

MEDIATING EFFECT OF SELF-COPING MECHANISMS ON ASSOCIATIONS BETWEEN FINANCIAL PRACTICES AND FINANCIAL SECURITY OF FEMALE-HEADED HOUSEHOLDS

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Abstract

Coping process involves contingency actions of individual to alter their cognitive and behaviour to cope with stress encountering events in life. Self-coping mechanisms were examined further as mediating effect between financial practices and financial security among female-headed households in Malaysia. A model was then constructed based on Characteristics Theory, Cognitive of Stress and Coping Theory. A multi-stage random sampling was executed and a self-administered survey was executed to collect data from 600 respondents from six single mother associations at every zone in Malaysia. A structural equation modelling using AMOS software was used to examine mediating effect of self-coping mechanisms in a relationship between financial practices and financial security of female-headed households in Malaysia. The findings support that a significant relationship exists between indirect and mediating models. The study revealed that there is a partial mediating effect of self-coping mechanisms between financial practices and financial security. The role of self-coping mechanisms is crucial to grasp a better understanding of how financial practices and financial security are related to improving the living standards of female-headed households. Implications and limitations of the study are discussed further.

Keywords: self-coping mechanisms, financial practices, financial security, female-headed households

INTRODUCTION

In general, the Eleventh Malaysian Plan (11th MP) (2016-2020) aims to increase the average monthly household income and the Malaysian Wellbeing Index. The economic expansion with improvement of innovation and productivity provides potential growth in higher national per capita income and household income and thus ensure the increase of individual's wellbeing. In the Malaysian 11th MP, one of the targets is to double the monthly income among B40 households from mean monthly income of RM2,537 in 2014 to RM5,270 in 2020 (Economic Planning Unit, 2015). The Government's efforts to increase individual quality of life and wellbeing can be done by increasing household participation in the economic activities including the participation of women in the labour market. In addition, women's participation in labour force provides better economic growth as women labour supply increases the labour input in the economy (Verick, 2014).

Rapid development in Malaysia also leads to a growth in the number of working women in Malaysia. In the period from 2010 to 2015, the percentage of working women has increased from 46% to 55% (Economic Development Unit, 2015). It was also reported by Department of Statistic Malaysia (2012a) almost

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seven million Malaysians were out of the labour force in 2012. The vast majority are women, with a total of 4.87 million people (70.7%) while men were 2.02 million people (29.3%). It was also reported that almost half of the total outside of the labour force, with the main reason women did not participate in the labor force because of being a housewife (Department of Statistic Malaysia, 2012).

On the other hand, ever since the Malaysia Department of Information (2015) announced the implementation of Goods and Services (GST) tax effective from 1 April 2015 at the rate of 6%, higher toll rates in October 2015, abolishment of subsidies for RON95 and diesel from December 1, 2015, increase in public transportation fares from December 2015, abolishment of electric subsidy for bill below MYR20 plus, and the abolishment of cooking oil subsidy from January 2016 created tension among consumers in Malaysia due to the rising cost of living. Predominantly, higher cost of living affects mostly the vulnerable groups such as children, women, disabled and elderly people (Reichert, 2006). Women have to hold multiple responsibilities such as working, taking care of domestic matters, manage children and school going children (Avais et al., 2014; Shiva, 2013).

On top of that, women become the heads of households due to either death of husband, divorce, abandoned by the husband, male migration, and sickly or specially challenged spouse (Buvinic and Gupta, 1997a; Horrell and Krishnan, 2006; Ifad, 1999; Jalihah, 2004; Nor Aini and Selvaratnam, 2012) caused women to become head of households. According to the Department of Statistic Malaysia (2015), the life expectancy for birth at year 2015 for male was 72.5 years and female was 77.4 years. Things get worse when the women were solely dependant on the spouse for the financial resources (Hamilton, Shobe, Murphy-Erby, and Christy, 2012). It affects the financial security of women when such major life events takes place. This raises the concern of self coping mechanisms, financial practices and financial security of female-headed households. Extensive studies of self-coping mechanism have focused on socioeconomic status, self-control beliefs, as well as on two coping styles (problem-focused vs. emotion-focused) in the perspective of financial stress (Caplan and Schooler, 2007), and also the self-control between financial strain and depressive symptoms (Aranda and Lincoln, 2011; Chou and Chi, 2001). There is a gap in understanding self-coping mechanisms as mediating effect on associations between financial practices and financial security. Thus, the objective of this paper is to examine the mediating effect of self-coping mechanisms in the relationship between financial practices and financial security of female-headed households in Malaysia. In the organisation of topic, this paper will discuss on previous studies related with variables being discussed, the methodology used, results and discussion, and conclusion, and implications of the study.

LITERATURE REVIEW

Financial Security

In general, financial security refers to the subjective perception and objective individual indicators toward individual financial status (Haines et al., 2009; Hayes &

Finney, 2013). An objective indicator of financial position includes measurement on disposable income, credit commitments, saving, home ownership status and wealth as well as the ability aspect related with the financial management such as financial literacy, planning and budgeting. While, subjective perception includes the overall general satisfaction evaluation of current and future financial position. Financial security concept refers to the individual's evaluation of the financial situations related with the level of saving, the ability to meet emergency, the adequacy of financial resources in retirement and the availability of income (Haines et al., 2009; Lange et al., 2012a; Mahal et al., 2012b; Suwanrada, 2009; Swami et al., 2008). For instance, Hayes & Finney (2013), defined financial security as one indicator of individual financial positions based on objective and individual perception of financial position. Whilst Miron-shatz (2009) refers financial security to having adequate financial resources to fulfil current financial commitments and at the same time adequate financial resources in retirement.

Financial Practices

Financial practices refer to a one systematic financial practice such as saving regularly, writing a financial plan and identifying financial goals that individuals desire to achieve (Fitzsimmons et al., 1993). Financial practices also include all activities such as financial planning, implementing action plan and evaluating the results. It is noted that the term financial management, financial practices, and financial behaviour are used interchangeably in the previous studies (Ahmad, Simun & Masuod, 2006; Dew & Xiao, 2011; Dowling et al., 2009; Pham, Yap & Dowling, 2011). However, this study uses financial practices to explain the way female-headed households in this study plan, implement, and evaluate in the areas of cash budgeting, credit, investments, insurance, retirement and estate planning. Good financial practices are reflected in activities like making a budget, cash flow management, make plans for spending, pay bills on time, managing credit and planning for retirement (Kapoor et al., 2004).

Self-coping Mechanisms

Coping is defined as the continuous effort to change cognitive and behaviour of individuals to manage specific external and/or internal demand such as financial strains that are gauge as exceed the individual's resources (Folkman et al., 1986). Self-coping mechanism is the strategies taken by individuals in the transactional events between the individual and the environment. Stress occurs when the individuals face with higher demand that exceed the individuals' resources. The transactional events causes stress and leads to different type of self-coping strategies implies to reduce the stress (Lazarus, 1993). Generally, coping strategies imply in the health and psychology when the stress occurs to individuals due to health problems or mental health problems (Folkman et al., 1986; Wei, Ku, Russell, Mallinckrodt, & Liao, 2008). However, self-coping strategies also imply in the household level when the financial strains occur and thus affect the way households react to the transactional event that occurred (Alamgir, Naheed, & Luby, 2010; Caplan & Schooler, 2007). Besides, married women face the biggest

transactional event due to death of a spouse, divorce, being abandoned by husband or male immigration. Life changing events influence financial strains that might affect physical, mental, and emotional health (Choi, 2009). The higher demand in the household to make ends meet and to achieve a higher standard of living cause stress to female headed households.

Self-coping mechanism is related to the ways on how individuals manage stress encounter that exceeds the individual internal or external resources. Generally, major life changing event such as death of a spouse or divorce causes financial emergency among women. Stress encounter such as financial strains lead to several coping strategies by female-headed households to make ends meet. Previous studies on coping process were more focused on psychological aspects of individuals (Chou & Chi, 2001; Folkman, 1997; Ozier et al., 2008; Wei, Ku, Russell, Mallinckrodt, & Liao, 2008). However, self-coping mechanisms as mediating effect on associations between financial practices and financial security requires further study. As Fortuijn and Ostendorf (2004) reported that even though female-headed households have insufficient income, an active participation in the marketplace leads the women heading the household to upgrade their skills or actively look for jobs to improve their financial situation. Likewise, Hamilton, Shobe, Murphy-Erby, and Christy (2012) also reported that due to the death of a family member or divorce, a female-headed household have to take several coping strategies including “shun away”, “tighten the budget”, “get a second job” or worse more borrowing from family to make ends meet. Thus, the hypothesis of this paper is as follows:

To examine the mediation effect of self-coping mechanisms in the relationship between financial practices and financial security, the hypothesis Ha was examine.

Ha Self-coping mechanism mediates the relationship between financial practices and financial security among female-headed households in Malaysia.

Theoretical Framework

Demand Theory and Cognitive of Stress and Coping Theory

Individual reactions toward certain stress encounters rely on the primary appraisal, coping process and the final outcome (Folkman, Lazarus, Schetter, DeLongis, & Gruen, 1986; Lazarus, 1993). The fundamental theory used to explain the variables being measured is the Consumer Demand Theory by Kelvin J. Lancaster (1966) and the supportive theory of Cognitive of Stress and Coping Process by Richard S Lazarus (1986). Consumer Demand Theory posited individual makes the decision based on the underlying characteristics consisting in each product, services and activities. However, the decisions are based on individual taste and preferences and was also restricted by time and energy (Lancaster, 1966). That is the characteristics posited in each activities of financial practices and self-coping

mechanisms confer a final outcome of financial security.

Cognitive of Stress and Coping Process consist of three stage which are the primary appraisal, coping process and desirable final outcome. The primary appraisal is how the individuals perceived the stress encounter such as financial strains occurrence and how it affects their life. The coping process (self coping mechanisms) involves emotion-coping and problem-coping, whereas the final outcome (financial security) is a satisfactory or desirable condition that the individual wants. In this paper, a further investigation on the influence of the mediating effect of self-coping mechanisms in the relationship between financial practices and financial security is examined further. Financial practices of female-headed households relate to planning, implementing, and evaluating involved in the areas of cash budgeting, credit, investments, insurance, retirement and estate planning. Meanwhile, a final outcome of financial security according to Hayes and Finney (2013) notes that financial security as the state of having constant income or other resources to sustain a standard of living now, by having a predictability of the future cash flow of individuals and/or employment security or job security. Financial security is often linked to the level of savings, the ability of individual to meet an emergency, the adequate of financial resources in retirement and the availability of income (Haines, Godley, Hawe, & Shiell, 2009; Lange, Prenzler, & Zuchandke, 2012; Mahal, Seshu, Mane, & Lal, 2012; Suwanrada, 2009; Swami, Tovée, & Furnham, 2008). Thus, financial security includes present and future financial situation in the households, in which female-headed households can make potentially life-changing decisions and making end meets for now and the future.

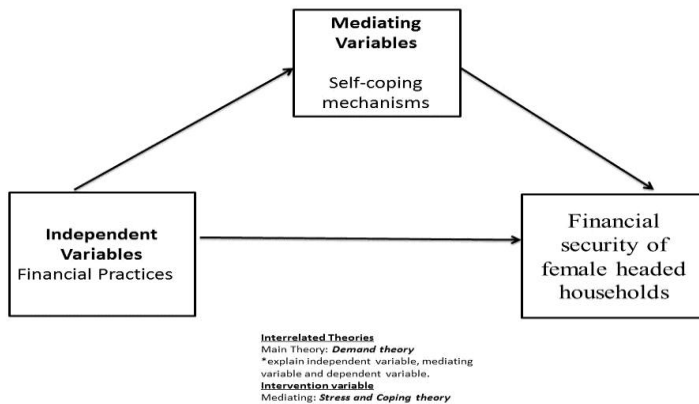


Figure 1: Research Framework

The Consumer Demand Theory by Lancaster (1966) posits that individual makes decisions on certain types of products, services and activity due to the underlying characteristics that each product, service and activity possess. Meanwhile, the Cognitive of Stress and Coping Theory by Folkman et al. (1986) states that during

the stress event three components of cognitive appraisal, coping, and immediate outcome are experienced by individuals.

The consumers are assumed to set the limitation for taste and preferences to acquire the necessary characteristics of the activities from which the utility is derived. The utility achieved is based on the characteristics that the consumer pursues in activities of consumption (Lancaster, 1966). The theory assumes that consumption is an activity whether single or collective as the input and the outputs are a collection of characteristics. That is female-headed households are assumed to perform financial practices, choosing certain types of coping style and striving towards financial security according to the underlying characteristics of each activities that are executed in life.

Meanwhile, the Cognitive of Stress and Coping Theory by Lazarus (1984) focuses on the process of problem solving coping and emotion solving coping to explain the self-coping mechanism as the mediating effect. The theory explains the way individuals cope with the financial strains of the demand exceeding the individual's scarce resources and identify the process to cope with the stressful situation. The incorporation of Cognitive of Stress and Coping Theory with the Consumer Demand Theory shows how the coping process due to financial strains will mediate the relationship between financial practices and financial security among female-headed households in Malaysia. This paper focused in examining the mediating effect of self-coping mechanisms in relationship with financial practices and financial security among female-headed households in Malaysia.

METHODOLOGY

This study was conducted on cross-sectional design and survey method was chosen in this study. A survey method was used to obtain personal financial information, such as income, expenses, savings and loans. In addition, the survey method may also provide an explanation of financial security (Finney & Jentzsch, 2008; Hayes & Finney, 2013; Lange et al., 2012b). Some previous studies, such as Hayes & Finney (2013), Finney & Jentzsch (2008), Lange et al. (2012b), Mahal et al. (2012b) which studied about financial security have also used a quantitative approach which was implemented using a survey.

The main concern of this study is to understand the financial security of female-headed households in Malaysia and thus single mother associations were the best platform to access to female-headed households for the current study. More importantly, since the rate of divorce rate is increasing and it is impossible to get the updated figures of single women (United Nations, 2001). Therefore, the number of single mother population was based on the statistic from the Ministry of Women, Family and Community Development which were obtained for the sampling frame. According to the Ministry of Women Family and Community Development (2015) data, from 2010 to June 2015 there are 235,000 single mothers in Malaysia. A probability sampling was the most appropriate sampling method in the context of this study. A multi-stage random sampling was undertaken to collect data from 600 female-headed households respondents through six single mother associations divided by zones East, North, South, West, Sabah and

Sarawak.

Sample Size

This study used a 50/50 split in a population that consisted of 235,000 single mothers as of June 2015 in Malaysia. A sample size of 384 was required to be 95% confidence level with $\pm 5\%$ of sampling error of true population. The application of the formula is shown in Equation 3.2 below.

$$N_s = \frac{(235,000)(0.5)(1-0.5)}{(235,000-1)(0.05/1.96)^2 + (0.5)(1-0.5)} = 384$$

Equation 3.1: Application of Formula by Dillman (2007)

The study only required 384 sample to generalise the finding to the general population, and according to Soper (2016) prior sample size for SEM recommended minimum sample size of 129. However, a larger sample increases the power of a statistical technique and is required to meet the assumptions for the statistical analysis used in the findings (Tabachnick & Fidell, 2007). In addition, due to increasing number of single mothers in Malaysia (Evans, 2011; Faizah, 2013) this study prepared to accept a range of error between 4.0% to 5% in sample size (Hill, 1998). Thus, a total of 600 respondents are acceptable after taking into account the range of measurement error, structural equation modeling analysis and to compensate for lost and unreturned questionnaires and uncooperative respondents.

Instrument

The instrument used in this study is by distributing the questionnaire to single mothers at the respective single mother association. The variables being measured used instrument adapted from previous studies related to financial security, financial practices and coping process.

Financial Security – Financial security is measured by instrument adapted from Hayes and Finney (2013). The scale consists of six items consisting a scale from one to five with one being strongly disagree to five strongly agree regarding individual's evaluation of current and future financial position. A result of Cronbach Alpha was 0.913. The four main components of financial security are the level of savings, the ability of individual to meet an emergency, the adequate of financial resources in retirement and the availability of income.

Table 1: Items in financial security's latent construct

Code Items	Items
F1	Saving ratio of more than 3 months the monthly income
F4	Have assets can be easily sold for unexpected needs
F5	Have money for unexpected expenses / emergency

F6	Have sufficient protection insurance / <i>takaful</i>
F7	Save / invest for home ownership
F8	Have a fixed income every month

Financial practices—Personal money management, financial management or financial practices is the set of behaviours performed by individuals specifically the planning, implementing, and evaluating involved in the areas of cash, credit, investments, insurance, retirement and estate planning (Kapoor et al., 2004; Parrotta and Johnson, 1998). Financial practices were measured using a three-Likert scale; 1=not sure, 2=sometimes and 3=always. Total score of financial practices of the respondents will be between 20 to 60 and Cronbach Alpha of 0.924. The items were related with financial practices of respondents including budgeting, making financial goals, retirement planning, estate planning and discipline in spending. The higher score indicates a good financial practice and vice versa.

Table 2 Items in financial practice's latent construct

Code Items	Items
D13	Saving for retirement
D14	Making payroll deductions for savings (eg Haj Account)
D15	Have financial goals
D16	Has a complete financial record keeping system
D17	Determine the amount of money
D18	Disciplined in spending
D20	Knowing the status of savings account

Self Coping Mechanisms—Self-coping mechanism is the contingency actions of female-headed households during financial strains which consists of three items adopted from Caplan and Schooler (2007) and the questions that measures the household financial coping with the items asked a question on problem focused or emotion-focused coping responses. Respondents were asked to report the likelihood of them doing a number of things when they were short of money or worried about finances. For each response, respondents used a five-point rating scale (1 = never at all to 5 = always). Cronbach Alpha for self-coping mechanisms is 0.712.

Table 3 Items in self-coping mechanism's latent construct

Code Items	Items
E4	Accept the situation, because there's little you can do about it

- E8 Try to earn more money
- E9 Try to cut expenses

RESULTS AND DISCUSSION

Measurement Model

A structural equation modelling was used to examine this research model and was executed using AMOS software version 22. A measurement model of structural equation modelling using AMOS is used to assessed individual paths factor loading, convergent validity and construct reliability. Goodness of fit indices to ensure the model fitness index fulfill the requirement before the measurement model and structural model is conducted. Goodness of fit was conducted to test for the model fit. Hu and Bentler (1999) suggested the combination of two fit-indices used for model evaluation. It is important to include at least a minimum of one fit index from absolute fit indices, incremental fit indices and parsimonious fit indices to achive satisfactory indication of model fit. Thus, fit indices use in this study are RMSEA, CFI, NFI, TLI, and χ^2/df .

In order to get the best model fit in the data of this study, the confirmatory factor analysis on the individual data was conducted. Because of more than 10 items in each of the latent, the confirmatory factor analysis was conducted separately to get the best model fit (Zainudin, 2014). The preferred minimum number of items in latent construct is three, however commonly five to seven items are used to represent a construct (Hair, Black, Babin & Anderson, 2010). Besides, Pedhazur (1997) suggested using the relatively small number of good items that could represent the latent constructs, rather than using a big number of poor items.

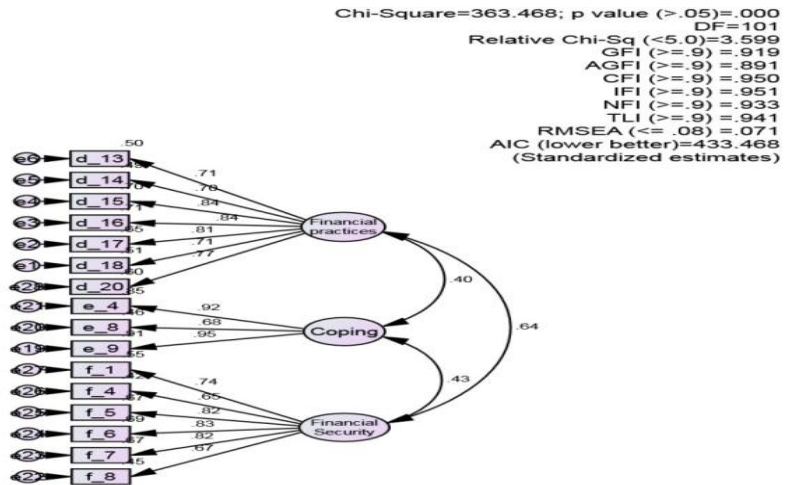


Figure 2: Measurement Model

The measurement model successfully achieved the desirable model fit with the results of construct validity with Goodness of Fitness Indices for the absolute fit of RMSEA value of 0.071 was found in acceptable fit with the value of below than 0.08. In addition, the incremental fit for CFI and TLI have significantly passed the threshold level of 0.90. Moreover, the NFI value of 0.902 achieved sufficient level of 0.90 and thus the model fit was regarded as acceptable as each index category had one index achieve the satisfactory level of modification of model fit. Besides, the CFI and NFI from incremental index category, and CFI are the improved version of NFI has the unique ability in considering the complexity of the model in measuring the model fit (Hair, Black, Babin, & Anderson, 2010; Ho, 2006). Meanwhile, relative Chi Square is 3.599 less than 5 and thus is considered acceptable. This study has taken into consideration to include at least of minimum one fit index from absolute fit indices, incremental fit indices and parsimonious fit indices to achieve satisfactory indication of model fit for the measurement model.

Structural Model

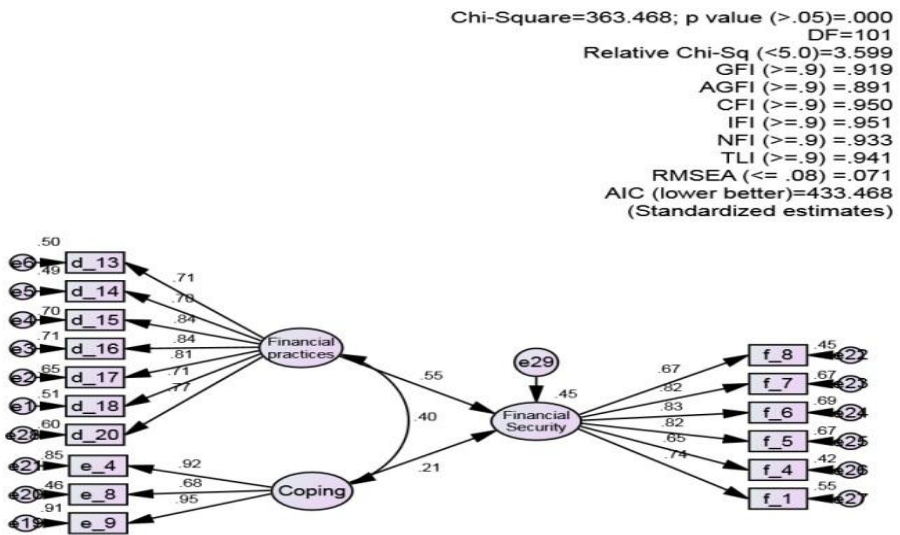


Figure 3: Structural Model

According to Yoon and Uysal (2005), structural model involved the investigated of the overall model and the individual examination of the relationships among the latent construct. The study's hypotheses were based on the Consumer Demand Theory by Lancaster (1966) and the Cognitive of Stress and Coping Theory by

Lazarus (1984) to examine the mediating effect of self-coping mechanisms between financial practices and financial security of female-headed households in Malaysia.

The fit indices of structural model consisted of RMSEA = .071, CFI = .950, NFI = .933, TLI = .941, and $\chi^2/df = 3.599$. The GOF indices revealed that TLI and CFI have significantly passed the cutoff point of 0.90. Additionally, the RMSEA value of .071 (below 0.08) was found to have satisfactory of model fit. Besides, with the chi-square/df value of 3.599 (below 5.0) have indicated the model have a satisfactory fit. On the other hands, the NFI value of .933 was identified has passed the minimum value of 0.90. Besides, NFI and CFI are from same category of incremental fit indices (Byrne, 2010). Hence, with proven of model fit in measurement model and structural model, the test of hypothesis is proceeded. There are two stages involved (1) determine the direct effect of independent variables without mediation variable; (2) determine the direct structural model with mediation variable in the model.

Mediation Model

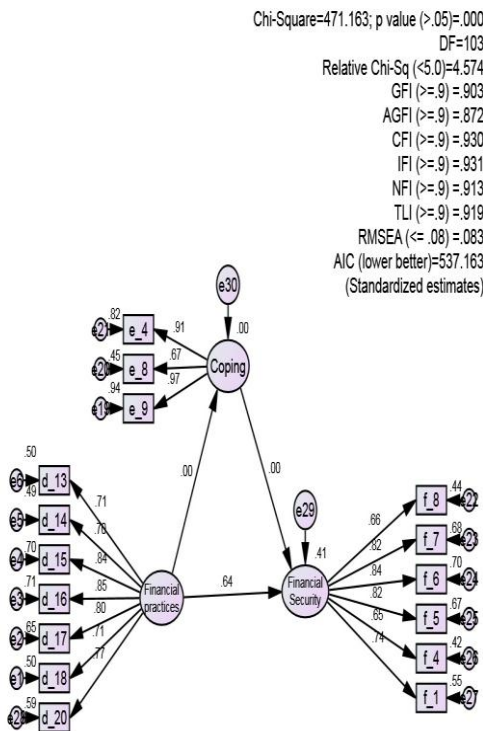


Figure 4: Direct Model without Mediation

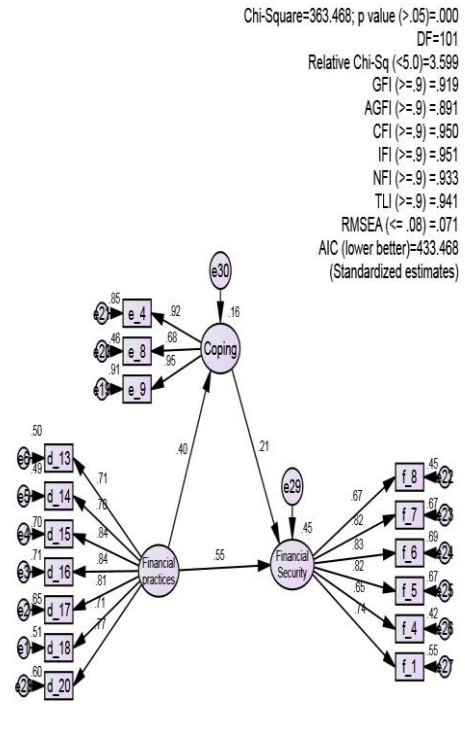


Figure 5: Mediation Model

As illustrated in Table 1 standardised indirect effect showed there was significant indirect effect found between financial practices and financial security (beta coefficient = 0.078, $p = 0.00$). Furthermore, both direct model (beta coefficient = 0.626, $p = 0.00$) and mediation model (beta coefficient = 0.551, $p = 0.00$) were significant between financial practices and financial security. However, the indirect beta value was lower than direct beta value. As a result, the partial mediation model was proposed in the relationship analysed above. Consequently, with 5000 bootstraps samples with 95% bias-corrected bootstrap confidence interval, the indirect effect of financial practices on financial security through self-coping mechanisms was not zero. Hence, hypothesis Ha was supported.

Table 4: Result of Mediation Effect of Outcome on Relationship between financial practices and financial security

Hypothesized Path		Beta	p	95% Bootstrap BC CI	
				LB	UB
Direct Model					
Financial practices	→ Financial security	0.626	0.000		
Mediation Model					
Financial practices	→ Financial security	0.551	0.000		
Financial practices	→ Self-coping mechanisms	0.381	0.000		
Self-coping echanisms	→ Financial security	0.205	0.000		
Standardized Indirect Effect		0.078	0.000	0.041	0.123

*p significant at < 0.01

The results proved self-coping mechanisms has managed to mediate the relationship between financial practices and financial security. In view of that, the findings support the Consumer Demand Theory in the characteristics of putting aside money for saving, knowing the status of saving account, determine the amount of money and monitoring everyday transaction produce the utility and satisfaction among female-headed households. Additionally, the effective problem-focused coping contribute to positive psychological state (Folkman, 1997). The problem focused coping of female-headed households included the actions of

reducing expenses and increase income.

Besides, the ways female-headed households doing the daily financial transaction directly influence their financial security. The characteristics of making saving for retirement, making payroll deduction for saving, having financial goals, and knowing the amount of money and saving account and being discipline in spending. Coping was also related with satisfactory or disappointing outcome (Folkman et al., 1986). Accordingly, in the same ways coping options influence the financial security of female-headed households by choosing to accept the current situation, reduce the expenses and increasing income. The significant relation in the indirect and in the direct model also answered the question of whether the appraisal process are directly related to the encounter outcome (Folkman et al., 1986). Thus, the financial practices as hypothesised in the study have proven to have significant positive relation to financial security.

Coping is differed with practices as practices concern on the stability of what the individual usually do, whereas coping is the change of action (Folkman et al., 1986). The differences between financial practices and self-coping mechanisms in the study is by the way female-headed households doing the daily management of scarce financial resources, whereas, the self-coping mechanisms is the female-headed households reaction to the stressful situation and caused female-headed households to alter the financial constraints by performing the coping process.

Given the positive significant paths in the direct model and indirect model indicated the female-headed households perform daily good financial practices such as make financial goals, budgeting, saving and spending. In addition, positive significant paths revealed when the mediating variable was included in the direct model conceivable reason of reaction of self-coping mechanisms by female-headed households by accepting the current financial situation, reduce the expenses and increase the income. The contingency actions of female-headed households have proven to have partial mediation in relationship between financial practices and financial security in the study. Therefore, it is conceivable to presume with the relationship between financial practices and financial security has become notable with the inclusion of self-coping mechanisms.

CONCLUSION

Self-coping mechanisms were used more in the situation that favour as changeable (Folkman et al., 1986). It is a coping process that involves coping with stress encounter events in one's life. The unsatisfactory outcome is when the female-headed households failed to achieve the financial security. Additionally, with a number of dependents and being the single bread winner in the family leads the female-headed households to perform the coping strategy to accepting things as it is, to work extra hours or tighten the budget. The characteristics in financial practices and self-coping mechanisms drive the decision making (cognitive) and behaviour of female-headed households. The daily financial transaction in financial practices and the contingency action of self-coping mechanisms such as work extra hour, do second job or reduce expenses were the characteristics the women heading the households choose.

The overall results of the mediating effect of self-coping mechanisms in the relationship between practices and financial security has validated the integration of backbone theory of Consumer Demand Theory and Cognitive of Stress and Coping Theory. In addition, this has further explained the interaction between female-headed households cognitive and behaviour in the context of consumer studies. Given the positive significant paths in the direct model and indirect model indicated the female-headed households in the study managed to obtain financial security by performing daily financial management such as financial goals, budgeting, saving and spending. In addition, the positive significant paths revealed when the mediating variable was included in the direct model conceivable reason of reaction of self-coping mechanisms by female-headed households by accepting the current financial situation, reduce the expenses and increase the income. The contingency actions of female-headed households have proven to have partial mediation in relationship between financial practices and financial security in the study. Therefore, the mediating effect of self-coping mechanisms has successfully proved the interaction of the relationship between practices and financial security among female-headed households Malaysia.

LIMITATIONS AND IMPLICATIONS

One of the limitations in this study is that it is limited to only female-headed households in Malaysia. An increase of single mothers with the actual number reported could not be determined. Lack of actual data of female-headed households requires more research from the government (Diyana, Doris Padmini & Nor Aini, 2009). The female-headed households that are focused in the study are the ones who registered with the Ministry of Women, Family and Community Development (KPWKM). Besides, to date only 97 associations are registered under Ministry of Women, Family and Community Development (KPWKM, 2015b). Thus, the selected female-headed households associations in Malaysia were obtained from Ministry of Women, Family and Community Development (KPWKM) list by each state at each zone in Malaysia.

The implications of this study especially to academic researchers, policy makers, women welfare services agencies, professionals, non-governmental organisations (NGOs), and government organisations mostly focused on understanding financial situation of female-headed households. The academic research especially the consumer science research could have incorporated these elements into the consumer science education. The way money influence individual daily financial decision and emotion (Klontz, Sullivan, Seay, and Canale, 2015). The financial and psychology aspects could serve as education basis to educate general consumer. Self-coping mechanisms such as emotion coping or problem coping enhance understanding of consumer behaviours in the market place.

The implications of findings on policy makers, women welfare services agencies and government organisations specifically on welfare system should not only focus on targeting female-headed households for short term help but also long term human capital (Nor Aini and Selvaratnam, 2012) by increasing the

women's heading female-headed households awareness on financial aspect by helping them to get education, training and at the same time the suitable job to maintain the standard of living and get out of poverty. Up till now, female-headed households depend solely on the support, assistance and welfare programmes provided by the government and thus remain in the poverty line (Gellman, 1999; Rohayu et al., 2010). The distribution of financial assistance from the welfare system to female-headed households need to improve more in terms of screening process, duration of help, and using a set of standard indicators (Buvinic and Gupta, 1997a). It is likely that when women become the head of households, the burden of the family increases and the welfare intervention system is needed to help them get out of poverty. Thus, the burden of women in poverty and absence of support from spouse can be remitted with the help from the welfare system like creating the job opportunities for them. The women are vulnerable in financial situation and need further job assistance to achieve financial security in life.

It is apparent that the same exact events bring different circumstances to different individuals. When stress encounter events such as loss of spouse, divorced or abandoned by husband happened, it lead to financial strains especially when the women rely on husband as the sole breadwinner of family. The findings indicated female-headed households in this study rely on self-coping mechanisms of problem-focused coping and financial practices to achieve financial security in life. The implications of this study showed that policy makers should take into consideration a better access to increase awareness in financial situation by providing social support for each single mother association. The social support should include activities like encouraging members to share their problems and provide related courses that may enhance their knowledge and skill to increase financial security. In addition, childcare services should be provided to ease the female-headed households domestic and work burden (Verick, 2014). The current solution for welfare system should also build the platform for long term solutions of long term problems, rather than short term solutions for the long term problems. Job opportunities created can be seen in three of the single mothers association namely in Kuala Lumpur, Kuching and Kota Kinabalu. Working women have to denote greater attention for working, children day care, school children (Mathewand Goyari, 2011). Hence, the job opportunities offered with the inclusion of childcare services will help female-headed households to lessen their dual household responsibilities and improve financial security in life.

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