

WORKING-CLASS WOMEN'S FINANCIAL INVOLVEMENT: A DETERMINANT TO HOUSEHOLD FINANCIAL MANAGEMENT.

By

Jamilat Ibrahim

Jamilanrabi@gmail.com (08035967297)

Home Economics Department,
Federal University of Education, Kontagora.

Rabi Shehu Dalhatu

rabishehudalhatu@gmail.com (08034241807)

and

Khadija Abdullahi Musa

abdulkhadija32@gmail.com (08039541658).

Home Economics Department,
Ahmadu Bello University, Zaria

DOI: <https://doi.org/10.5281/zenodo.22882786>

Abstract

The increasing participation of women in the Labour force has led to significant changes in family dynamics, particularly in financial management. In many Nigerian households, the contribution of working-class women to family income has become crucial for meeting household needs. However, despite their financial contributions, working-class women may still face challenges in gaining equal authority over financial decision-making within the household. The paper focus on Working-Class Women's Financial Involvement on Household Financial Management. The paper highlighted the concept of working class women, Household, financial management as well as working class women financial involvement in household financial management. The paper concluded that working class women through their active participation in financial decision-making, budgeting, and savings strategies, will enable families become capable of meeting daily needs, staying stable, and achieving long-run financial goals. Based on this, the paper recommended that Husbands and family heads should encourage women to participate actively in financial decision-making, budgeting, and savings since their contributions positively affect the family's financial stability.

Key words: Working Class Women, House hold, Family Financial Management.

Introduction

In contemporary Nigerian society, economic realities have increasingly compelled women, particularly those in the working class, to participate actively in income-generating activities. Traditionally, men were regarded as the primary breadwinners, while women were largely confined to domestic responsibilities (Gornick & Meyers, 2020). However, increasing economic pressures, rising cost of living, and socio-cultural changes have necessitated the active participation of women,

particularly working-class women, in income-generating activities. Beechey, (2022) views working-class women as women who participate in the Labour market primarily to contribute to family income, either as a sole breadwinner or as a co-provider for family economic security. Walby (2023) expands the definition, adding that working-class women are not only those employed in poorly paid employment, but also those who undertake both paid work and unpaid domestic work, referring to the double burden that the majority of women carry.

Many households face fluctuating income levels and economic vulnerability, the financial involvement of working-class women has become more visible and consequential, therefore working-class women's financial involvement not merely supportive but a critical determinant of household financial management, (Adebayo, 2024). Household Financial management according to Bawa, (2023), refers to the process by which families plan, allocate, control, and monitor financial resources to meet their goals and needs. This involves budgeting, saving, investing, and spending money in a way that ensures financial stability and growth for all members of the household. The role of women in family financial management has evolved over time, especially with the increasing participation of women in the Labour force. Women's contributions through income generation, budgeting, and financial decision-making are argued to significantly enhance these outcomes. In Nigeria like many other countries, the participation of women in the workforce has grown significantly. This change has empowered women to contribute financially to the household, thereby altering the traditional gender roles in financial management (Adebayo, 2024). Working-class women contribute to household income through formal employment, petty trading, agriculture, and other informal sector activities. Over time, the participation of working-class women in the workforce has had a profound impact on family financial dynamics. Their earnings often supplement or even surpass those of their spouses, leading to a shift in traditional gender roles within families. Research by Bradley (2023) suggests that as women gain financial independence, they also acquire greater bargaining power in household decision-making, particularly in managing family finances. However, many working-class women continue to face societal expectations that limit their full participation in financial decisions despite their significant contributions. While working-class women play critical roles in both the economy and their families, they often face challenges related to economic inequality, job insecurity, and balancing work and family responsibilities. Adebayo (2024) highlights that these women are disproportionately affected by low wages, lack of social protection, and limited access to healthcare and education, which can hinder their ability to fully realize their economic potential. Their role is essential to family financial management, yet they frequently face systemic barriers that limit their economic empowerment and upward mobility.

Concept of Working Class Women

The involvement of women in the workforce has evolved significantly over time, from the usual home responsibilities to direct participation in several professional fields. Women now work in various sectors in most societies, including Nigeria, like education, health, business, and government, contributing significantly to economic growth and family well-being. The transformation has been influenced by factors like expanded access to education, economic necessity, and social perceptions of gender roles. Working-class women often contribute significantly to household income, and their participation in the workforce plays a crucial role in both family financial management and the broader economy. Working-class women have been defined by researchers and scholars based on economic, social, and occupational factors. Ehrenreich and Hochschild (2023) assume working-class women to be those who are engaged in wage-earning jobs, predominantly in industries like domestic work, manufacturing, retail, and services, where the pay is low and job security is uncertain. They further explained that working-class women refers to women who engage in paid Labour or income-generating activities, typically in jobs that require manual Labour, service work, or lower to mid-level employment positions. Similarly, Crompton (2021) conceptualizes working-class women as women whose occupations do not require greater professional skills and who are likely to experience financial and employment insecurities. These definitions imply that working-class women are not homogeneous; they vary in terms of income levels, occupations, and social conditions. They are some who are working in formal sectors with organized wages, and others are working in informal sectors with little or no job security. Despite the category they fall under, their contribution to family and societal development remains significant, and thus their experiences become a vital area of investigation in discussions on Labour, gender equality, and economic development, (Walby, 2023). Traditionally, women's work was often limited to unpaid domestic Labour, which was not recognized in economic terms. However, with the advent of industrialization and shifts in societal structures, women began participating more actively in paid Labour outside the home. According to Maynard and Skeggs (2021), working-class women have historically occupied roles in industries such as textiles, manufacturing, domestic services, and later, service industries such as healthcare, education, and retail. Despite their substantial contributions to the workforce, these women often face challenges related to lower wages, job security, and limited opportunities for advancement.

In contemporary society, the concept of working-class women extends beyond traditional manual Labour to include women employed in various sectors such as teaching, nursing, administrative

work, and informal trading. These women often work in occupations that provide essential services but are not highly remunerated, contributing to their classification as "working-class." According to Crompton (2021), the defining characteristic of the working class is not merely the type of job but also the socio-economic status and limited access to higher-paying opportunities, a reality many women continue to face. Unpaid domestic Labour, including childcare, cooking, and cleaning. In many cases, their income is essential for meeting family needs, from everyday expenses to long-term savings. This dual burden, as noted by Hochschild and Machung (2022), often leads to physical and emotional strain, yet it highlights the indispensable role these women play in sustaining households.

Their financial involvement has implications for household welfare, including improved consumption patterns, better savings behaviour, and enhanced house hold financial planning.

Concept of Family Financial Management

Family financial management refers to the processes and practices that families use to plan, monitor, and control their financial resources to achieve their financial goals and ensure overall well-being, (Kapoor, Dlabay, & Hughes, 2024). Family financial management is a core aspect of family stability, involving the planning, monitoring, and controlling of money resources with regard to economic security and financial future goals. Garman and Forgue, (2023) view family financial management as the process by which families manage incomes, control expenditures, and budget for future financial expenses for purposes of survival and increased level of living. Similarly, Kapoor, Dlabay, and Hughes (2022) see it as the structured approach that households follow to budget, save, invest, and insure their financial assets to achieve financial independence and security. Furthermore, Xiao (2018) emphasizes that family financial management is making sound decisions on income allocation, debt control, and wealth building so that financial resources are being used efficiently. Likewise, Deacon and Firebaugh (2018) view it as the application of financial planning methods in households to equate present consumption with future wealth. Gitman, Joehnk, and Billingsley (2022) says that effective family financial management entails risk assessment, investment planning, and retirement planning, all of which are directed towards long-term financial well-being.

Family financial management encompasses a range of activities related to budgeting, saving, investing, and making informed decisions about spending and financial planning. The effective management of a family's financial resources is crucial for ensuring financial stability and improving quality of life, (Duncan & Marmot, 2021). Duncan & Marmot (2021) stated the followings as the components of family financial management:

1. **Budgeting:** Budgeting is the foundation of effective family financial management. It involves creating a plan that outlines expected income and expenses over a specific period. Families typically use budgeting to track their spending, identify areas where they can cut costs, and allocate resources to essential needs, such as housing, food, education, and healthcare. A well-structured budget helps families avoid debt and live within their means.
2. **Saving:** Saving involves setting aside a portion of income for future needs or emergencies. This can include establishing an emergency fund, saving for children's education, or planning for retirement. Research indicates that families with regular savings practices are better equipped to handle unexpected financial challenges and achieve long-term goals. Saving is a critical component of financial security and contributes to overall family well-being.
3. **Investing:** Investing refers to the allocation of financial resources to assets that are expected to generate returns over time, such as stocks, bonds, or real estate. Families that engage in investing can build wealth and enhance their financial security. Understanding the basics of investment and risk management is essential for making informed decisions that align with a family's financial goals.
4. **Debt Management:** Effective family financial management also involves understanding and managing debt. Families often take on debt for various reasons, including purchasing a home or financing education. Proper debt management includes recognizing the difference between good debt (which can lead to financial growth) and bad debt (which can lead to financial distress) and developing strategies to pay down existing debts while avoiding excessive borrowing.
5. **Financial Decision-Making:** Family financial management requires collective decision-making regarding financial matters. This process involves discussing and agreeing on spending priorities, investment strategies, and savings goals. Research shows that families with effective communication about financial issues are more likely to achieve their financial objectives. In many households, this may require negotiating gender roles and balancing the influence of each partner in financial decisions.
6. **Financial Literacy:** A critical aspect of family financial management is financial literacy, which refers to the knowledge and skills needed to make informed financial decisions. Families with higher levels of financial literacy are better equipped to budget, save, invest, and manage debt effectively. Financial education can empower families, particularly working-class women, to take an active role in managing their finances and contributing to household financial stability.

Importance of Family Financial Management

Family financial management is a crucial aspect of ensuring the stability and well-being of households. Duncan & Marmot, (2022), highlighted the importance of family financial management through several key points:

1. **Financial Stability:** Effective financial management helps families maintain stability by ensuring that their income is sufficient to cover essential expenses such as housing, food, education, and healthcare. By creating and adhering to a budget, families can avoid debt and manage their financial resources efficiently.
2. **Goal Achievement:** Family financial management allows families to set and achieve short-term and long-term financial goals. Whether saving for a child's education, planning for retirement, or preparing for major purchases, proper financial management provides a roadmap for achieving these objectives. Families can allocate resources effectively, track progress, and make adjustments as needed.
3. **Emergency Preparedness:** By prioritizing savings and establishing an emergency fund, families can prepare for unexpected financial challenges such as job loss, medical emergencies, or urgent home repairs. Financial stability gained through effective management helps families respond to emergencies without resorting to high-interest loans or credit cards, which can lead to long-term financial difficulties.
4. **Debt Management:** Understanding how to manage debt is a vital component of family financial management. Families that engage in effective debt management are more likely to avoid falling into financial distress due to high-interest debt. This includes recognizing the difference between good debt (e.g., mortgages, student loans) and bad debt (e.g., credit card debt) and developing strategies to pay off debts responsibly.
5. **Empowerment and Financial Literacy:** Engaging in family financial management promotes financial literacy, enabling family members to make informed financial decisions. As individuals, especially working-class women, become more knowledgeable about financial concepts, they gain confidence in managing household finances. This empowerment can lead to greater involvement in financial decision-making and improved overall family financial health.
6. **Improved Quality of Life:** Effective family financial management contributes to improved quality of life. Families that manage their finances well can afford better education, healthcare, and recreational activities, leading to enhanced overall well-being. The ability to make informed choices about spending and saving can lead to greater satisfaction and reduced financial stress.

7. **Strengthened Family Relationships:** Open communication about financial matters fosters trust and cooperation among family members. By discussing financial goals and challenges together, families can work as a team to manage their resources, which strengthens their relationships and promotes a shared sense of responsibility.
8. **Societal Contribution:** When families manage their finances effectively, they contribute to the broader economy. Financially stable families are more likely to participate in the economy by spending, saving, and investing, which can stimulate economic growth and stability in the community.

Family financial management is essential for achieving financial stability, preparing for emergencies, managing debt, and improving overall quality of life. By promoting financial literacy and encouraging effective financial practices, families can empower themselves and strengthen their financial well-being, leading to positive outcomes for both individuals and society.

Role of Working Class Women in Family Financial Management

Women play a vital role in family financial management, influencing financial decisions, budgeting practices, and overall economic stability within households, Aina (2021). Women often serve as primary decision-makers in household financial matters, including budgeting, spending, and saving. Research shows that women tend to prioritize family needs and long-term financial security, making them critical players in ensuring that financial resources are allocated effectively (Aina, 2021). In many households, women influence decisions regarding education, healthcare, and essential living expenses. As working-class women increasingly participate in the workforce, their contributions to household income have become significant. Their earnings not only supplement the family income but also provide a measure of financial independence. This shift has transformed traditional gender roles, allowing women to have a stronger voice in financial decision-making (Lusardi & Mitchell, 2024). Furthermore, women often manage informal economic activities, such as small businesses or trade, which can provide additional income streams for the family. Women frequently take the lead in budgeting and financial planning within families. They are typically responsible for tracking expenses, managing household budgets, and planning for future financial needs. This role requires strong organizational skills and a deep understanding of the family's financial situation, enabling them to make informed decisions that align with the family's goals (Yamane, 2025). Women often emphasize the importance of saving for future needs, such as education, retirement, or emergencies, (Miller, 2023).

The role of women in family financial management is closely linked to financial literacy and education. As women gain knowledge and skills related to financial management, they become

empowered to make better financial decisions for their families. Programs aimed at improving financial literacy among women can lead to increased confidence in managing household finances and contribute to overall family well-being (Lusardi & Tufano, 2024). Women often act as mediators in family financial discussions, facilitating communication between family members about financial matters. Their role in promoting open dialogue can help resolve conflicts and ensure that all voices are heard in financial decision-making processes, communication is essential for fostering collaboration and understanding within the family (Gathergood, 2022). Women are often at the forefront of managing household finances during economic downturns or crises. Their ability to adapt and make difficult financial choices can be crucial in maintaining household stability. Women frequently find creative solutions to financial challenges, such as cutting costs, seeking additional income, or finding alternative resources to support the family (Aina, 2021).

Working Class Women and House Hold Financial Management

Working-class women play a significant role in the economic stability of their families. Their contributions extend beyond income generation, as they become engaged in budgeting, decision-making, and financial planning. Over the years, women's increased involvement in economic activities has transformed the way family finances are managed, allowing families to have dual incomes and improved allocation of resources. According to Aina (2021), women's financial involvement has led to efficient household expenditure and long-term financial safety.

Their earnings help take care of basic necessities, settle bills, and invest in the future of the family members by saving and investing. Miller (2023) finds that women are more cautious while controlling family spending to prioritize basic needs such as education, health, and nutrition. In addition, their role is to impart financial literacy to children, promoting good financial habits that will benefit future generations (Lusardi & Tufano, 2024).

The role of working-class women in the family's financial management can be understood on the basis of several key dimensions, Lusardi & Tufano, (2024).

1. **Primary Financial Decision-Makers:** In many families, working-class women are the primary decision-makers regarding household finances. Their involvement often encompasses budgeting, prioritizing expenses, and making financial choices that align with family goals. Research shows that women are typically more attentive to family needs, leading to decisions that enhance overall family well-being.
2. **Balancing Work and Family Finances:** Working-class women navigate the complexities of balancing their employment responsibilities with family financial management. Their

experiences often lead to innovative strategies for managing limited resources, prioritizing essential expenses, and seeking additional income opportunities. This adaptability is crucial for maintaining financial stability in the household.

3. **Role Models for Financial Literacy:** Working-class women often serve as role models for their children, demonstrating the importance of financial responsibility and management. Their experiences can instill values of saving, budgeting, and prudent financial decision-making in future generations. This modeling can contribute to a culture of financial literacy within the family.
4. **Influence on Spending Habits:** Women typically influence spending habits within the family, often prioritizing essential needs such as education, healthcare, and nutrition. Their emphasis on these areas can lead to better overall family health and well-being. Research indicates that families with working-class women actively managing finances tend to allocate resources more effectively, resulting in improved living standards.
5. **Accessing Financial Resources:** Working-class women are often adept at identifying and accessing available financial resources, including government assistance programs, community support, and financial services. Their resourcefulness can help families navigate economic challenges and access necessary support systems, thereby enhancing financial resilience.
6. **Facilitating Communication about Finances:** Working-class women often act as facilitators of communication about financial matters within the family. Their ability to discuss financial challenges, share goals, and promote open dialogue can help prevent misunderstandings and conflicts regarding money. Effective communication is key to collaborative financial management.
7. **Impact on Financial Goals and Planning:** The financial contributions and management skills of working-class women can significantly influence the family's financial goals and long-term planning. Their perspectives on saving for education, retirement, or emergencies can shape the family's financial strategies and priorities. By engaging in financial planning, women can contribute to the family's overall financial security and future success.
8. **Adapting to Economic Changes:** Working-class women are often at the forefront of adapting to economic changes, such as job loss, inflation, or economic downturns. Their ability to respond to financial challenges through cost-cutting, seeking additional employment, or reallocating resources plays a critical role in maintaining family stability during uncertain times.

Working-class women exert a significant influence on family financial management through their roles as decision-makers, educators, and communicators.

Conclusion

Working-class women are at the forefront and have an indispensable role in the financial management of the family. Through their active participation in financial decision-making, budgeting, and savings strategies, the families become capable of meeting daily needs, staying stable, and achieving long-run financial goals. Therefore, empowering women with employment and financial literacy enhances not only their individual capacity but also the financial security and socio-economic well-being of their families and communities.

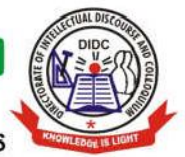
Recommendations

To enhance working class women into household financial stability and management the following recommendations have been put forward that:

1. Husbands and family heads should encourage women to participate actively in financial decision-making, budgeting, and savings since their contributions positively affect the family's financial stability.
2. Women should be encouraged to develop the habit of saving regularly and channelling part of their income into long-term investments such as land, housing, and children's education for future security.
3. Government and non-governmental organizations should provide financial literacy programs for women to improve their budgeting, saving, and investment skills.
4. Families should adopt joint financial decision-making, where both spouses contribute ideas and agree on expenditures and savings, to enhance transparency and stability.

References

- Adebayo, T. (2024). Women, work, and Economic Inequality in Nigeria. *Journal of Gender and Development Studies*, 16(2), 45–58.
- Aina, O. I. (2021). Gender Relations and Household Financial Decision-making in Nigeria. *African Journal of Gender and Development Studies*, 13(2), 45–59.
- Aina, O. I. (2021). Women and Family Financial Management in Contemporary Africa. Ibadan University Press.
- Bawa, S. (2023). The Role of Women in the Economic Development of Rural Communities in Niger State, Nigeria. *Journal of Social and Management Sciences*, 12(1), 89–101.
- Beechey, V. (2022). Women and Production: A Critical Analysis of Marxist Feminism. Routledge.
- Bradley, H. (2023). Gender and Work: Dynamics of Women in the Labour Market. Palgrave Macmillan.
- Crompton, R. (2021). Employment and the Family: The Reconfiguration of Work and Family Life in Contemporary Societies. Cambridge University Press.
- Duncan, G., & Marmot, M. (2022). Financial Management and Family Well-being. Oxford University Press.
- Ehrenreich, B., & Hochschild, A. R. (2023). Global Women: Nannies, Maids, and Sex Workers in the New Economy. Granta Books.
- Firebaugh, F. M. (2018). Family Resource Management: Principles and Applications. Waveland Press.
- Gathergood, J. (2022). Debt and Household Financial Decision-making. *Journal of Economic Behavior & Organization*, 198(4), 345–359.
- Gitman, L. J., Joehnk, M. D., & Billingsley, R. S. (2022). Personal financial planning. Cengage Learning.
- Gornick, J. C., & Meyers, M. K. (2020). Families that Work: Policies for Reconciling Parenthood and Employment. Russell Sage Foundation.
- Hochschild, A. R., & Machung, A. (2022). The Second shift: Working Families and the Revolution at Home. Penguin Books.
- Kapoor, J. R., Dlabay, L. R., & Hughes, R. J. (2024). Personal Finance. McGraw-Hill Education.
- Lusardi, A., & Mitchell, O. S. (2024). The Economic Importance of Financial Literacy: Theory and Evidence. *Journal of Economic Literature*, 62(3), 631–673.



- Lusardi, A., & Tufano, P. (2024). Debt Literacy, Financial Experiences, and Over indebtedness. *Journal of Pension Economics & Finance*, 14(4), 332–368.
- Maynard, M., & Skeggs, B. (2021). *Women's Work and Lives: Analysing Women in the Labour Force*. Routledge.
- Miller, C. C. (2023). *Family Finances and Gendered Decision-making: A Global Perspective*. Springer.
- Walby, S. (2023). *Theorizing Patriarchy*. Routledge.
- Xiao, J. J. (2018). *Consumer Financial Behavior*. Springer.
- Yamane, T. (2025). *Statistics: An Introductory Analysis* (8th ed.). Harper & Row.