Motivating Women to Adopt Positive Financial Behaviors

Megan E. Rowley, Jean M. Lown, and Kathleen W. Piercy

In a strengths-based study, 17 women ages 25 to 54 participated in focus groups to identify their motivations for positive financial behavior change. Performing a thematic analysis of data, evidence shows they progressed through the Transtheoretical Model stages of change. Emotion, family influence, and life transitions helped participants progress to the Action and Maintenance stages. Although participants utilized a wide variety of change strategies, motivations to change were either circumstantial, underlying, or both. Most participants used educational, social, or professional support to overcome setbacks. Optimism and using financial tricks were common strategies for successful change. Implications for policy and practice include tailoring marketing messages toward women experiencing life transitions and incorporating Transtheoretical Model concepts into financial education programs.

Key Words: finances, motivation, qualitative research, Transtheoretical model, women

Introduction

According to the 2009 National Financial Capability study, nearly half of Americans have difficulty meeting monthly expenses and most do not plan ahead for financial emergencies or future expenses (FINRA, 2009). The U.S. savings rate declined steadily over the past several decades to near zero in 2007 (Bucks, Kennickell, Mach, & Moore, 2009; Bureau of Economic Analysis, 2010). Recent modest increases in savings are attributed to consumer reaction to the global financial crisis and severe recession that began in 2008. Many people do not save because they enjoy being "impulsive" and because "life is too short"; even wealthy persons and high earners tend to save little (Survey on Savings, 2003).

In 2009 and 2010 the percent of Americans responding to the Retirement Confidence Survey who are very confident they will have enough money for a comfortable retirement fell to the lowest level since the first survey in 1993 (Helman, Copeland, & VanDerhei, 2010). The National Retirement Risk Index estimates that more than half of Americans are at risk for being unable to maintain current consumption levels during retirement (Munnell, Webb, & Golub-Sass, 2009).

While Americans are suffering from low savings and overuse of consumer and mortgage credit, women are particularly at risk for financial insecurity. Women's risk can be attributed to many factors, including traditional gender role socialization, longer life expectancy, irregular career patterns, childbearing, family care giving, and a host of other factors (Bajtelsmit & Bernasek, 1996; Glass & Kilpatrick, 1998a; National Endowment for Financial Education, 2000; Sadker, 1999). While considerable research has examined the financial disadvantages facing women, very little investigation has been undertaken to determine what factors or events motivate women to take more responsibility for their financial future. The current study addresses this concern.

Multiple studies have focused on the need for personal financial reform (Xiao et al., 2001). Numerous resources exist for consumers who want to improve their personal financial security, yet there has been relatively little research on how to motivate financially vulnerable Americans, particularly women, to take appropriate action. The challenge is finding what motivates people to take action to avoid financial problems and to secure their financial future. According to a National Endowment for Financial Education think tank (2004), "financial education does not necessar-

Megan E. Rowley, M.S., 2485 Tierra Rose, Taylorsville, UT 84129, (435)764-6261, megrowley@gmail.com

Jean M. Lown, Ph.D., Professor Utah Sate University Extension, Department of Family, Consumer, and Human Development, Utah State University, 2905 Old Main Hill, Logan, UT 84322-2905, (435) 797-1569, jean.lown@usu.edu

Kathleen W. Piercy, Ph.D., Professor, Department of Family, Consumer, and Human Development, Utah State University, 2905 Old Main Hill, Logan, UT 84322-2905, (435) 797-2387, kathy.piercy@usu.edu

ily motivate individuals; motivation brings individuals to financial education" (p. 19).

As the field of behavioral economics grows in influence, researchers are exploring what motivates consumer decisions and how to help individuals change ineffective behaviors (Belsky & Gilovich, 2001; Shockey & Seiling, 2004). The National Endowment for Financial Education (2004; 2006) has sponsored multiple forums on how to motivate Americans to make positive financial choices. Conclusions include the need for more research on "teachable moments." Nevertheless, a search of the literature failed to identify research on appropriate strategies aimed at motivating consumers to adopt positive financial behaviors.

The purpose of this study is to identify how to motivate women to take more responsibility for their financial future, to "bring individuals to financial education" (National Endowment, 2004, p. 19). The study uses a strengths-based approach to explore experiences and feelings that lead to financial behavior change and identifies specific factors that motivate women to positively change their financial practices.

To identify ways to motivate women to change, this study focused on asking women who have improved their financial behavior to describe their motivation to change. The research question is: What are the major motivating factors for women who decide to make positive changes in their financial behavior? Identifying factors that motivate financial behavior change among women could benefit financial counselors, educators, and advisors who can use the information to promote behavioral change for their clients. Financial planners, as well as counselors and educators, are interested in learning how to better advise female clients (Loibl & Hira, 2007).

Literature Review

Socialization

Many variables contribute to the precarious financial status of women, including psychological, social, and biological factors. Risk aversion can inhibit financial security; women tend to be risk averse, investing in low risk investments that offer minimal returns (Bajtelsmit & Bernasek, 1996; Fisher, 2010; Glass & Kilpatrick, 1998b; Joo & Pauwels, 2002). Grable and Joo (2004) identified biopsychosocial factors such as self-esteem to be significant in determining individual risk tolerance. In a study on teens and financial literacy, Danes and Haberman (2007) found support for male confidence and success as a result of socialization. Further, women lack confidence about financial topics, particularly retirement savings (Joo & Pauwels, 2002). According to the Women's Retirement Confidence Survey, "women are less likely than men to say they are confident about many financial aspects of retirement. In particular, women are less likely [than men] to be very confident" (Turyn & Helman, 2001, p. 4). Lack of confidence is not surprising because women have fewer retirement resources than men (Munnell & Zhivan, 2006).

Employment and Investing

Bergen and Denton (2004) explored the interaction between women's employment patterns and financial planning for later life, identifying employer sponsored retirement plans and financial education programs as positive financial catalysts for women. However, Dietz, Carrozza, and Ritchey (2003) found that women were more likely than men to be employed in occupations that offered no retirement plans.

With women likely to earn lower incomes and to be more passive investors than men, they may tend to invest in low risk investments or to avoid investing completely. In a comprehensive review of the literature on gender and savings behavior, Fisher (2010) concluded that women are less likely than men to save regularly.

Longevity

Women's longevity may negatively affect their financial security. Current life expectancy for women in the United States is 80.4 years compared to 75.2 years for men (Centers for Disease Control and Prevention, 2007). According to the U.S. Census Bureau (2006), 42.4 % of women age 65 and older are widowed, compared to only 13.1% of men of the same age. With fewer financial assets as they enter retirement and longer lifespans than men, women are at greater risk of poverty, especially in later life (Rowland & Lyons, 1996).

Caregiving

Women's intermittent work histories due to care of children and elderly family members contribute to financial disadvantages such as lower lifetime wages (Berger & Denton, 2004) and missed participation in company retirement plans (Munnell, 2004). Female caregivers lose up to $324,044 in wages and Social Security benefits over a lifetime (Metlife Mature Market Institute, 2011).

Divorce and Other Life Events

Among relevant social factors, divorce is one of the common life events with the most severe and long lasting consequences for women. Three comprehensive literature reviews addressing the impacts of divorce (Amato, 2000; Kitson & Morgan, 1990; Teachman & Paasch, 1994) leave no doubt that the negative economic consequences are considerably greater for women and their children than for men. Other life events that affect the trajectories of women's financial lives include (re)marriage, returning to school, relocation, and employment opportunities.

Qualitative life history research on financial planning for later life identified three categories of catalysts and constraints that affect planning for the future: financial, personal and family (Kemp, Rosenthal, & Denton, 2005). Kemp et al. (2005) found that divorce, remarriage and death of a spouse are major life events or catalysts that require significant financial adjustments. According to these researchers, divorce could serve as either a catalyst or a constraint, depending on how individuals perceived the event and its impact on their lives.

Financial Education Programs

While employer-sponsored or other financial education programs can be positive catalysts for women's retirement planning (Bergen & Denton, 2004), adequate evaluation is needed to document behavior change attributed to financial education (Collins & O'Rourke, 2010; Fox & Bartholome, 2008; Hogarth, 2006). In a review of financial education evaluations, Collins and O'Rourke (2010) found that although virtually all programs reported positive impacts, the lack of a comparison group weakened the conclusions. A review of 23 financial education studies concluded that while financial education programs may improve behavior, more robust evaluation designs are needed (Hogarth, 2006).

Design and Rationale for the Present Study

This research is based on a study of motivations that encouraged people to adopt positive health-related behaviors (Henley & Donovan, 2002). The researchers conducted focus groups with persons who had recently made positive changes in their exercise or diet practices. Participants were asked what motivated them to change their behavior. While they responded to positive as well as negative emotions and motivations (i.e., feeling better or fear, respectively), most participants preferred positive rather than negative appeals (Henley & Donovan, 2002).

While Henley and Donovan's (2002) research contributes to the health and wellness literature, similar research is needed to identify emotional and motivational appeals that encourage women to modify their financial behavior. Individuals with health problems and persons experiencing financial problems may exhibit the same type of denial about the reality of their conditions, making behavior change especially difficult for both groups (O'Neill, 2004).

With women at particular risk for financial insecurity throughout life, targeting them for financial intervention is critical. To effectively lead women toward change, there is a need to know why and how women are motivated to change. A study that examines motives for financial change from the perspectives of women themselves has the potential to increase our understanding of how to motivate women to embrace positive financial change.

Conceptual Framework

Motivation is a multifaceted concept; thus a conceptual framework is needed to guide discovery of why individuals choose to cease poor financial practices and take steps toward productive behaviors. Prochaska's Transtheoretical Stages of Change model (Norcross & Prochaska, 2002) posits that an individual passes through several stages of change as she makes life changing improvements. The Transtheoretical Model (TTM) has been effectively applied to changing problem behaviors including financial decision-making (Gutter, Hayhoe, & Wang, 2007; Shockey & Seiling, 2004; Xiao et al., 2004).

The TTM outlines five stages of change: precontemplation, contemplation, preparation, action, and maintenance. Persons in the precontemplation stage have not yet begun to consider changing their behavior. In the contemplation stage, they are aware of a problem, have thought about changing, but have not made a commitment to modify their behavior. In the preparation stage individuals may have unsuccessfully attempted to change in the past but plan to change within the coming month. Persons in the action stage are changing their behavior and the change has lasted from one day to six months. Finally, those in the maintenance stage have employed strategies to avoid relapse and have maintained their changes for at least six months (Prochaska & DiClemente, 1983).

Methods

Women who had improved their financial practices within the past two years were the unit of investigation in this study. Persons who have recently changed their behavior can more easily recall their motivations for change than individuals who made changes long ago.

In this qualitative, exploratory study, focus groups were chosen for two reasons. First, focus groups allowed participants to voice their opinions and experiences in far less time and with greater breadth than with in-depth, personal interviews and in greater depth than in surveys (Morgan, 1996). Second, focus group research is a widely used, effective method for obtaining insights into behavior motivation (Morgan, 1996).

Sample and Recruitment

Women ages 25 to 55 who self-identified as having made a significant change in their financial behavior within the past two years were recruited via flyers placed in businesses throughout the county and on the campus of a large university. In addition, referrals were solicited from financial planners, counselors, and educators. Participants under age 25 were not included because they were unlikely to have had enough financial experience to have made significant changes in their behavior. Persons over age 55 were excluded based on the expectation that their financial behavior change would be a direct result of impending retirement.

The principal researcher was contacted by 27 potential focus group participants. After scheduling the focus groups, 17 women participated in the study. Of the 10 who did not participate, five did not respond to communications about the focus groups, two moved out of the research area, one was over the age limit, one had irreconcilable scheduling conflicts, and one did not show for her focus group. Participants ranged in age from 25 to 54. At the time of the focus groups, 13 were married and four unmarried. Three of the women had completed high school, 11 had bachelor's degrees, and three held master's degrees (See Table 1).

Prospective participants were sent an email questionnaire to collect information concerning their experience with financial behavior change, as well as to provide information

Table 1. Participant Demographics

Pseudonym	Age	Marital status	Education
Amber	38	Married	Bachelor's
Barbara	49	Married	High School
Camille	54	Married	High School
Darla	44	Married	Master's
Elizabeth	54	Married	High School
Fran	26	Unmarried	Bachelor's
Gloria	34	Married	Bachelor's
Hannah	28	Married	Bachelor's
Irene	41	Unmarried	Bachelor's
Julia	29	Married	Master's
Karen	27	Married	Bachelor's
Leslie	30	Married	Bachelor's
Marnie	34	Married	Master's
Nellie	46	Unmarried	Bachelor's
Olivia	39	Married	Bachelor's
Priscilla	33	Married	Bachelor's
Ronda	25	Unmarried	Bachelor's

about what to expect if the individual was selected to participate. Minimal demographic data needed to describe the sample (marital status, education, age) was also gathered. The researcher responded to inquiries until enough participants had been confirmed to conduct the focus groups. Incentives of $20 were offered for focus group participation. All procedures were approved by the university's Institutional Review Board for the protection of human subjects.

Prior to conducting the focus groups, five financial professionals and one marriage and family therapist were interviewed to explore what helping professionals observe as motivations for change in their clients. These observations provided a broad perspective on financial behavior change. Their similar answers (such as what hinders clients' change) provided insight into global ideas and concepts related to the research topic. Their dissimilar answers (such as the most significant financial challenges faced by women) also provided insight into the broadness and subjectivity of the topic. The interviews with professionals prepared the interviewer for themes that would likely surface in the focus groups, as well as ideas that would not have been considered had the interviewer not elicited input from a variety of helping professionals. The professionals evaluated the focus group questions and made suggestions for improvement, thus contributing to the instrument's validity.

Data Collection

Four focus groups were conducted. Two groups consisted of five participants; one group each was held with four and three participants. Focus group moderators played a significant role in the data collection process. The first author asked several questions (see Appendix) and guided the group through the discussion. Group members were encouraged to expand upon their answers by the use of probing questions and were directed back to the research topic when the conversation strayed. Both focus group moderators met at the conclusion of the first two sessions to discuss the group, dialogue, themes, and other notable aspects (Krueger, 1994; Rossman & Rallis, 2003). Detailed notes were taken during these early discussions and the conversations were tape recorded for use during the final analysis.

Each focus group was audio tape recorded and transcribed for analysis. Because best practices suggest that focus group moderation requires at least two individuals (Robinson, 1999), an assistant oversaw the tape recording process, took notes, and assisted in the analysis process by giving feedback and drawing conclusions about each focus group. Dual researchers combining to evaluate the data created triangulation, adding to the validity of the analysis (Rossman & Rallis, 2003).

Data Analysis

Data were transcribed and initially organized using word processing and spreadsheet software. The first steps of data analysis were to compare participant responses to each focus group question, which provided an overview of the data. Data were then reorganized by participant, which gave the reviewers a better view of each participant's individual progression through the change process. The transcribed and organized data were then transferred to NVivo 8 qualitative data analysis software (QSR International, 2008).

The researchers began open coding line-by-line (Strauss & Corbin, 1998). Next, recurring categories that were further examined for their relationships to each other were identified. Through this process, the major themes were identified and labeled. Next, the data were reviewed again and condensed into final themes. A coding tree was created within NVivo 8 to hierarchically arrange the coding scheme. To enhance reliability or trustworthiness of the analysis, the coders met weekly to discuss the evolving coding scheme. All researchers met periodically during the analysis process to confer about the emerging coding scheme and resolve any differences in coding.

Results

Study participants made several positive behavior changes including efforts to control spending and impulse purchases, beginning or increasing contributions to savings or investment accounts, and acquiring financial education. Two themes in their change process were identified: (a) motivations for change, and (b) positive behavioral change and maintenance strategies. First, the types of motivations that led to financial behavior change are described. Then, the changes made and the mix of support, setbacks, and strategies that occurred during the change process are discussed.

Theme 1: Motivations for Change

Participants experienced two types of motivators: circumstantial and underlying. Most participants were motivated to change by both circumstantial motivators, such as life transitions, and underlying motivators, such as a desire for financial independence. Two types of underlying motivators were discovered: goal-centered and crisis-centered. The majority of participants experienced goal-centered underlying motivators, with just three experiencing crisis-centered underlying motivators.

Circumstantial Motivators

Emotion. Negative emotions were experienced by many participants before positive change occurred. These emotions helped participants progress from precontemplation to contemplation by helping them recognize their financial behavior as problematic.

Negative emotions about financial status, and fear in particular, were common. Participants who expressed fear were afraid of many different concerns. One woman, Nellie (all names are pseudonyms), was afraid for her future because she did not actually know the details of her financial status. She said, "I had that fear of not knowing where I stood." Priscilla, a 33-year-old college graduate, experienced fear because she felt she had no control over her financial situation. She reached a point in her life where she had absolutely no financial resources. After borrowing money from her father she described herself as "scared to death."

Fear was the most common emotion experienced by these women in the precontemplation and contemplation stages, but other negative feelings about financial woes surfaced such as guilt, embarrassment, anger, and jealousy. Negative emotions about finances worked as a catalyst for many women in their progression through the change process. Amber described her anger as an overwhelming emotion experienced before she started to change. She was angry about how she and her husband had allowed their financial situation to deteriorate: "[I was] Angry at myself for letting us get that way; angry at my husband for his contributions to it; angry at my grandmother for not lending me money…yeah, I was angry." The recognition of these emotions helped many women identify their financial problems and provided the momentum to progress from precontemplation to the contemplation stage of change.

Family influence. Connected to negative emotions about participants' financial situations before change were negative feelings about familial influences with regard to money management. Many participants expressed negative emotions not only about their own financial situations, but also about the lack of familial support and guidance about financial matters early in their lives. Most women who expressed these negative feelings were displeased with the way they were taught (or not taught) about money by their parents. Leslie, a 30-year-old participant with a bachelor's degree, said, speaking of herself and her husband, "I think we were frustrated that we didn't feel we were ever taught really well how to manage things, how to avoid putting ourselves in the position we saw ourselves in at the time." Marnie, a 34-year-old participant with a master's degree, expressed similar frustrations:

> Nobody talked about money in our family, and I have huge frustration with that. And no schooling ever goes over that. So definitely there's frustration of why wasn't somebody doing this when I was 14? Why didn't they just show you how to balance a checkbook?

Life transitions. While emotions about financial difficulties played a large role in the change process for participants, the most compelling factor helping women make the move through contemplation and preparation stages were important life transitions. For many, the realization of the need for change came as a result of some sort of life event such as marriage, divorce, having children, entering or leaving school, moving from one location to another, and loss or gain of employment.

Leslie experienced a dual transition. At the time she and her husband moved across the country, their income fell when her husband went back to school. The combination of these two circumstances made purchasing and maintaining a home much more difficult than before these transitions. She said about this experience, "…we moved here two years ago for my husband to go to school, and it was a real wake-up call that even though we could afford a house, everything else that came with it was tough." As a result of this transition, Leslie was motivated to find full-time employment, start an online savings account, open a Roth IRA, and set up a payment plan to eliminate her credit card debt.

Marnie also experienced a dual transition. She said the combination of having kids and her re-entering school "shook things up" for her family financially. The reduction in income motivated her to evaluate her financial situation. She then paid off all credit card debt, opened a money market deposit account, and established a budget for her family.

One very powerful transition described by two participants was divorce. Divorce can be devastating to a woman's finances. Many divorced women experience financial strain due to loss of a spouse's income, insufficient child support, and low wages or lack of employment (Arditti, 1997; Hilton & Anderson, 2009; Seiling & Jackson, 1990). Two of the women in this study experienced similar financial frustrations. Darla, a 44-year-old woman with a master's degree, experienced a drastic reduction in her standard of living. She was dissatisfied with her post-divorce living conditions and said, "I found out that after I got divorced that I needed to do something different." Darla changed her financial behavior by "looking at how [she] could downsize." She took in a roommate and reduced her expenses.

Thirteen of 17 participants described some sort of life transition as part of her circumstances leading to change. Life transitions are not essential to the change process, as demonstrated by four participants who made financial improvements without experiencing life transitions. However, transitions did motivate most of the participants in this study to advance to more active and involved stages of change, and prepared them to recognize underlying motivations for change.

Underlying motivators: Goal-centered change. Data about participants' circumstances before change provided insight into the background and history of the participants, as well as the setting in which change occurred, and which circumstantial factors were prevalent among participants. Revelation about circumstantial motivators led the researchers to discover other motivations for change. Underlying motivations were of two types: goal-centered and crisis-centered.

When asked about the major motivator in the decision to change, the majority of participants spoke of personal goals that would lead them toward (a) changing their current financial situation, (b) changing their future financial situation, or (c) increasing their knowledge and confidence about financial terms, investment vehicles, and money management strategies.

Change in current financial situations. Participants who desired immediate change also desired long-term change that would enhance their future financial status. However, their current financial situations were uncomfortable enough to warrant immediate change before contemplating long-term goals. After her divorce, Nellie moved from a new large home to an old small home in disrepair. She said of her feelings at that time, "I sat there and looked and went… this is not how I want to live my life." Darla had similar concerns:

> I got tired of deciding whether I was going to pay a bill or buy my daughter her Halloween costume. I mean that sounds kind of pathetic when you're in a situation where you're only making it paycheck to paycheck, if even that. I wanted to be empowered again…

Rather than desiring to change their current financial situations, other participants set goals to maintain their current situations. This came largely in the form of financial goal-setting and avoiding debt. Hannah, a 28-year-old with a bachelor's degree, described her and her spouse's goal to remain free of student loans, "I think ours was not wanting to get in major student loan debt or anything…trying to keep our heads above water was the main motivator."

Change in future financial situations. Most participants who indicated changing to enhance future financial status as their main motivator had some sort of trigger that inspired their new-found goals. For many, recognizing others' financial success or failure acted as this inspiration. Priscilla, a 33-year-old participant, described feelings about her father-in-law's financial choices: "I realized here was a 78-year-old man who was gonna be bankrupt before he died. And all I could see was the writing on the wall. I could see myself." Irene, a 44-year-old single participant, described a similar experience:

> I have a co-worker who is retirement age but can't retire because they have a mortgage still and debt. And I thought, you know, I don't wanna be there. And if I kept on going the way I was going, I would be there without a house. And so I wanted to have a home and have it paid for, and have a retirement savings at retirement age. And so that was the big motivation.

Some participants were inspired by the success, rather than failure, of others. Seeing others in similar circumstances succeed financially gave some women the hope that they were also capable of success. Marnie commented, "My husband's parents did an early retirement, and are travelling, and are able to do family trips… I just thought, wow, they did it right when they were younger… So that motivated me a lot."

Change in financial knowledge. A certain amount of financial knowledge is necessary to make financial changes. Opening a savings account generally requires at least some knowledge of interest rates and conditions of the account. Starting or increasing contributions to an individual retirement account typically requires some knowledge of stocks, bonds, mutual funds, and other options for investment, as well as company and/or fund performance, fees, and a host of other factors. Reducing expenditures requires knowledge of budgeting strategies. It is this knowledge and understanding of the financial world that some of the women in this study were seeking.

Julia, a 29-year-old married woman with a master's degree, did not feel she understood enough to make good investment decisions. Of her desire for knowledge, she said "I was tired of not knowing and not understanding… whether it was insurance or mortgages or anything…I was tired of not getting it." Likewise, Olivia, a 39-year-old married woman with a bachelor's degree expressed similar feelings, "I… thought, I should know more. I felt like I should for a long time. I mean, I'm a grown-up."

Julia and Olivia were frustrated by their lack of financial knowledge and decided to learn more. Other women desired this knowledge based on their excitement for the topic of finances, or simply the aspiration to learn new things. Camille said, "I get excited!" referring to the challenge of mastering the financial world while Karen said, "It sparked a real interest for me."

Other catalysts for change. Some long-term goal-setters were inspired to set goals based on observing the successes and failures of others. Some catalysts for change were present across all three categories of goal-setting participants. While observing others' success was a specific catalyst seen only in long-term goal-setting participants, some catalysts seemed to jump-start the goal-setting of participants across all three goal-setting categories. The two most compelling catalysts were (a) a personal financial review and (b) financial education.

The term *personal financial review* refers to participants evaluating their personal financial situations as a whole. This usually meant participants took time to look at their debt, income, savings (if any), expenses, and evaluate their financial situation in relation to their personal goals. One woman created a spreadsheet during this process and used it as part of her change strategy. The others used this review process mostly as a catalyst for goal-setting and change.

Karen, a 27-year-old married woman with a bachelor's degree, experienced a personal financial review moment. She said about her experience:

> I think one thing that really helped motivate me was looking at the overall numbers. Adding up what I spent in the month, looking at the debt-to-income ratio, and just seeing the numbers in black and white on the paper was a real eye-opener for me…I went… oh, that's not wise. That's not going to get me where I wanna be.

Many women did not have a good idea of their overall financial situations before reviewing them in their entirety. Gloria, a 34-year-old with a bachelor's degree, had a similar experience to Karen. When describing her personal financial review, she said "the numbers just looked nasty. So, [I] just had to change."

Financial education appeared to play a dual role in participants' change process. For some, financial education acted as a catalyst for action, preparing women to advance from the contemplation to the preparation stage of change. For others, financial education provided support during the action and maintenance stages of change. Women utilizing financial education as a catalyst for change most often recalled previous education about finances, consisting of formal university courses, non-credit community education, Cooperative Extension workshops, and education acquired through the Internet. This financial knowledge provoked feelings of guilt or regret for not acting on that knowledge, and instilled in them the desire to act. Fran, a single woman, said her failure to take action on her financial knowledge had been "nagging at me for a while, like you should really start saving a lot."

In summary, goal-centered change was a motivator for nearly all participants. However, three women experienced a very different kind of motivator: financial crisis.

Underlying motivators: Crisis-centered change. A minority of participants were motivated to change by financial crisis. Although the number of women experiencing this type of motivation was small, the experiences described by all of them were strikingly similar, yet distinct from goal-centered participants' experiences. Those motivated by financial crisis had two things in common. First, each woman experienced a complete lack of discretionary income, a result of maxed out credit cards and lack of liquid assets. Second, each reached the conclusion that change was imperative or serious consequences would result. Amber, reflected on her experience when she said: "I think it was just…finally a realization, something that's been slowly building for several years, just kind of a slap in the face of if you don't do something you're gonna lose the house or declare bankruptcy…"

Two of the three women who experienced crisis-centered change spoke of an actual event that made them realize the need to change. Ronda had exceeded the limit on her credit card so she could not afford to buy groceries; an event that she claimed was her "kick in the butt." Priscilla, a woman who experienced both crisis-centered and goal-centered change motivators, had a similar experience in which lack of financial resources forced her to ask her parents for financial help. A coding hierarchy of participant motivations for change is presented in Table 1.

Theme 2: Positive Behavioral Change and Maintenance Strategies

While many of the participants' first steps of change differed from one another, there were commonalities among change events and methods utilized during change. Nearly all participants experienced some sort of setback, made use of support, and developed financial success strategies as part of the change process.

First steps of change. The first steps in the change process, marking the entrance into the action stage, differed among participants. Some started with very basic steps such as speaking to a spouse about finances or reviewing personal financial statements. Others set goals to reduce expenses or impulsive spending. Many women utilized financial education to facilitate change. Examples ranged from surfing the Internet for financial information to taking courses about finances. Still others sought professional advice from financial planners or debt settlement companies.

After reviewing the steps of change taken by each woman, the actual action taken did not seem to have any bearing on the woman's success. It is notable that nearly half of the participants utilized more than one first step of change, an indication that these women were attempting to change their lifestyles rather than simply deal with one or two financial problems. Elizabeth, a 55-year-old high school graduate, described her many first steps of change:

> I talked to my husband and we discussed what we could do, and I talked to the accountant that does our

Table 1. Coding Hierarchy of Participant Motivations for Change

Circumstantial motivators		
	Cognition	
		Desire for independence
	Emotion	
		Fear
		Guilt
		Regret
		Other negative feelings
	Family influence	
		Negative
		Positive
	Financial status	
		Debt
		Financial crisis
		Review of personal finances
	Life transitions	
Underlying motivators		
	Goal-centered	
		Change in current financial situations
		Change in future financial situations
		Change in financial knowledge
	Crisis-centered	

Table 2. Coding Hierarchy of Participant Positive Behavior Change and Maintenance Strategies

1: First steps of change		
	Multi-faceted	
	Single steps	
2: Setbacks during change		
	Internal	
	External	
3: Support during change		
	Educational	
	Professional	
	Social	
	None	
4: Strategies for success		
	Financial tricks	
		Had a plan
		Financially content
		Optimism
		Persistence
		Seized opportunity

taxes…and we set up a couple of annuities. Then I talked to a financial planner, then found out about [a financial education program geared toward women] and learned a lot of things in there to help. [The instructor] said you ought to have an online savings account, so I opened up one of those…

Amber had a similar multi-faceted approach. She discussed the situation with her husband, spoke with her boss, contacted a debt settlement company, and developed a budget for the first time in nearly 18 years of marriage.

Setbacks during the change process. Making financial change is difficult. Experiencing setbacks and even relapse is not only common but expected while attempting to change behavior (Prochaska, DiClemente, & Norcross, 1992). Nearly every participant experienced some sort of setback during the action or maintenance stage. Some of the setbacks were minor and did not result in backsliding to an earlier stage of change. Other setbacks, however, affected participants more deeply so that they regressed to an earlier stage, forcing them to progress again through already-visited stages. The setbacks themselves varied greatly among the individuals. However, two types of setbacks emerged from the data: internal and external.

Internal setbacks. Internal setbacks are categorized as reversals in progress that come from within the participant, usually in the form of emotion or tempting behavior. Many women identified their failure to control their spending as a setback. Some were tempted to spend by their own internal desires. Others felt pressure from others, such as family, to spend. Julia described her "constant daily struggle for self-control" as a setback. Priscilla described pressure from family members to participate in extravagant gift giving as an internal setback. She said, "It's almost like peer pressure with me. It's not only that I feed my own emotions. I've got like family and friend peer pressure… With my family I just can't be the one that's not giving…"

Olivia felt her lack of interest in finances was a continual setback for her. She said, "When you're just trying to learn something new, it's intimidating I think. And it's not very interesting to me. Like I can fall asleep reading about anything that has to do with financial terminology."

External setbacks. External setbacks were events that made continuing on the path of change difficult. Unlike internal setbacks, external setbacks were uncontrollable and unforeseen events that kept participants from achieving their goals. Examples of external setbacks were unexpected expenses such as car and home repair, or the absence or loss of expected income such as student loans or income from employment. Elizabeth described her external setbacks: "Life just does it… Yeah, the furnace can quit, the washer can quit, you know… all kinds of things."

Another setback mentioned by several participants was unexpected medical expenses. Darla noted "I think another setback can be medical. Even if you've got great insurance or your spouse has insurance, that medical can really be something that just sneaks up on you and takes money out of your pocket."

Four participants encountered both internal and external setbacks. The remaining women identified just one type of setback, with the majority naming external setbacks.

Support during change. All but one participant utilized some sort of support source during the action and maintenance stages. For some, their resources for initial change also acted as support during change. Examples of resources were educational opportunities and financial professionals. Participants described three sources of support: educational, social, and professional.

Educational support. One very common form of support was formal financial classes or seminars. Marnie said of her educational support system, "Mine's definitely been the women's financial program. That's been fantastic. More than anything it gives me the confidence to do things I know I need to do." An equally common educational support was financial literature. Many women stated that financial self-help books provided motivation and support. Priscilla said she read a lot of books. That form of support was attractive to her because "it's private." She could just "take 'em home" and learn without anyone else knowing she needs that kind of help. Another frequently noted source of support was the media, usually in the form of television shows about finances and Internet resources on money management.

Social support. The second most frequently mentioned type of support was social support from families and friends. Each participant who mentioned social support shared examples of familial support, most commonly from parents and spouses. Hannah received support from her siblings. She shared her financial circumstances with many of them and said, "I think we just kind of talk to each other. I think we feel like we have a bond with some of them because we're all in the same boat. So we share stories and things."

Participants who cited education as a source of support also received social support from the other participants. Financial classes and seminars, for example, tended to provide a modicum of social support in addition to knowledge.

Professional support. The most common source of professional support was financial planners. Some women sought out financial professionals while others had access to financial advice through financial classes. Leslie described an experience she had with her financial professional friend. She was purchasing insurance from him, and he said "don't you want more money than what you have?" She said, "…yes!" She continued with her account, "And he's like let's talk about it; what can you do? So he's been a good support for this (her behavior change)."

Strategies for success. It became apparent during data analysis that participants, consciously or unconsciously, utilized a variety of strategies to achieve their goals. The two most obvious strategies were optimism and financial tricks such as personal mind games and automation.

Optimism. Women in this study expressed optimism both about their financial futures and about their abilities to succeed financially. Many women, after taking one or more steps toward change, expressed confidence in their capacity to implement the things they had learned.

Julia said she realized "…it wasn't so difficult, and it wasn't so overwhelming. It was like, okay, I can start out just doing a few things…" Priscilla expressed her optimism by saying success is, "…attainable, and it is something that I'm not half bad at."

It appears that many of these women used their optimism to progress after an initial step toward change. For many, the initial step was some form of financial education and participants utilized their optimism to take action on their newfound knowledge.

Financial tricks. Those women who knew themselves and their financial tendencies put financial tricks in place to avoid previously experienced pitfalls. Some examples of financial tricks were limiting access to savings by banking in another state, using automated savings plans, rounding up to the next dollar while calculating grocery costs, and placing credit cards in an inaccessible location. Ronda explained "I put my credit card in the freezer in a block of ice. It was drastic, but I had to do it." Nellie described two of her strategies for success:

> I like to surround myself with people that are living their life the way I want to. That's a good influence. So I don't hang out with people who like to shop, I just don't. And I ride my bike when I go grocery shopping. Oh my gosh, you can't carry that much stuff, so I don't buy anything extra.

These women took actions to ensure their successful changes. They clearly reflected on their negative behaviors and tendencies, and acted to avoid their previously destructive behavior. These strategies helped the women avoid relapse during the maintenance stage. Figure 2 presents a coding hierarchy of participant positive behavior change and maintenance strategies.

Summary

The analysis of this focus group data reveals that the study's participants progressed through Prochaska's Stages of Change while making personal financial changes. Circumstantial motivators such as emotion, family influence, and life transition helped many women move from earlier stages (precontemplation, contemplation) to later stages (preparation, action) of change. Underlying motivators, both goal- and crisis-centered, were also discovered. Because the participants in this study had made positive changes in their financial behavior in order to qualify for the study, they were in the action or maintenance stages at the time of the study. However, their stories indicated that most of the women passed through the earlier stages of change before reaching the action and maintenance stages.

In this strengths-focused study, participants experienced internal and external setbacks in the process of successfully achieving permanent positive changes. Nearly all participants made use of at least one form of support during their transition to financial health. Also, participants divulged their strategies for successful change, which can serve as a road map for others who wish to improve their financial health.

Discussion

This study is unique because of its focus on successful financial behavior change. The strengths-based approach identified the motivators and processes by which women make substantial positive changes in their financial behaviors. No qualitative studies that focused on positive financial behavior change were identified during the literature review; thus, this is the first study to offer explanations of change using the voices of women themselves. Two unique contributions of this research include data about specific events and experiences that help prepare individuals for the action stage of change and what specifically motivates women to take a first step toward change. These findings are of value to individuals, educators, and counselors; successful financial behavior change is achievable.

The results are consistent with the findings of other qualitative studies of life events and behavior change (i.e., Berger & Denton, 2004; Kemp, Rosenthal, & Denton, 2005). However, they are unique in focusing on positive financial behavior change.

Limitations of this study include participant self-selection, which precludes generalizability to the population of American women. Although all participants resided in the region at the time of the study, many of the women were transplants from across the U.S. Because only women were studied, the results may not apply to men. Each participant had already progressed through the Stages of Change for financial behavior, making each participant inherently different from women who have not yet engaged in financial behavior change, or those currently on the path toward change. In addition, there was the possibility of recall bias due to the fact that some women's change processes had occurred up to two years before the study began.

Although limitations were present in this study, strengths were evident as well. The use of qualitative methods, particularly focus groups, and qualitative analysis software was appropriate for this research topic. Further, the structure of each focus group, particularly the questions chosen and their order, was carefully planned and organized with the help of five financial professionals and a marriage and family therapist who provided insight into the most effective approach to data collection.

Future research should apply the TTM to financial behavior by studying individuals in the early stages of change, particularly the contemplation stage. However, conducting research with this group may be challenging. Research is needed on how helping professionals can assist in the progress of individuals stuck in early stages of change, employing exploration of life transitions and individual goals as opportunities for change.

Another topic in need of further exploration is how to reach the general population, not just persons who enroll in financial classes or counseling. The current study focused on individuals who had already changed their behavior. There is a need to learn more about how to reach out to persons who could benefit from behavior change. Studies about the nature of individuals who seek financial help versus those who do not, including differences in personality, risk aversion, life circumstance and demographics, and motivations for change, would help educators and advisors better target the financial help avoidant population. Collaborative research with marriage and family therapists is needed to address these issues.

Implications for Policy and Practice

An important finding was that financial education and life transitions such as changes in marital status, student status, and employment were key events that provided the impetus for change. While previous research and the TTM did not directly identify the importance of life transitions in influencing the change process, this finding is consistent with the TTM processes of change. With so many Americans currently experiencing unplanned financial and employment transitions, focusing on life events or transitions can be an effective strategy to promote and market financial counseling and education programs.

A literature review found no studies identifying motivations for financial behavior change. The results of this study support psychological research that indicates intrinsically motivated individuals are more successful at achieving positive behavior change than extrinsically motivated individuals (Cameron & Pierce, 1994). The majority of participants were motivated by an internal desire for change, categorized as underlying goal-centered motivators. Thus, counselors and educators can facilitate financial behavior change by helping clients explore the sources of their motivation to change and guiding clients to recognize that they will be more successful if they focus on internal reasons for changing their behavior.

Two unique contributions of this research include data about the events and experiences that help prepare individuals for the action stage of change, and what specifically motivates individuals to take a first step toward change. The TTM describes processes of change that can help individuals progress from one stage to another, processes that if applied during certain stages of change, greatly increase the likelihood of change. Furthermore, the results of this study emphasize the significance of goal evaluation as part of an effective change process. Participants indicated that goal evaluation occurred before they acted to change their behavior. Thus, goal evaluation is a process of change helpful to women in the contemplation stage. Although New Year's resolutions are one way to promote goal evaluation, educators can promote decennial birthdays (i.e., 40, 50, 60), and events such as weddings, birth of children and grandchildren, death of parent or grandparent, and children leaving the nest as times for self evaluation.

Further, underlying crisis-centered motivation was important for a few participants. Recent research and the TTM fail to account for individuals who are pushed to change by the pressures of life crises. The TTM provides five experiential processes of change (Velicer, Prochaska, Fava, Norman, & Redding, 1998), none of which accounts for life crises. Financial crisis seemed to act as an experiential process of change that motivates progression into the action stage. A potentially helpful addition to the TTM may be an experiential process of change that promotes thought or reflection on current or past life transitions or crises. Since life crises present opportunities for change, intervention during that critical time could greatly improve an individual's chance for successful behavior change. Counselors and educators can encourage marriage and family therapists and divorce attorneys to collaborate on offering services and cross refer clients.

Setbacks, both internal and external, are common during change and should be expected. The TTM accounts for relapse and conceptually explains the commonality of setbacks as part of the change process. Research on changing behavior and avoiding relapse supports the commonality of backwards movement in the change process (Longo, Johnson, Kruse, Brownson, & Hewitt, 2001; Noe, Sears, & Fullenkamp, 1990). Counselors and educators should prepare their clients for setbacks as part of the normative behavior change process.

Most participants utilized some sort of support while making financial change. Use of educational, social, and professional support was common, with educational support cited most frequently. Examples include seminars, literary and Internet resources, friends and family members, and financial professionals and agencies. Clients can be encouraged to spend more time with family and friends who share their financial values and goals.

The findings of this research support the benefits of financial education. Many participants expressed frustration with the lack of financial knowledge acquired from parents and school. While some states mandate financial education as part of their high school curriculum, most K-12 students do not study personal finance, and those who do may be limited to one academic term. Financial professionals can volunteer to speak to school classes and encourage their professional organizations to lobby for more financial education in schools. Charter schools and alternative high schools catering to students who are at risk of dropping out may be most receptive to professionals who volunteer.

The results also suggest a need for financial service providers to develop marketing campaigns that target individuals in the contemplation and preparation stages of change. Campaigns targeted toward individuals experiencing life transitions or financial crises could be effective in drawing those in need of guidance toward valuable financial services. The global financial crisis provides a growing number of potential clients. Many of the transitions cited by participants mirror those that have been the subject of previous research: marriage, divorce, completion of school or education, entrance into the workforce, raising children, and retirement (George, 1993). The global financial crisis has increased the likelihood of experiencing transitions for many Americans. Career stability and job tenure have decreased since 1996 (Bureau of Labor Statistics, 2010). Workers today are likely to experience multiple career changes. Recent economic events have created more opportunities for life transitions due to unemployment (Bureau of Labor Statistics, 2011), bankruptcy (U.S. Courts, 2010), credit card delinquency (National Foundation for Credit Counseling, 2010), and adults returning to school for additional education or retraining (Fry, 2009).

In sum, the uniqueness of this study is its focus on successful financial behavior change. Targeting individuals experiencing major life events and transitions for financial counseling and/or education should be an effective outreach strategy. Financial counselors and educators can facilitate financial behavior change by helping clients focus on internal rather than external motivators, and by encouraging goal evaluation, preparing clients for setbacks, and suggesting fraternization with friends and family who share the client's financial goals. The need exists for increased financial education in grades K-12, for marketing campaigns that target individuals in the contemplation and preparation stages of change, and for the application of the TTM in studying individuals in the early stages of change.

References

Amato, P. R. (2000). The consequences of divorce for adults and children. *Journal of Marriage and Family, 62,* 1269-1287.

Arditti, J. A. (1997). Women, divorce, and economic risk. *Family Court Review, 35*(1), 79-89.

Bajtelsmit, V. L., & Bernasek, A. (1996). Why do women invest differently than men? *Financial Counseling and Planning, 7*, 1-10.

Belsky, G., & Gilovich, T. (2001). *Why smart people make big money mistakes and how to correct them: Lessons from the new science of behavioral economics*. New York, NY: Simon & Schuster.

Berger, E., & Denton, M. (2004). The interplay between women's work histories and financial planning for later life. *Canadian Journal on Aging, 23*, 99-113.

Bucks, B. K., Kennickell, A. B., Mach, T. L., & Moore, K. B. (2009). Changes in U.S. family finances from 2004 to 2007: Evidence from the Survey of Consumer Finances. *Federal Reserve Bulletin*, pp. A1-A56.

Bureau of Economic Analysis. (2010, December 22). Comparison of personal saving in the national income and product accounts (NIPAS) with personal saving in the flow of funds accounts (FFAs). Retrieved from http://www.bea.gov/national/nipaweb/Nipa-Frb.asp

Bureau of Labor Statistics. (2010, September). *Employee tenure summary*. Retrieved from http://www.bls.gov/news.release/tenure.nr0.htm

Bureau of Labor Statistics. (2011, July). *The employment situation*. Retrieved from http://www.bls.gov/news.release/pdf/empsit.pdf

Centers for Disease Control and Prevention. (2007, February). *Health, United States, 2006*. Retrieved from http://www.cdc.gov/nchs/data/hus/hus06.pdf#027

Collins, J. M., & O'Rourke, C. M. (2010). Financial education and counseling – still holding promise. *The Journal of Consumer Affairs, 44*(3), 483-498.

Danes, S. M., & Haberman, H. R. (2007). Teen financial knowledge, self-efficacy, and behavior: A gendered view. *Financial Counseling and Planning, 18*(2), 48-60.

Dietz, B. E., Corrozza, M., & Ritchey, P. N. (2003). Does financial self-efficacy explain gender differences in retirement saving strategies? *Journal of Women and Aging, 15*(4), 83-95.

Elder, G. H., Jr. (1998). The life course as developmental theory. *Child Development, 69*(1), 1-12.

FINRA Investor Education Foundation. (2009). *Financial capability in the United States*. Retrieved from http://www.usfinancialcapability.org/

Fisher, P. J. (2010). Gender differences in personal saving behaviors. *Journal of Financial Counseling and Planning Education, 21*(1), 14-24.

Fox, J. J., & Bartholomae, S. (2008). Financial education and program evaluation. In Xiao, J. J. (Ed.), *Handbook of consumer finance research*. (pp. 47-68). New York: Springer.

Fry, R. (2009). *College enrollment hits all-time high, fueled by community college surge*. Pew Research Center. Retrieved from http://pewsocialtrends.org/pubs/747/college-enrollment-hits-all-time-high-fueled-by-community-college-surge#prc-jump

George, L, K. (1993). Sociological perspectives on life transitions. *Annual Review of Sociology, 19,* 353-373.

Glass, J. C., & Kilpatrick, B. B. (1998a). Financial planning for retirement: An imperative for baby boomer women. *Educational Gerontology, 24*, 595-617.

Glass, J. C., & Kilpatrick, B. B. (1998b). Gender comparisons of baby boomers and financial preparation for retirement. *Educational Gerontology, 24*(8), 719-746.

Grable, J. E., & Joo, S. (2004). Environmental and biopsychosocial factors associated with financial risk tolerance. *Financial Planning and Counseling, 15*(1), 73-82.

Gutter, M., Hayhoe, C. R., & Wang, L. (2007). Examining participation behavior in defined contribution plans using the transtheoretical model of behavior change. *Financial Counseling and Planning, 18*(1), 46-60.

Helman, R., Copeland, C., & VanDerhei, J. (2010, March). The 2010 Retirement Confidence Survey: Confidence stabilizing, but preparations continue to erode. *EBRI Issue Brief*, *340*, 1-44.

Henley, N., & Donovan, R. J. (2002). Identifying appropriate motivations to encourage people to adopt healthy nutrition and physical activity behaviours. *Journal of Research for Consumers, 4*. Retrieved from http://www.jrconsumers.com/academic_articles/issue_4?f=5786

Hilton, J. M., & Anderson, T. L. (2009). Characteristics of women with children who divorce in midlife compared to those who remain married. *Journal of Divorce and Remarriage*, *50*, 309-329.

Hogarth, J. M. (2006). Financial education and economic development. Presented at the G8 International Conference on Improving Financial Literacy, November 29, 2006, Moscow. Russian Federation. Retrieved from http://www.oecd.org/dataoecd/20/50/37742200.pdf

Joo, S., & Pauwels, V. W. (2002). Factors affecting workers' retirement confidence: A gender perspective. *Financial Counseling and Planning, 13*(2), 1-12.

Kemp, C. L., Rosenthal, C. J., & Denton, M. (2005). Financial planning for later life: Subjective understandings of catalysts and constraints. *Journal of Aging Studies, 19*(3), 273-290. DOI: 10.1016/j.jaging.2004.08.004

Kitson, G. C., & Morgan, L. A. (1990). The multiple consequences of divorce: A decade review. *Journal of Marriage and Family, 52*(4), 913-924.

Loibl, C., & Hira, T. K. (2007). New insights into advising female clients on investment decisions. *Journal of Financial Planning, 20*(3), 68-75.

Longo, D. R., Johnson, J. C., Kruse, R. L., Brownson, R. C., & Hewitt, J. E. (2001). A prospective investigation of the impact of smoking bans on tobacco cessation and relapse. *Tobacco Control, 10*(3), 267-272.

Metlife Mature Market Institute, National Alliance for Caregiving, & Center for Long Term Care Research and Policy. (2011, June). *The Metlife study of caregiving costs to working caregivers*. Retrieved from http://www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-caregiving-costs-working-caregivers.pdf

Morgan, D. L. (1996). Focus groups. *Annual Review of Sociology, 22*(1), 129-152.

Munnell, A. H. (2004, April). Why are so many older women poor? *Just the facts on retirement issues*. Chestnut Hill, MA: Center for Retirement Research at Boston College.

Munnell, A. H., Webb, A., & Golob-Sass, F. (2009, October). The national retirement risk index: After the crash. IB#9-22 Chestnut Hill, MA: Center for Retirement Research at Boston College.

Munnell, A. H., & Zhivan, N. (2006, June). *Earnings and women's retirement security.* Working Paper. Chestnut Hill, MA: Center for Retirement Research at Boston College.

National Endowment for Financial Education. (2000, February). *Frozen in the headlights: The dynamics of women and money*. Retrieved from www.nefe.org

National Endowment for Financial Education. (2004, May). *Motivating Americans to develop constructive financial behaviors*. Retrieved from www.nefe.org

National Endowment for Financial Education. (2006). Closing the gap between knowledge and behavior: Turning education into action. *Financial Counseling and Planning, 17*(1), 73-90.

National Foundation for Credit Counseling. (2010). *The 2010 Consumer Financial Literacy Survey Final Report*. Retrieved from http://www.nfcc.org/NewsRoom/FinancialLiteracy/index.cfm

Noe, R. A., Sears, J., & Fullenkamp, A. M. (1990). Relapse training: Does it influence trainees' post training behavior and cognitive strategies? *Journal of Business and Psychology, 4*(3), 317-328.

Norcross, J. C., & Prochaska, J. O. (2002). Using the stages of change. *Harvard Mental Health Letter, 18*(11), 5-7.

O'Neill, B. (2004, December), Small steps to health and wealth. *The Forum for Family and Consumer Issues*, *9*(3). Retrieved from http://ncsu.edu/ffci/publications/2004/v9-n3-2004-december/fa-1-small-steps.php

Prochaska, J. O., & DiClemente, C. C. (1983). Stages and processes of self-change of smoking: Toward an integrative model of change. *Journal of Consulting and Clinical Psychology, 51*(3), 390-395.

Prochaska, J. O., DiClemente, C. C., & Norcross, J. C. (1992). In search of how people change: Applications to addictive behaviors. *American Psychologist, 47*, 1102-1114.

Prochaska, J. O., Redding, C. A., & Evers, K. E. (1996). The transtheoretical model and stages of change. In K. Franz, F. M. Lewis, & B. K. Rimer (Eds.), *Health behavior and health education: Theory, research and practice,* 2nd ed. (pp. 60-84). San Francisco, CA: Jossey Bass.

QSR International. (2008). NVivo 8 qualitative data analysis software. Retrieved from http://www.qsr international.com

Robinson, N. (1999). The use of focus group methodology – with selected examples from sexual health research. *Journal of Advanced Nursing, 29*(4), 905-913.

Rossman, G. B., & Rallis, S. P. (2003). *Learning in the field: An introduction to qualitative research* (2nd ed.). Thousand Oaks, California: Sage Publications, Inc.

Rowland, D., & Lyons, B. (1996). Medicare, Medicaid, and the elderly poor. *Health Care Financing Review, 18*, 61-85.

Sadker, D. (1999). Gender equity: Still knocking at the classroom door. *Educational Leadership, 56*, 22-27.

Seiling, S. B., & Jackson, G. (1990). Children of divorce: Financial planning issues for custodial parents. *Financial Counseling and Planning, 1*, 113-134.

Shockey, S. S., & Seiling, S. B. (2004). Moving into action: Application of the transtheoretical model of behavior change to financial education. *Financial Counseling and Planning, 15*(1), 41-52.

Strauss, A. L., & Corbin, J. (1998). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (2 ed.). Thousand Oaks, CA: Sage Publications.

Survey on savings finds why some don't. (2003, July 1). *The Wall Street Journal*, D3.

Teachman, J. D., & Paasch, K. M. (1994). Financial impact of divorce on children and their families. *The Future of Children, 4,* 63-83.

Turyn, T. L., & Helman, R. (2001). Women on savings and retirement: Results from the 2000 women's retirement confidence survey. *EBRI Notes, 22*(2), pp. 1-7.

U.S. Courts. (2010). *Bankruptcy statistics*. Retrieved from http://www.uscourts.gov/bnkrpctystats/statistics.htm#calendar

U.S. Census Bureau. (2006). *Marital status of people 15 years and over, by age, sex, personal earnings, race, and Hispanic origin, 2006*. Retrieved from http://www.census.gov/population/www/socdemo/hh-fam/cps2006.html

Velicer, W. F., Prochaska, J. O., Fava, J. L., Norman, G. J., & Redding, C. A. (1998). Smoking cessation and stress management: Applications of the Transtheoretical Model of behavior change. *Homeostasis, 38,* 216-233.

Xiao, J. J. (2008). Applying behavior theories to financial behavior. In Xiao, J. J. (Ed.). *Handbook of consumer finance research* (pp. 69-81). New York: Springer.

Xiao, J. J., Newman, B. M., Prochaska, J. M., Leon, B., Bassett, R. L., & Johnson, J. (2004). Applying the transtheoretical model of change to consumer debt behavior. *Financial Counseling and Planning, 15*(2), 89-100.

Xiao, J. J., O'Neill, B., Prochaska, J. M., Kerbel, C., Brennan, P., & Bristow, B. (2001). Application of the transtheoretical model of change to financial behavior. *Consumer Interests Annual, 47*, 1-9.

Acknowledgments

The authors wish to thanks Cathy L. Hartman, Ph.D. for help in conceptualizing the research and Amanda Horrocks, M.S. for assistance with the focus groups.

Appendix. Focus Group Questions

Phase I: Introductory Statement

You are all here because you have something in common: you have taken a step toward your financial freedom. I commend you for your efforts, and want to express my gratitude for your willingness to share your experiences here. The things you share will ultimately be beneficial in helping other women take steps toward their own financial security.

Phase II: Introduction to Topic and Background of Change

Everyone is here tonight/today because they have made some significant change(s) in their finances.

When did you first recognize the need to make financial changes in your life?

What life events or circumstances contributed to your financial situation?

How did you feel about your financial situation before deciding to make a change?

What was the first step you took toward financial behavior change?

Phase III: Motivators of Financial Behavior Change

What motivated you to take your first step toward changing your behavior?

Overall, what was the most influential motivator in changing your financial behavior?

What individuals or organizations, if any, did you use for support as you changed your financial behavior?

Sometimes what initially motivates us to change is different than what motivates us to remain on the path of change. What motivated you to change initially, and what has motivated you to maintain that change?