



2010-04-01

## Materialism, Religiosity, and Financial Stress as Predictors of Retirement Planning

Scott H. Payne  
scott.payne@byu.edu

Jeffrey P. Dew

Jeremy Yorgason

Follow this and additional works at: [https://scholarsarchive.byu.edu/fhssconference\\_studentpub](https://scholarsarchive.byu.edu/fhssconference_studentpub)



Part of the [Family, Life Course, and Society Commons](#)

The Annual Mary Lou Fulton Mentored Research Conference showcases some of the best student research from the College of Family, Home, and Social Sciences. The mentored learning program encourages undergraduate students to participate in hands-on and practical research under the direction of a faculty member. Students create these posters as an aide in presenting the results of their research to the public, faculty, and their peers.

---

### BYU ScholarsArchive Citation

Payne, Scott H.; Dew, Jeffrey P.; and Yorgason, Jeremy, "Materialism, Religiosity, and Financial Stress as Predictors of Retirement Planning" (2010). *FHSS Mentored Research Conference*. 184.  
[https://scholarsarchive.byu.edu/fhssconference\\_studentpub/184](https://scholarsarchive.byu.edu/fhssconference_studentpub/184)

This is brought to you for free and open access by the Family, Home, and Social Sciences at BYU ScholarsArchive. It has been accepted for inclusion in FHSS Mentored Research Conference by an authorized administrator of BYU ScholarsArchive. For more information, please contact [scholarsarchive@byu.edu](mailto:scholarsarchive@byu.edu), [ellen\\_amatangelo@byu.edu](mailto:ellen_amatangelo@byu.edu).



# Materialism, Religiosity, and Financial Stress as Predictors of Retirement

Scott H. Payne and Jeremy B. Yorgason from Brigham Young University  
 Jeffrey P. Dew from Utah State University



### BACKGROUND:

- Since 1978 the number of individuals covered by defined-benefit plans has been cut in half (presently 21%), and personal savings as a percentage of disposable income has also declined from 8.9% in 1978 to 4.3% in 2009. These changes are impacting financial stability during retirement.
- The purpose of this study was to examine the impact materialism, religiosity, and financial stress have on retirement planning.

### METHOD:

- The participants for this study were taken from the *Flourishing Families Project* (FFP). The sample contained 334 married couples.
- For the study the mean age of wives was 43.44 (SD = 5.36) and the mean age of husbands was 45.32 (SD = 5.96). The mean monthly income was \$7,035 (SD = \$5,356). 68% of females and 71% of males had a bachelor's degree or higher.
- Structural Equation Modeling using Mplus was used for the analysis. A single model was run with the four dependent variables listed below. For visual ease, the model was split in two and presented below with standardized coefficients and endogenous R<sup>2</sup> values.

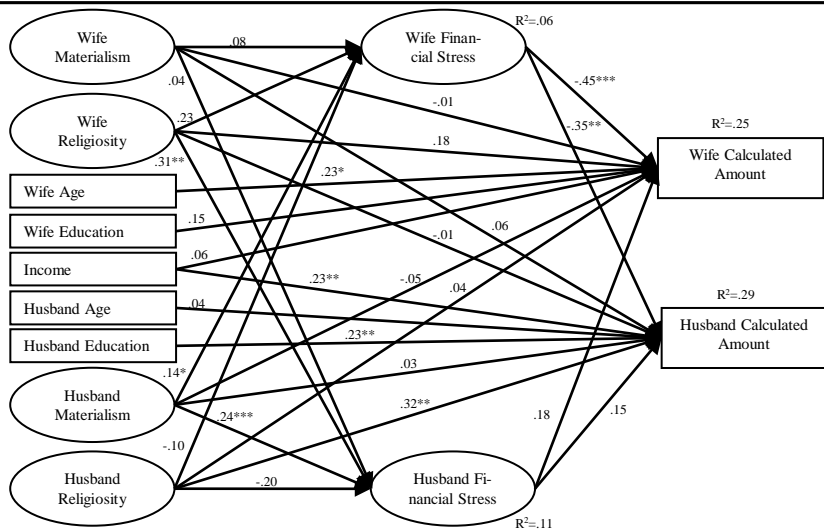
### RESULTS:

- The final structural model had similar model fit to the measurement model (Chi-square = 165.95,  $df = 98$ ,  $p < .000$ ; CFI = .996; RMSEA = .046).
- Latent constructs for materialism, religiosity, and financial stress were examined. Each of these demonstrated appropriate factor structures (all loadings above .43, with average factor loadings for materialism for females = .67, males = .63; religiosity for females = .95, males = .95; financial stress for females = .83, males = .81).
- Additionally, there were four significant indirect effects through a combination of both the husband's and the wife's financial stress. The wife's religiosity was found to indirectly predict the wife's retirement savings ( $p < .05$ ) and the wife's religiosity was found to indirectly predict the husband's retirement savings ( $p < .05$ ). The husband's materialism was found to indirectly predict the wife's retirement savings ( $p < .05$ ) and the husband's materialism was found to indirectly predict the husband's retirement savings ( $p < .05$ ). Also see "Latent constructs".

### DISCUSSION:

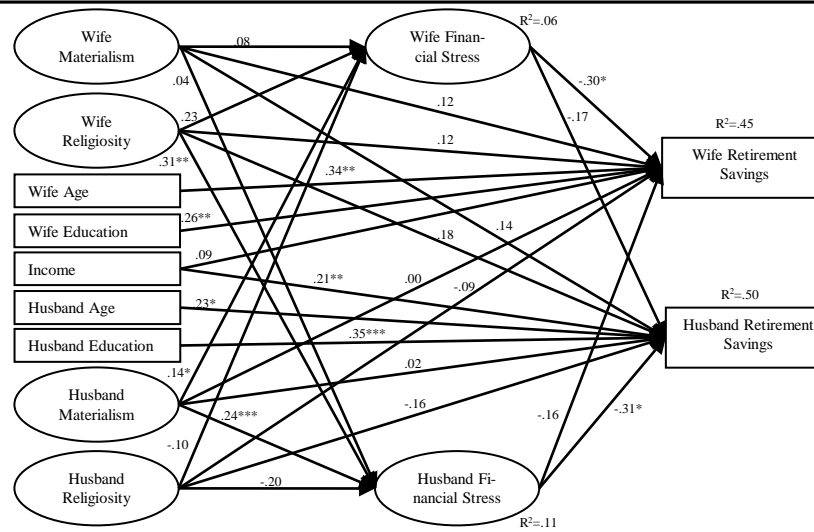
- While financial stress seems to play a significant role in how couples go about planning for retirement, materialism and religiosity both play a role as well.

## Outcome Question: Have you tried to figure out how much your household would need to save for retirement?



Note: \*  $p \leq .05$ , \*\*  $p \leq .01$ , \*\*\*  $p \leq .001$ ; Standardized coefficients are reported in the figure. R<sup>2</sup> = amount of variance accounted for in endogenous variables. Model fit for this model was: Chi-square = 165.95,  $df = 98$ ,  $p < .000$ ; CFI = .996; RMSEA = .046. All husband and wife responses were set to co-vary with each other.

## Outcome: Do you have any private retirement funds set aside?



Note: \*  $p \leq .05$ , \*\*  $p \leq .01$ , \*\*\*  $p \leq .001$ ; Standardized coefficients are reported in the figure. R<sup>2</sup> = amount of variance accounted for in endogenous variables. Model fit for this model was: Chi-square = 165.95,  $df = 98$ ,  $p < .000$ ; CFI = .996; RMSEA = .046. All husband and wife responses were set to co-vary with each other.