Financial Satisfaction: The Role of Shared Financial Responsibilities and Shared Financial Values Among Couples

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Abstract

Managing shared finances is an important aspect of a romantic relationship, and satisfaction with one's financial situation depends on a complex host of issues, including decision-making dynamics and resource sharing. This paper provides insight into this relationship by reporting the results from a study designed to provide evidence of an association between couple's shared financial decision-making behavior and their financial satisfaction. Using a sample of 602 individuals in a committed romantic relationship, this project evaluated how couples' division of financial responsibilities and agreement on spending and saving behavior affected their perceived financial satisfaction. Results of the analysis indicated that the way household finances were shared was associated with perceptions of financial satisfaction. Specifically, those who reported combining their finances with their partner were more financially satisfied. Couples who reported higher levels of agreement on spending were more likely to be satisfied with their current financial situation. Finally, couples with higher levels of agreement on saving were more satisfied financially.

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Introduction

Financial satisfaction is the subjective perception of one's financial adequacy and resources (Hira & Mugenda, 1998). It is an important topic for policymakers, researchers, and educators because it contributes to household outcome measures such as well-being (Campbell, 1981; CFPB, 2015; Easterlin, 2006; Joo, 2008; Robb & Woodyard, 2011) and overall life satisfaction (Xiao et al., 2009). Many studies on financial satisfaction focus on identifying characteristics of household financial decision-makers (e.g., Joo & Grable, 2004; Tharp, 2017; Woodyard & Robb, 2016). In this regard, financial satisfaction has been used as both an outcome and explanatory variable associated with objective and subjective demographic and socioeconomic characteristics,

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financial attitudes, financial behaviors, and financial knowledge.

Other research has evaluated how perceptions of a partner's spending and saving behavior impact measures of relationship satisfaction (Archuleta, 2013; Mao et al., 2017). This literature shows a positive connection between financial and marital satisfaction (Koochel et al., 2020; Ross et al., 2021). Yet, little is known about how financial mutuality, such as sharing financial goals and money management responsibilities, is associated with couples' financial satisfaction (Archuleta et al., 2013; Grable et al., 2021). Moreover, though the relation between partner spending and relationship satisfaction is well established (Britt et al., 2008; Kelley et al., 2022; Li et al., 2023), the association between financial satisfaction and agreement on saving and spending behaviors has yet to be fully evaluated. This paper therefore aims to address this issue by examining how couples' division of financial responsibilities and spending and saving compatibility are associated with their financial satisfaction.

Background

George (1992) defines financial satisfaction as the subjective evaluation of a person's resource adequacy. Joo and Grable (2004) define it as one's overall satisfaction with their current financial situation. Given this evolving definition, it is perhaps unsurprising that there is no consensus on the best way to measure financial satisfaction (Godwin, 1994). Some researchers use scales and indexes, whereas others consider single-item measures (Aboagye & Jung, 2018; Hira & Mugenda, 1998; Joo & Grable, 2004). Further, numerous sub-facets of financial satisfaction have been identified (Garrett & James, 2013; Joo & Grable, 2004; Tharp, 2017; Woodyard & Robb, 2016). These include financial strain, attitudes, behaviors, financial knowledge, personal characteristics, and couple-level characteristics.

Although researchers have studied financial satisfaction for over a century, the modeling of financial satisfaction is a more recent phenomenon. For example, Joo and Grable (2004) proposed a framework to describe the abovementioned personal and household characteristics associated with one's assessment of their current financial situation, operationalized as follows:

$$FS = f(S, A, B, K, P), \qquad (1)$$

where *FS*, financial satisfaction, is a function of five factors represented by *S*, a vector of financial strain variables; *A*, a vector of attitudinal variables; *B*, a vector of behavioral variables; *K*, financial knowledge; and *P*, a vector of personal characteristics. Following Garrett and James (2013), Tharp (2017), and Woodyard and Robb (2016), this study builds on Joo and Grable's (2004) model to evaluate the functional domains and variables evaluated in this study:

$$FS = f(S, A, B, K, P, CL), \qquad (2)$$

where *CL* is added to capture a vector of variables representing couple-level characteristics. The following sections discuss these six domains in detail.

Financial Strain

Financial strain results from major life-cycle events that influence the family system and generally cost significant sums of money to solve (Joo & Grable, 2004), such as unemployment (Plagnol, 2011; Vera-Toscano et al., 2006). These difficulties are associated with lower levels of financial satisfaction (Archuleta et al., 2011; Spuhler & Dew, 2019), and reducing them offers a pathway to increasing financial satisfaction (Xiao et al., 2006).

Attitudes

An attitudinal variable of importance in nearly all financial satisfaction frameworks is financial risk tolerance, or a person's willingness to pursue uncertain and potentially negative outcomes. Risk tolerance is positively associated with financial satisfaction (Aboagye & Jung, 2018; Joo & Grable, 2004). The prevailing thought is that risk tolerance is a trait-like factor (Van de Venter et al., 2012), and as such, it helps describe the degree to which someone expresses financial satisfaction. Beyond causality, it is reasonable to hypothesize that financial risk tolerance is positively associated with financial decision-making and subsequent outcomes which, in turn, relate to feelings of financial satisfaction.

Behaviors

Financial satisfaction can be negatively affected by mishandling of household financial management tasks (Joo, 2008: Porter, 1990; Xiao et al., 2014). Those who perform routine financial management tasks well (e.g., handling cash and credit accounts) are more likely to feel satisfied with their financial situation. Positive financial behavior, such as managing cashflows and credit accounts to fully pay off monthly credit card balances (Joo, 1998), is positively associated with financial satisfaction (Aboagye & Jung, 2018; Joo & Grable, 2004; Xiao et al., 2009), whereas risky financial behaviors, such as spending more than one's income (Aboagye & Jung, 2018), is associated with lower levels of financial satisfaction (Xiao et al., 2014). Financial solvency—a behavioral outcome associated with the ability to pay off all debt and still have assets remaining—is also positively associated with financial satisfaction (Joo & Grable, 2004; Garrett & James, 2013; Mugenda et al., 1990; Sumarwan & Hira, 1993).

Financial Knowledge

Financial knowledge can be objective or subjective (Fan & Babiarz, 2019; Xiao et al., 2009). Objective financial knowledge is sometimes referred to as financial literacy (Atlas et al., 2019), which can be measured using a quiz or a gradable survey testing the subject's knowledge of financial topics. Subjective financial knowledge can be an indicator of a decision-maker's confidence (Atlas et al., 2019) and is typically measured by asking the person to rate their own level of financial knowledge. Robb and Woodyard (2011) found that subjective financial knowledge offers insight into one's financial behavior, which is corroborated by evidence showing a positive relationship between subjective financial knowledge and financial satisfaction (Fan & Babiarz, 2019; Joo & Grable, 2004; Xiao et al., 2014).

Personal Characteristics

Of particular importance when describing financial satisfaction is the demographic profile of a financial decision-maker. Fan and Babiarz (2019) noted that divorced individuals, particularly women, generally exhibit lower financial satisfaction than those who are married. Fan and Babiarz found that single women are less financially satisfied than married women. Men are more likely than women to report being satisfied with their current financial situation, after controlling for socioeconomic status (Hira & Mugenda, 1998; Xiao et al., 2014), although gender differences in financial satisfaction generally decrease with age (Hansen et al., 2008). The relationship between attained education level and financial satisfaction is less clear (Fan & Babiarz, 2019; Joo & Grable, 2004; Hsieh, 2004). In terms of racial or ethnic background, Zurlo (2009) reported that non-Whites are significantly less financially satisfied than Whites. Others found no significant relationship between race or ethnic background and financial satisfaction (e.g., Hsieh, 2001, 2004; Joo & Grable, 2004). Age and income are positively associated with financial satisfaction (Archuleta, 2013; Hansen et al., 2008; Sumarwan & Hira, 1993), perhaps because older adults tend to have higher net worth and higher incomes than younger adults. However, Hansen et al. (2008) found that older adults appear to be more satisfied with their financial situation than younger adults, even when wealth and income levels are the same, suggesting they may have learned to be more content with their circumstances.

Couple-level Characteristics

Joint financial decision-making relates to perceptions of shared financial values among romantic partners (Totenhagen et al., 2019). Discrepancies in income-earning between romantic partners can contribute to financial conflict and reduce financial satisfaction (Eirich & Robinson, 2017). For example, those who report having equal levels of economic power in a relationship (i.e., equal earnings) are more likely to report lower levels of financial conflict (Dew & Stewart, 2012).

Hypotheses

How a person assesses their financial satisfaction is a function of different personal and household characteristics. Of particular interest to this study is how financial satisfaction among those in a committed romantic relationship relates to couple-level characteristics, such as the degree to which they share goals and values and the division of financial responsibilities. Understanding how these characteristics affect financial satisfaction can offer insight and tools to improve one's financial wellbeing. The present study thus extends the financial counseling literature by investigating whether the relationship between financial satisfaction and shared financial goals and values extends to a couple's level of agreement on specific financial behaviors. Extending Joo and Grable's (2004) financial satisfaction framework, the following hypotheses examine five financial characteristics of couples (i.e., financial integration style, financial decision-making style, income-earning style, agreement on spending, and agreement on saving) and how they relate to financial satisfaction:

H_1: Partners who report combining their finances are more likely to be satisfied with their current financial situation.

H_2: Partners who report being jointly responsible for financial decisions and management are more likely to be satisfied with their current financial situation.

H_3: Partners who report being jointly responsible for earning income are more likely to be satisfied with their current financial situation.

H_4: Couples with higher levels of agreement on spending are more likely to be satisfied with their current financial situation.

H_5: Couples with higher levels of agreement on saving are more likely to be satisfied with their current financial situation.

Methodology

Data

Data for this study were collected by a private firm between December 2013 and January 2014 through Amazon's Mechanical Turk platform. Data were analyzed as a secondary dataset. The target population for the sample included people in the United States who were currently living with a romantic partner in which at least one partner makes financial decisions for the couple and at least one partner is responsible for earning income. Participants who were not currently living with a significant other were excluded. Little's (1988) *t* and chi-square tests were used to determine if missing data related to values of other variables in the dataset (Sheskin, 2020). In rare cases of missing data, the omissions were determined to be random. The "linear trend at point" method of missing data replacement, a procedure in SPSS that regresses the existing series on an index variable scaled from 1 to *n*, was used to replace the missing values. The resulting sample comprised 602 individuals living with a romantic partner.

Outcome Variable

The outcome variable of interest in this study was financial satisfaction, measured using a single-item Likert agreement measure that was converted into a dummy variable. Participants were asked to rate their level of agreement with the statement, "I am satisfied with my current financial situation." Responses indicating agreement or strong agreement were coded as 1, and 0 otherwise. The choice to dichotomize the variable was made to delineate those who were financially satisfied from those who were less satisfied. Based on the coding, approximately 49% of participants reported agreeing or strongly agreeing with the statement.

Couple-level Characteristics

Financial decision-making style was measured using the following question: "Who is responsible for the majority of the financial decisions and management made in your household?" Responses were converted into dummy variables as follows: "I am responsible" was coded as 1, and 0 otherwise; "My spouse is responsible" was coded as 1, and 0 otherwise; "My spouse/significant other and I are jointly responsible" (reference item) was coded as 1, and 0 otherwise.

Income pooling style was assessed by asking study participants to complete this statement: "My spouse/significant other and I ______." Combining all finances with a spouse or partner was coded as 1, and 0 otherwise. Keeping some finances separate was coded as 1, and 0 otherwise. Keeping finances entirely separate (reference category) was coded as 1, and 0 otherwise.

Responsibility for earning income was measured by asking, "Who is responsible for working (generating income)?" The variable was converted into dummy variables as follows: a participant who was responsible for working was coded as 1, and 0 otherwise; a spouse responsible for working was coded as 1, and 0 otherwise; being jointly responsible (reference category) was coded as 1, and 0 otherwise 0.

Each couple's level of agreement on spending was measured by agreement with the following statement: "My spouse/significant other and I agree on issues related to spending money." The variable was converted into two binary variables. A response of agree or strongly agree was coded as 1, and 0 otherwise. A response of neither agree nor disagree, disagree, or strongly disagree (reference category) was coded as 1, and 0 otherwise.

Each couple's level of agreement on saving was measured based on agreement with the following statement: "My spouse/significant other and I agree on issues related to saving money." Responses were converted into two binary variables: agree or strongly agree was coded as 1, and 0 otherwise; neither agree nor disagree, disagree, or strongly disagree (reference category) was coded as 1, and 0 otherwise.

Control Variables

To measure financial strain, two proxies were used. First, unemployment was assessed and coded as 1 if the participant was currently unemployed, and 0 otherwise. Second, financial stress was indicated by answers to the following question: "I/we often take money out of savings to pay bills." Responses were measured on a five-point Likert scale where 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, and 5 = strongly agree.

To measure attitudes, risk tolerance was measured using the following question: "How often have others described you as a risk-taker?" Respondents answered using a five-point Likert-type scale where 1 = never, 2 = rarely, 3 = sometimes, 4 = often, and 5 = very often/always.

For financial behavior, spending capacity was measured using the following question: "In the past, how often have you had difficulty spending less than your household earns?" Answers were coded as 1 = never, 2 = several times per year, 3 = once a month, 4 = several times a month, 5 = once a week, 6 = several times a week, and 7 = almost every day. A dummy variable was created for which those who reported never having difficulty spending less than their household earns were coded as 1, and 0 otherwise. Holding credit card debt was measured using the following question: "How much credit card debt do you/does your household currently have? Please round to the nearest dollar amount." The variable was recoded into a dummy variable where those who reported having $0 in credit card debt were coded as 1, and 0 otherwise. Lastly, net worth served as a proxy for solvency. A positive net worth where household assets (cash, investments) exceeded liabilities (debt) was coded as 1, and 0 otherwise.

Subjective financial knowledge was measured with the following items using a five-point agreement scale: (a) I have explained financial concepts to others in the past, (b) I consider myself a novice or beginner when it comes to managing household finances, (c) I often have to ask others to explain financial terminology, (d) I am very comfortable explaining financial terminology, (e) I enjoy learning about financial concepts and terminology, (f) others seek my advice regarding personal financial matters, (g) I consider myself an expert at managing household finances, and (h) I enjoy thinking about/talking about financial matters. Two of the questions were reverse coded so that higher scores on the scale indicated an elevated level of financial knowledge. The reliability of the scale was measured at a Cronbach's alpha level of .91.

The vector of personal characteristics included several variables. Marital status was measured categorically using six classifications: (a) single, never married; (b) married, never divorced; (c) remarried; (d) widowed; (e) divorced; and (f) separated. Four dummy coded variables were created for the analysis: (a) single, never married (reference), (b) married, never divorced, (c) remarried, and (d) widowed, divorced, or separated were coded as 1, and 0 otherwise. Gender was measured categorically with self-described females coded as 1, and 0 otherwise. Education level was measured by asking participants to indicate the highest level of education they had obtained. A dummy variable, *Bachelor's degree or higher*, was coded as 1 for respondents with a Bachelor's degree or higher, and 0 otherwise. Race/ethnicity was measured categorically using only three dummies due to low variability: (a) White (reference), (b) Black or African American, and (c) other. Age and income each were measured as a continuous variable. Study participants also were asked, "Please estimate the approximate total income of your household before taxes last year. Include income from earnings (e.g., wages, business profits) and unearned income (passive income from investments such as stocks, bonds, and mutual funds)." Income was log-transformed for the analysis.

Data Analyses

Data were analyzed using SPSS 28.0. The research hypotheses were evaluated using a variety of parametric and non-parametric statistical tests. Mean and frequency descriptive statistics were calculated for the continuous and categorical variables, respectively. Tests of the research hypotheses were first made using a chi-square analysis to identify significant differences in financial satisfaction across couple-level characteristics. Two logit models were then estimated with financial satisfaction as the outcome variable. Multivariate logistic regression was chosen for the analysis because of the binary nature of the dependent variable, the capacity of the model to handle a variety of control and independent variable types, and the ability to interpret results using the odds ratio. To address multicollinearity concerns, the level of agreement on spending and level of agreement on saving variables were analyzed in separate models. The models included the remaining couple-level characteristic variables and all control variables. The logit models were empirically modeled as follows:

$$\ln\left[\frac{P(Y)}{1-P(Y)}\right] = \beta_0 + {}'\beta_1 FinancialStrain_1 + \beta_2 RiskTolerance_2 + {}'\beta_3 Behavioral_3 + \beta_4 Knowledge_4 + {}'\beta_5 Personal_5 + {}'\beta_6 Clientlevel_6 + e_i, \quad (3)$$

where $\ln\left[\frac{P(Y)}{1-P(Y)}\right]$ is the odds of financial satisfaction, Y is the binary outcome, ${}'\beta_1 FinancialStrain_1$ is the vector of variables representing financial strain, $\beta_2 RiskTolerance_2$ is financial risk tolerance, ${}'\beta_3 Behavioral_3$ denotes the vector of financial behavior variables, $\beta_4 Knowledge_4$ is financial knowledge, ${}'\beta_5 Personal_5$ is the vector of personal characteristic variables, and ${}'\beta_6 Clientlevel_6$ represents the vector of variables representing couple-level characteristics.

Results

Table 1 shows the descriptive statistics of the categorial variables used in the study.

A small proportion of the sample had never been married but were in a committed relationship and living with their partner. Approximately 60% of study participants were male, had completed at least a bachelor's degree, and had a positive net worth. Most were employed at the time of the survey.

Table 1. Descriptive Statistics for the Categorical Variables (N = 602)

Variable	***Freq.***
Participant is Satisfied with their Current Financial Situation	
Strongly Disagree	9.5%
Disagree	27.5%
Neither Agree nor Disagree	13.8%
Agree	35.2%
Strongly Agree	14.0%
Independent Variables	
Financial Decision-Making Responsibilities	
Both Partners Make Financial Decisions Jointly	57.8%
Participant Makes Financial Decisions	38.2%
Partner Makes Financial Decisions	4.0%
Income Earning Responsibilities	
Both Partners Earn Income	62.1%
Participant Earns Income	25.2%
Partner Earns Income	12.7%
Household Financial Integration Style	
Couple Combines Finances	65.3%
Couple Keeps Some Finances Separate	25.9%
Couple Keeps All Finances Separate	8.8%
Spouse and Participant Agree on Issues Related to Spending Money	
Strongly Disagree	2.2%
Disagree	13.5%
Neither Agree nor Disagree	17.4%
Agree	50.5%
Strongly Agree	16.4%
Spouse and Participant Agree on Issues Related to Saving Money	
Strongly Disagree	2.2%
Disagree	8.8%
Neither Agree nor Disagree	11.6%
Agree	56.5%
Strongly Agree	20.9%
Control Variables (Personal Characteristics, Financial Stress, Attitudes, and Behavior	
Marital Status	
Single, Never Married	15.3%
Other Marital Status	84.7%
Gender	
Male	60.0%
Female	40.0%

Table 1 (continued). Descriptive Statistics for the Categorical Variables (N = 602)

Variable	***Freq.***
Education Level	
Completed an Associate's Degree or Lower	36.7%
Completed a Bachelor's Degree or Higher	63.3%
Race	
White	90.8%
Black or African American	4.5%
Other Race	4.7%
Employment Status	
Unemployed	4.2%
Employed	95.8%
Financial Stress	
Strongly Disagree That They Often Take Money out of Savings to Pay Bills	33.7%
Disagree That They Often Take Money out of Savings to Pay Bills	40.3%
Neither Agree nor Disagree That They Often Take Money out of Savings to Pay Bills	11.6%
Agree That They Often Take Money out of Savings to Pay Bills	13.1%
Strongly Agree That They Often Take Money out of Savings to Pay Bills	1.3%
Risk Tolerance	
Others Would Never Describe as a Risk-Taker	29.9%
Others Would Rarely Describe as a Risk-Taker	39.6%
Others Would Sometimes Describe as a Risk-Taker	22.9%
Others Would Often Describe as a Risk-Taker	6.3%
Others Would Very Often/Always Describe as a Risk-Taker	1.3%
Credit Card Behavior	
Do Not Carry a Credit Card Balance	44.9%
Carry a Credit Card Balance	55.1%
Spending Behavior	
Never Has Difficulty Spending Less Than Income	36.0%
Has Difficulty Spending Less Than Income	64.0%
Net Worth	
Positive Net Worth	62.1%
Negative Net Worth	23.4%
Zero Net Worth	14.5%

Table 2 presents the descriptive statistics for the continuous variables. The average age of study participants was slightly under 38 years with an average annual income of approximately $104,000. Scores measuring subjective financial knowledge ranged from the lowest possible score of eight to the highest possible score of 40, with an average score of about 28.

Table 2. Descriptive Statistics for the Continuous Variables (N = 602)

Variable	*Mean*	*Standard Deviation*	*Minimum*	*Maximum*
Age	37.6	10.3	20	74
Pre-Tax Household Income	$103,899.48	$100,710.29	$800.00	$1,000,000
Financial Acumen Scale Score	27.9	7.0	8	40

The first research hypothesis was assessed using a series of chi-square tests. The chi-square analysis revealed significant differences in financial satisfaction in groups with divergent couple-level characteristics. Table 3 shows the results of the chi-square tests of independence (*p < .05, **p < .01, ***p < .001). Each of the five couple-level characteristics of interest (i.e., financial integration style, financial decision-making style, income-earning style, agreement on spending, and agreement on saving) was significantly associated with financial satisfaction. Those who were financially satisfied were more likely to report combining their finances with their partner, having the participant be primarily responsible for making financial decisions, being jointly responsible or having the participant be primarily responsible for earning income, agreeing on spending, and agreeing on saving. Those who were less financially satisfied were more likely to have separate finances or some separate finances, be jointly responsible or have their partner be responsible for financial decisions, have their partner be primarily responsible for earning income, not agree on spending, and not agree on saving.

Two logit models were estimated to evaluate the remaining research hypotheses, both controlled for the same variables. Model 1 (agree on spending) included all couple-level characteristic variables except the "agree on saving" variable. Model 2 (agree on saving) included all couple-level characteristic variables except the "agree on spending" variable. Table 4 shows the results. Except for the financial stress variable, the coefficient directions and levels of significance for each model were the same. Both models had relatively high explained variance, although Model 1 had a slightly higher pseudo-r-squared compared to Model 2 (Nagelkerke R^2 = .534 versus Nagelkerke R^2 = .521).

Income was positively associated with financial satisfaction in both models. Subjective financial knowledge was also positively associated with reports of financial satisfaction ($p < .001$). For each additional point scored on the subjective financial knowledge measure, the odds of being financially satisfied increased in Model 1 by 8% and in Model 2 by 9%. Financial stress was significantly associated with financial satisfaction in the agree-on-saving model ($p < .05$), in which those who were financially stressed were 23% less likely to be financially satisfied; however, financial stress was not significant in the agree-on-spending model ($p = .06$). Paying with credit card balances in full each month ($p < .05$) and net worth ($p < .01$) were significantly associated with being financially satisfied in both models. In comparison to those who did not have a positive net worth, those who did were 127% more likely to be financially satisfied in the agree-on-spending model and 110% more likely in the agree-on-saving model.

Table 3. Differences in Financial Satisfaction by Couple-level Financial Characteristics

		Not Satisfied	***Satisfied***	X^2
Separate Finances	Count	40	13	21.56***
	Expected Count	26.9	26.1	
	Std. Residual	2.5	-2.6	
Some Separate Finances	Count	90	66	
	Expected Count	79.3	76.7	
	Std. Residual	1.2	-1.2	
Combined Finances	Count	176	217	
	Expected Count	199.8	193.2	
	Std. Residual	-1.7	1.7	
Participant Responsible for Financial Decisions	Count	103	127	13.94***
	Expected Count	116.9	113.1	
	Std. Residual	-1.3	1.3	
Jointly Responsible for Financial Decisions	Count	183	165	
	Expected Count	176.9	171.1	
	Std. Residual	0.5	-0.5	
Participant's Partner Responsible for Financial Decisions	Count	20	4	
	Expected Count	12.2	11.8	
	Std. Residual	2.2	-2.3	
Participant Responsible for Earning Income	Count	64	88	17.11***
	Expected Count	77.3	74.7	
	Std. Residual	-1.5	1.5	
Jointly Responsible for Earning Income	Count	188	186	
	Expected Count	190.1	183.9	
	Std. Residual	-0.2	0.2	
Participant's Partner Responsible for Earning Income	Count	54	22	
	Expected Count	38.6	37.4	
	Std. Residual	2.5	-2.5	
Do Not Agree on Spending	Count	138	62	39.56***
	Expected Count	101.7	98.3	
	Std. Residual	3.6	-3.7	
Agree on Spending	Count	168	234	
	Expected Count	204.3	197.7	
	Std. Residual	-2.5	2.6	
Do Not Agree on Saving	Count	96	41	26.28***
	Expected Count	69.6	67.4	
	Std. Residual	3.2	-3.2	
Agree on Saving	Count	210	255	
	Expected Count	236.4	228.6	
	Std. Residual	-1.7	1.7	

Of the couple-level characteristics, only financial integration style was associated with financial satisfaction ($p < .05$). Neither financial decision-making responsibility allocation nor income-earning responsibility allocation was significantly associated with financial satisfaction. In comparison with those who had completely separate finances, those who had completely combined finances were 1.60 times more likely to be financially satisfied, accounting for agreement on spending, and 1.79 times more likely to be financially satisfied, accounting for agreement on saving.

Agreement on spending money was associated with financial satisfaction ($p < .001$). Those who reported that they and their partner agree on spending were 61% more likely to be financially satisfied, compared to those who strongly disagreed. Agreement on saving money also was associated with financial satisfaction ($p < .01$). Those who reported that they and their partner agree on issues related to saving money were 33% more likely to be financially satisfied than those who disagreed.

Discussion

The results from the statistical tests provide support for the first (i.e., partners who report combining their finances are more likely to be satisfied with their current financial situation), fourth (i.e., couples with higher levels of agreement on spending are more likely to be satisfied with their current financial situation), and fifth (i.e., couples with higher levels of agreement on saving are more likely to be satisfied with their current financial situation) hypotheses.

The two regressions were similar, with one main difference. In Model 1, where agreement on spending was included as an explanatory variable, financial stress was not significant; however, in Model 2, where agreement on saving was included as an explanatory variable, financial stress was significant ($p < .05$). It is important to note that although the estimations were statistically different for each model, the *p*-values and association with financial satisfaction for each model were similar (i.e., agree-on-spending model, $p = .06$, and 21% less likely to be financially satisfied; agree-on-saving model, $p = .04$, and 23% less likely to be financially satisfied). However, as the threshold for a Type-I error was set at $p < .05$, financial stress was deemed significant in the second model only. More empirical work is needed to understand how financial stress may be associated with financial satisfaction when controlling for couple's financial characteristics.

An important finding from this study is that a couple's level of agreement on spending is important in describing financial satisfaction. Participants who strongly agreed that they or their partner agree on issues related to spending money were much more likely to report being financially satisfied, compared to similar participants who reported disagreeing with this statement. Partners who strongly agreed on issues related to saving money also were more likely to report being financially satisfied, compared to those who disagreed with this notion. Agreement on spending exhibited a larger effect size than agreement on saving, perhaps because the consequences of disagreeing on spending are felt more immediately than are disagreements about saving.

Study participants who completely combined finances with their partner were more likely to report being financially satisfied, compared to those who kept their finances completely separate. No differences in financial satisfaction based on responsibility for income earning or responsibility for financial decisions and management were observed. It appears that viewing money as a household good—as a combined asset—is more important in terms of financial satisfaction than how money management responsibilities and tasks are divided. This insight provides support for conclusions made by Skogrand et al. (2011) and Ward and Lynch (2018). Skogrand et al. (2011) noted how important trust and communication are in the financial management process. When interpreting their findings and the results from the current study, it is important to remember that conclusions are applicable only in the context of healthy and non-abusive relationships where finances are not used to control or manipulate a partner.

Table 4. Logistic Regression Analyses (N = 602)

Variable	***B***	***SE***	***Odds Ratio***	***B***	***SE***	***Odds Ratio***
	Agreement on Spending Model			**Agreement on Saving Model**		
Independent Variables (Couple-level Characteristics)						
Participant Responsible for Financial Decisions (Ref: Joint Decisions)	-0.135	0.25	0.874	-0.210	0.25	.811
Participant's Partner Responsible for Financial Decisions (Ref: Joint Decisions)	-1.219	0.71	.296	-1.200	0.70	.301
Combined Finances (Ref: Completely Separate Finances)	0.956*	0.43	2.601	1.026*	0.43	2.789
Some Separate Finances (Ref: Completely Separate Finances)	0.713	0.44	2.041	0.746	0.44	2.108
Participant Responsible for Earning Income (Ref: Joint Income)	0.203	0.28	1.224	0.221	0.28	1.247
Participant's Partner Responsible for Earning Income (Ref: Joint Income)	-0.045	0.39	.956	-0.088	0.39	.916
Agree on Spending	0.476***	0.13	1.610			
Agree on Saving				0.286*	0.14	1.331
Control Variables (Personal Characteristics, Knowledge, Financial Strain, Attitudes, and Behavior)						
Single, Never Married	0.093	0.35	1.097	0.053	0.35	1.055
Female	-0.150	0.27	.861	-0.131	0.27	.877
Bachelor's Degree or Higher	-0.420	0.25	.657	-0.394	0.25	.674
Black or African American (Ref: White)	0.365	0.54	1.441	0.370	0.53	1.447
Other Race (Ref: White)	0.001	0.53	1.001	0.008	0.52	1.008
Age	-0.008	0.01	.992	-0.006	0.01	.994
Income (Log transformed)	0.878***	0.20	2.407	0.849***	0.20	2.336
Subjective Financial Knowledge	0.081***	0.02	1.084	0.082***	0.02	1.086
Unemployed	-0.428	0.61	0.652	-0.322	0.60	.725
Financial Stress	-0.240	0.13	.786	-0.266*	0.13	.766
Risk Tolerance	0.075	0.13	1.078	0.101	0.13	1.106
Paying Credit Card Balance in Full	0.559*	0.23	1.749	0.552*	0.23	1.737
Never Overspend	0.876***	0.26	2.401	0.913***	0.26	2.492
Positive Net Worth	0.820**	0.26	2.272	0.742**	0.26	2.099
Constant	-14.781	2.36		-13.930	2.32	

Notes: *<.05; **<.01; ***<.001; Model 1: Nagelkerke Pseudo R-Squared = .534; Model 2: Nagelkerke Pseudo R-Squared = .521.

Implications

The financial literature indicates that higher levels of financial satisfaction are associated with lower levels of marital discord (e.g., Betcher & Macauley, 1990; Dew, 2007) and divorce (e.g., Amato & Rogers, 1997; Grable et al., 2007; Hill et al., 2017; Zagorsky, 2003). Findings from this study provide a strategic pathway for financial counselors looking to mitigate the negative impacts of financial dissatisfaction for their clients. One way to do this is to align a couple’s shared values and behaviors. As noted by Britt et al. (2008), agreement about spending and saving is related to financial satisfaction. In this regard, financial counselors should be purposeful when assisting their clients in maximizing life satisfaction and happiness (Britt et al., 2017). For example, they should evaluate the couple’s money-related habits and behaviors to determine the root causes of any conflict. When building and delivering financial action plans to these clients, financial counselors can recommend ways to align spending and saving goals. Results from this study also indicate that it may be appropriate to introduce strategies designed to increase goal congruence related to spending and saving as a way to improve overall financial satisfaction. Doing so should increase confidence in each partner so that, if desired, the couple can begin to combine finances to a greater extent, further enhancing financial satisfaction.

Limitations and Future Directions

Although the findings from this study advance the literature on the relationship between financial satisfaction and shared financial goals and values, certain limitations need to be acknowledged. First, the analyses utilized a secondary dataset, which means that some variables had to be approximated or excluded from the models due to a lack of available proxies (e.g., self-reported relationship status, relationship satisfaction). Additionally, data were collected online and thus could be vulnerable to a response bias. Data were cross-sectional, so the potential for dual causality cannot be ruled out. Future studies using longitudinal data would be useful in helping researchers determine the direction of certain relationships and in making causal inferences. In addition, the data were collected at the individual level, which means that responses signified only one person's opinions. Responses from both partners would have allowed comparisons between partners, as well as comparisons between each study participant's perception of their own and their partner's perceptions. Additionally, it was not known how many times a participant had been married or involved in a committed romantic relationship or whether the participant was currently in a blended relationship. Studies designed to replicate this research should take steps to account for these situations. Finally, several studies (e.g., Archuleta, 2013; Archuleta et al., 2011, 2013) have shown that financial satisfaction is related to relational and marital satisfaction. Although it was not possible to account for marital or relational satisfaction in this study, future studies should control for and investigate the possibility that relational and marital satisfaction are associated with financial satisfaction.

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