porter, 1990; Shinn, 1992). The scales included satisfaction with present financial situation, income adequacy, debt, and saving and retirement. The responses were coded on a four point ordinal scale, 4 = agree to 1 = disagree. Negatively worded items were recorded. The average of the summed items was 13.63 ($SD = 2.874$). A sample item is “I am satisfied with my present financial situation.” Higher score indicates higher financial wellbeing.

4. Research and Findings

4.1 Profile of the Respondents

A total of the 1841 respondents participated in this study, 915 male and 926 are female. Over two-thirds of the respondents were Malay and the remaining respondents were Chinese and Indian. Sixty-four percent of the respondents were married, thirty percent were widowed and six percent were either never married or separated. About twenty-eight percent of the respondents were in “Young-Old” age group, twenty-seven percent in the range of “Old-Old” age group; the remaining forty-five percent was in “Old-Oldest” age group. Female respondents have a better health status but with lower education, widowed, live longer than male, no formal working experience and majority of them did not own house. In contrast, male respondents, with lower life expectancy but they have a higher proportion in reporting to have formal education and formal working experience as well as owning home. Indian family tends to have a bigger family size compared to Chinese and Malay. The education level attained by these respondents was relatively low. About thirty percent of the respondents reported never attended to school. One out of every three never attended school for female and one out of every nine for male.

Looking into their employment status, one of out every five of the respondents was reported as never work. Those who were reported “never work” were female and most of them are lack of formal education, committed in family responsibility, lack of skills, illiteracy, disability and other factors. When asking for the sources of income of the respondents, higher proportions of respondents received money from children. More men reported earning salaries and pensions compared to women. Men received on the average higher income from job related sources compared to women. In contrast, women received higher mean income from children.

Self perceived health among the respondents is quite negative considering 48% of them ($n=877$) rate their own health as poor. Of the 877 cases, 470 (53.6%) cases were comprised of male respondent and 407 (46.4%) female. A reverse pattern was observed when looking for those who are reported with good health status. Female 157 (17%) have a bigger percentage compared to male 127 (13.9%) in perceiving in good health status. Previous study found that house ownership is highly correlates with personal financial wellbeing. In this study, 76% of male respondents own house while 53.3% for female. This might provide explanations that female are disadvantage in financial wellbeing than male.

4.2 Gender Differences in Financial Literacy

Table 1 shows the gender differences in financial literacy. There is only 40% and 42% of the respondents answered correctly for the first statement and second statement. Those who answer “True” in the second statement “one can commit more than 20% of his/her income to pay installment credit” are committing monthly installment during the study period and they tends to be male respondent. As their source of income decreased upon retirement, it would be tough for them to commit 20% of their income for monthly installment. The third item - “The main use of credit card is to buy food” and its response was different by gender. In terms of the mean score, male respondents preferred to buy food using credit card than female respondents. Looking at those who have credit cards in this study, 66% are male and 34% female. It showed that female respondents are less holding credit card and they did deny that the main use of credit card is to buy food. Majority of the respondents answered correctly for the fifth item “The smaller monthly installment, the longer to pay off the loan” (86.5%) and the sixth item “Cutting down living expenses is one of the ways to save”

(83.7%). For the last item regarding investment concept, more than half of the respondent (51%) didn't know that buying in shares give better returns than fixed deposit and they tends to be male respondents.

Fifteen cases had scored zero in this instrument and majority are female. Not surprisingly, most of them have a lower education attainment. Of the 15 respondents, three are never to school, 10 with primary education level and two with secondary education level. Since the higher score indicates better understanding in personal finance, it implies that these 15 respondents are illiterate in their personal finance. However, a number of female respondents (n=146) who never attended school scored more than four in this instrument, meaning that their knowledge in personal finance was learned along with their accumulated experiences and others sources. Looking at gender differences, there is a significant difference in sum score of financial literacy by gender ($t=5.534$; $p=0.000$) and female respondents reported with a higher mean score than male respondents (Female: Male: 58.64: 46.49). Study found that only 37% of the respondents averagely answered four out of seven items correctly and the rest are below than mean score. This implies that most of the older Malaysians in this study are poor in financial literacy.

4.3 Gender Differences in Monetary Attitude

Money has the power to motivate persons as well as generate anxiety and unhappiness in those who do not have it (Furnham, 1996). Older persons may have a different monetary attitude and the attitude towards money will influence the practices of their financial management. A total of 10 statements with five dimensions have been used to measure the attitudes towards money among the older persons. Statement 1 and 2 refer to the first dimension which is "Money Is Good". The third statement was referred to the second dimension "Money Is Evil". The fourth and fifth statement was referred to "Money Is Achievement". Statement 6 and 7 for "Money is Respect" and the last three statements were referred to "Money Is Freedom". Of the five dimensions of money attitude, only one dimension was significantly different by gender and it referred to "money is freedom" (Table 2). Results found that more female respondents believed that money gives them autonomy; money in the bank is a sign of security and money can give the opportunity to be what they want compared with male respondents. It is acceptable as females have less source of income than male, they might be more concern than male about their money as it is essential in financial freedom in their later life. Previous research on age differences in attitudes towards money such as Furnham (1999); Lim and Teo (1997) found that younger people tend to use money more as a means of power than older persons. However, older Malaysians did not turn up to any significant differences (age group) or even relationship (age) by the five dimensions of monetary attitude. For the purpose of analyses in Multiple Regression, the scores for each question were then totalled to obtain the Monetary Attitude Score. The highest score possible was 20 and the lowest was ten. Greater score indicates the more positive attitude towards money of an individual. The mean score was twelve, indicating majority of the respondents is not having a positive money attitude.

4.4 Gender Differences in Financial Practices

In this study, the financial practices scores obtained are ranged from 12 to 30 with the means score of 19 points. A greater point indicates better in terms of financial practices. More than half of the respondent (59%) scored 24-30, 30.4 % scored 12-17 and 10% scored 24-30. This shows that majority of the respondents had moderate financial practices, indicating that the elderly population is currently not practicing good financial practices. For analysis purposes, the financial practices were assessed by four different dimensions into cash management, credit management, planning and investment. Table Three found that both the male and females have similar practices in financial management where they tend to have a lower score in investment and credit management but better off in planning and cash management. The results was matched with Godwin's findings in 1994 stated that cash management is associated with planning. It is also re-affirmed the previous findings from Gerrans & Clark (2004) where older persons, especially male married would have a lower likelihood in choosing the riskier option relative to the younger married females. For Pearson Product Moment analysis, the study found that there is weak significant relationship between good financial practices with positive monetary attitude ($p = 0.00$; $r = 0.089$) and age ($p = 0.00$; $r = -0.118$, education attainment seems to have a stronger correlation with financial practices ($p = 0.00$; $r = 0.318$). This study also found that there is a significant differences in financial practices by gender ($p = 0.000$; $t = 7.189$) where male respondent reported to have a higher mean score than female.

4.5 Gender Differences in Financial Problems

It is important to study the financial problems of the respondents as financial problems have a negative relationship with financial wellbeing (Portal, 1999; DeVenay, 1993; Garmen, 1997). It is means that older persons are hardly to have a good financial situation if they have a lot of problems regarding with their personal finance. Overall, less than two percent of respondents reported borrowed money from "along" (n=17), cheated from scheme pyramid (n=19), bad debt (n=29) and asset repossess (n=6). However, study found that two out of every ten respondents was unable to have an emergency fund. Furthermore, one out of every ten respondents used to borrow money from others for their living cost and cannot afford to pay bill punctually respectively. Male respondents have a higher proportion in borrowing money from "along", cheated by scheme pyramid as well as assets been repossess (not shown in the table). This study found that financial problem was

not associated by respondent's education attainment. This implies that people with higher education not necessary free of financial problems. Findings also found that a significant negative relationship between the financial problems and financial literacy ($p=0.045$; $r=-0.99$). It means that respondents, both male and female, who are financially literate, have less financial problems eventually.

4.6 Gender Differences in Financial Status

Female respondents were reported not only owned fewer assets than male but also in terms of the amount of asset (Female:Male:RM60,623.50: RM 105,290.10). Meanwhile, male respondents have committed more liabilities than female respondents (male:female:1.2:1.1). Looking at the value of liabilities, female respondents have a lower mean of RM 11,422 compared to RM 13,537 for male respondents. The value less liabilities of assets is the net worth of the respondent. Study found that mean value assets calculated for the respondent was RM 91,734 ($n=1468$), mean value liabilities was RM 13,490 ($n=171$) and mean value net worth was RM 89491.68 ($n=1479$). By looking their net worth, only 41% have positive net worth to sustain their cost of living in their golden age. More male respondents reported have a positive net worth than female respondents. If looking for those who have negative net worth by employment status and gender, most of them were reported retired or never to work and they tends to be female. It proved that strong attachment to the labor force means that earnings are steady throughout a person's working life, providing a stable lifestyle, which is conducive to setting aside part of earnings for savings and investment.

4.7 Gender Differences in Financial Satisfaction

Satisfaction with personal finances has been defined as a subjective evaluation of one's personal finances. According to Kim Financial Satisfaction Scale, four items were asked to each respondent using five-point ordinal Scale. Comparing each financial satisfaction statement by gender, study found that male respondents are satisfied with their income adequacy as well as the amount of money that I am saving and investing for retirement. Meanwhile, more female respondents worry about how much money they owe than male respondents. Besides, study found that both male and females, who score high in cash management reported did not worry much in money they owe ($p=0.000$; $r=2.41$). In this study, respondent who scored 12 or below was in low financial satisfaction and. As such, high financial satisfaction category is for those who scored 13 and above. Thirty-one percent ($N=554$) are under category in low financial wellbeing while 69 percent are grouped in high financial satisfaction category.

4.8 Determinants of Financial Wellbeing

In this section, the selected variables namely: age, education attainment, gender, income, income adequacy, net worth, financial literacy, money attitude, financial practices, financial problems, family members and ethnicity were regressed on the dependent variable, financial satisfaction. As the samples of respondents were found to be distributed more or less normally over all the variables, multiple regression analysis was utilized in order to determine which of the selected independence variables would influence the financial satisfaction. Pearson Product Moment Correlations were computed on selected pairs of variables to test for direction and strength of the correlation between variables. Examination of the correlation of the variables, financial satisfaction was significantly related to education attainment ($r=0.220$), financial literacy ($r=-0.077$), money attitude ($r=0.125$), financial practices ($r=0.265$), financial problems ($r=-0.223$), income ($r=0.173$), and net worth ($r=0.201$).

In the summary table of multiple regression analyses in financial satisfaction, nine variables are significantly contribute in financial satisfaction, namely: health, income, financial literacy, money attitude, financial practices, financial problems, net worth, home ownership, and ethnic. Of the nine variables, financial problems and financial literacy showed a negative relationship with financial satisfaction. It can be explained by the more they know in finance, the higher expectation they have in their financial satisfaction. It is reasonable that those will financial satisfaction have less financial problems. Income which showed significant relationship with financial satisfaction in Pearson Product Moment Correlation but it was not significantly contributed in financial satisfaction. Radner (1989) found that older persons often have low incomes but substantial net worth as their wealth will continue to accumulate upon retirement even though earnings have decreased. Brimmer (1988) stated that racial differences in asset accumulation account for some of the weak correlation between net worth and financial satisfaction. It matched with the finding in this study and thus, it implies that older person with higher income might not necessary have financial satisfaction. Financial practices were correlated with financial satisfaction but not for financial literacy in this study. For instance, even though female respondents are more financially literate than male respondents, but male respondents tend to have a higher financial satisfaction as more men are practicing good financial practices than female respondents. Study concluded those respondents who have high financial satisfaction tends to have positive net worth, house, adequate income, positive money attitude, good financial practices and have less financial problems.

5. Conclusion

This paper studies the gender differences in certain financial aspects of older Malaysians. It found that majority of the respondents did not have enough knowledge about their personal finance as they scored low in financial literacy scale.

This means that majority of them do not know about their personal finance well, and thus, they are not able to make correct decisions in financial matter. Looking at the money attitude of the respondents, there was a positive correlation between money attitude and financial practices. It is believed that people who with positive money attitude will practicing a good financial practices. To note, majority of the respondent do not have a positive attitude towards money and that is why most of the respondents are only practicing moderate financial practices. Data showed that respondents are not managing their financial resources and money attitudes effectively and thus lead to certain financial problems.

Eventhough older female share some similarities with older male, they are more likely to be relegated because of lower education, less net worth compared to older men, less attachment to labor force. It is therefore a great challenge for older women as well as other parties to increase the financial wellbeing of older women. It is suggested that financial education programs should be addressed to older persons and also for younger generation so that they are able to make correct decisions related in financial matter. The net worth of the respondents had pictured their financial wellbeing of the older persons in Malaysia. It was found majority of the older respondents did not have enough money in their later life. It is suggested that people should start to accumulate the financial resources since young. As people accumulate wealth over their working lives to finance consumption after retirement, the earlier they start to save the larger accumulation of financial resources and lead to a positive net worth in later life.

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Table 1. Gender Differences in Financial Literacy

No	Financial literacy Item	Sex	Assessment True (%)	χ^2	P	N
1	Everyone will pay the income tax twice a year	Male	38.9	0.797	0.372	504
		Female	41.8			392
2	One can commit > 20% of his income to pay installment credit	Male	59.9	2.564	0.109	504
		Female	54.6			392
3	The main use of credit card is to buy food	Male	19.6	10.84	0.001**	504
		Female	29.1			392
4	Saving RM 100 per month in ten years> save RM 1000 per month in one year.	Male	68.7	0.234	0.629	504
		Female	70.2			392
5	The smaller monthly installment, the longer I need to pay off the loan.	Male	87.1	0.346	0.556	504
		Female	85.8			393
6	Cutting down living expenses is one of the ways to save.	Male	84.0	0.410	0.840	505
		Female	83.5			393
7	Buying in shares carry better returns than fixed deposit.	Male	47.8	0.578	0.447	506
		Female	50.4			393

* Correlation is significant at the 0.01 level of significance (2-tailed)

χ^2 = Chi-Square ; P = Correlation Coefficient ; N= Number of Respondents

Table 2. Gender Differences in Monetary Attitude

No	Dimension	Sex	Mean	t	P	n
1	Money is Good	Male	1.65	1.417	0.157	915
		Female	1.69			926
2	Money Is Evil	Male	0.96	-1.013	0.311	915
		Female	0.97			926
3	Money is Achievement	Male	1.61	-1.431	0.152	915
		Female	1.65			926
4	Money is Power	Male	1.17	0.180	0.857	915
		Female	1.16			926
5	Money is freedom	Male	2.21	2.245	0.025	915
		Female	2.11			926

Table 3. Financial Practices of the Respondents

Financial Practices	Never	Seldom	Always
Investment			
I set money aside for investment purposes ...	1466	298	77
I keep a look out for investment opportunities.	1459	314	68
I set money aside for savings.	761	711	369
Credit Management			
I make calculations to decide on the lowest loan	1126	315	400
I reach the maximum limit on my credit loan.	1306	297	238
Planning			
I compare prices at two or more stores for a product.	154	581	1106
I budget my expenses.	163	675	1003
I had a plan to reach my financial goals.	451	782	608
Cash Management			
I spend more than I earned	1161	592	88
I pay my bills late with extra charges.	903	812	126

Alpha Cronbach's Value = 0.727 , Variance = 13.545 , Standard Deviation = 3.680

Table 3 shows about 75% of the respondents never set money aside for investment (statement 1) or keep a look for investment opportunities (statement 2). Seventy percent of the older persons always compare prices at two or more stores for a product (statement 6). It indicated that most of the respondent in this study spent their money carefully. Less than five percent of the respondents spend more than they earned (Statement 9) and only ten percent always pay their late and been charges for interests (statement 10). Findings shows that older male tend to set money aside for investment and savings than older female. Older Male also tends to commit in calculating lowest loan, budgeting and financial planning than older female. However, there is a reverse observation for the statement 6, 9 and 10 where female respondents tend to compare prices at two or more stores for a product, spend more than they earned and pay bill bills with extra charges compared with male respondents.

Table 4. Gender Differences in Financial Practices

No	Variables	Male (N=915)		Female (N=926)	
		N	%*	N	%*
Investment					
1	I set money aside ...	48	5.2	29	3.1
2	I keep a look for investment	53	5.8	15	1.6
3	I set money aside for savings.	211	23.1	158	17.1
Credit Management					
4	I make calculations to.	239	26.1	161	17.4
5	I reach the maximum limit ...	153	16.7	85	9.2
Planning					
6	I compare prices at two.	549	60.0	557	60.2
7	I budget my expenses.	505	55.2	498	53.8
8	I had a plan to reach my...	353	38.6	255	27.5
Cash Management					
9	I spend more than I earned	554	60.5	607	65.6
10	I pay my bills late ...	439	48.0	464	50.1
* Percentage of total respondents					

Table 5. Gender Differences in Financial Status

Assets / Liabilities	male			female		
	N	%	Mean (RM)	N	%	Mean (RM)
Fix Assets						
Shop lot	12	1.3	150972.2	3	0.3	28333.3
House	719	78.6	61819.7	601	64.9	52336.9
Vehicle	628	68.6	17536.2	267	28.8	26899.3
Land	403	44	51512.6	306	33	37337.7
Jewellery	62	6.8	5851.0	62	6.7	2212.2
Poultry	44	4.8	15446.5	34	3.7	999.7
Monetary Assets						
Savings	390	42.6	21240.2	297	32.1	8324.0
Investments	108	11.8	23722.8	58	6.3	16651.6
Insurance	69	7.5	56107.8	38	4.1	44210.4
EPF	325	35.5	22109.2	113	12.2	19208.9
Mean Total			RM 105,290.10			RM60,623.50
Liabilities						
Land	21	2.3	7,722.5			
House	54	5.9	16,182.9	33	3.6	13,655.0
Vehicle	52	5.7	11,406.0	13	1.4	9,987.5
Shop lot	5	0.5	8,366.4			
Furniture	7	0.8	856.4	6	0.6	1,103.3
Investment	8	0.9	5,285.3	8	0.9	5,140.0
Sum of Liabilities			13,537.56			11,421.70
Number of Liabilities			1.2			1.1

The assets in this study referred to ten items which were land, house, vehicle, building, insurance, poultry, jewellery, savings, investment and EPF. Table 5 shows the results in when the respondents were asked to specify each of the assets and value each of them in Ringgit Malaysia. Over two third of the respondents owned house and half of them have vehicle. Few respondents were reported to have assets likes shop lot (n=15), jewellery (n=124) and insurance. Out of the 1841 cases, only 107 cases reported have insurance with mean coverage of RM 25,000. Few researchers have affirmed that social security (EPF) is one of the government's efforts to ensure the financial security upon retirement (Kevin, 2000; Olsen, 1994) but it covers only a small group (23.8%) of the respondents whereby 17.1 % for male and 6.1 % for female. Male respondents have higher proportion in house, land and vehicle than female respondents. Seventy-nine of the male respondents has house compared to sixty-five for female respondents. Sixty-nine percent of male respondents has vehicle compared to only twenty-nine percent female respondents. For land, 44% percent of the male respondents have land and only 33% for female respondents.

On average, life expectancy increased for almost 10 years from 1970 to 2000 but the age of retirement remains unchanged. Many has experienced a cut of income upon retirement but their expenditure does not decrease in proportion. Therefore, they has to stretch their income over a longer period of time while facing the rising cost of living and inflation. If they still commit in any installment, definitely it is financial burden for the them. Table 6 indicated that a total of 87 older persons still keep paying RM 381.32 per month (average) for their housing installment, vehicle installments (n = 65 , RM 448.42), land installments (n = 21 , RM 276.62) , investment (n = 16 ;RM 323.38), home furnitures (n = 13 , RM 86.92) and shopot (n = 5; RM 578.80).

Table 6. Category of Net Worth by Sex and Employment Status

Variables	Category Of Net Worth			
	N	Negative n (%)	Positive n (%)	Mean (RM)
Gender				
Male	0915	382 (35.0)	533 (71.0)	4,953
Female	0926	708 (65.0)	218 (29.0)	3,847
Employment				
Still working	473	273 (25.0)	200 (26.6)	7,016
Retired	999	552 (50.6)	447 (59.5)	4,424
Never work	369	265 (24.3)	104 (13.8)	5,361

Table 7. Gender Differences in Financial Satisfaction

No	Financial Satisfaction	Sex	Mean Score	X ²	p	df	N
1	I am satisfied with my present financial situation	Male	3.53	2.860	0.582	4	904
		Female	3.47				914
2	My income is enough for me to meet my monthly living expenses	Male	3.50	14.594	0.006**	4	904
		Female	3.36				912
3	I worry about how much money I owe (negative Statement)	Male	3.03	34.366	0.000**	4	904
		Female	2.80				913
4	I am satisfied with the amount of money that I am saving and investing for retirement	Male	3.73	15.488	0.004**	4	903
		Female	3.85				915

1 = Strongly Disagree , 2 = Disagree , 3= Not Sure , 4= Agree, 5= Strongly Disagree
 * Alpha Cronbach's Value = 0.673 ** Numbers may not add to 1841 due to missing

Satisfaction with personal finances has been defined as a subjective evaluation of one's personal finances. According to Kim Financial Satisfaction Scale, four items were asked to each respondent using five points ordinal scale Respondent who scored 12 or below was in low financial satisfaction and. As such, high financial satisfaction category is for those who scored 13 and above. Thirty-one percent (N=554) are under category in low FWB while 69 percent are grouped in high financial satisfaction category.

The mean score for the statement one is 3.5, meaning that majority was satisfied with their present financial situation. Statement two referred to their perceived income adequacy and 70 percent of the respondents feel comfortable for their present income adequacy level with mean score of 3.43. The third statement is a negative statement with 3.79 mean score (after recording). Majority of them did not worry how much money they owe to others. The last statement has the lowest mean of 2.92, which most of them are not satisfied with the amount of money they saved and invested for retirement. The answers given by respondents for statement three and four could reflect part of the findings in Section 4.4 - Financial Practices. It is found that older persons who score better in cash management did not worry much in money they owe (p=0.000; r=2.41). Since majority of the respondents have scored low in investment, it is acceptable that 70 percent of the respondent have ranked below "Not Sure" in the last statement in financial satisfaction.

Table 8. Summary of Multiple Regression Analyses for Financial satisfaction

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	6.074	0.934		6.504	0.000
Health	0.291	0.082	0.073	3.563	0.000
Income Adequacy	1.096	0.061	0.389	18.017	0.000
Financial Literacy	-0.003	0.001	-0.050	-2.419	0.016
Money Attitude	0.070	0.024	0.058	2.891	0.004
Financial Practices	0.093	0.020	0.102	4.725	0.000
No of Financial Problems	-0.404	0.070	-0.118	-5.760	0.000
Net Worth	0.001	0.000	0.065	3.028	0.002
Home Ownership (No = 0 , Yes = 1)	0.312	0.132	0.052	2.368	0.018
Ethnic 1 (Malays = 1 , others = 0)	0.574	0.211	0.094	2.723	0.007
Ethnic 2 (Chinese = 1 , others = 0)	0.329	0.225	0.049	1.460	0.145
Employment (Dummy)	0.172	0.137	0.029	1.254	0.210
Sex (Dummy)	0.154	0.151	0.027	1.022	0.307
Age	0.009	0.011	0.018	0.821	0.412
Education Attainment	0.091	0.048	0.048	1.922	0.055
No of Family Members	0.021	0.027	0.016	0.794	0.428
Income	0.010	0.000	0.025	1.137	0.256
Marital Status (single =0 ,married =1)	0.148	0.164	0.021	0.906	0.365

R square = 0.304 ,df = 17 ; F = 45.985 ; p = 0.000

The F statistic for the overall goodness of fit of model is 45.985, which is significant at $\alpha = 0.01$. After excluding the non-significant variables, the final regression model produced by enter method for financial satisfaction is:

Financial satisfaction = 6.074 + 0.291 health + 1.096 income adequacy + 0.07 money attitude + 0.093 financial practices + 0.001 net worth + 0.312 home ownership + 0.574 ethnic 1 – 0.003 financial literacy – 0.404 financial problems.

This model explains 30% of the variance in financial satisfaction. This indicates that 30% of the dependent variable (financial satisfaction) was explained by the linear combination of the nine-predictor variables. Among the nine-predictor variables, income adequacy was found to contribute more significantly towards one's financial satisfaction. Of the nine predictor variables, two variables have showed a negative relationship (financial problems and financial literacy) with financial satisfaction. It can be explained by the more they know in managing their personal finance, the higher standard they set for their financial satisfaction. Besides, the more financial problems they have the lower financial satisfaction they are.