The Level of Managerial Functions Practiced by the Head of household and Family Economic Status in Kerman, Iran

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ABSTRACT: Household management is a process of using the required resources to attain the families' goals through planning and taking the necessary steps to meet these goals. The aim of this article is to determine, the level of managerial functions practiced by the families, and the relationship between the levels of managerial functions practiced and family economic status. Management functions include five dimensions (planning, coordinating, organizing, directing and controlling). Family economic status included three dimensions (income, expenditure, and ownership of physical asset). The instrument used for this study is a questionnaire survey; the researcher selected 390 households, out of a total of 127,892 families in Kerman City. Data collection was through face-to-face interviews to obtain information from the heads of households. The relationship between household expenditure, income, ownership of physical asset, and management functions was investigated using Pearson product-moment correlation coefficients. Findings indicated that elements of management functions have effect on family economic status, but the affected is not considerable, and there is a weak relationship between management functions and family economic status. It may be interesting for future studies to look at the effect of other elements on family economic status.

[Mehdi Yadollahi, Laily Hj Paim, Mumtazah Othman, Turiman Suandi, Mohsen Darya beygi. The Level of Managerial Functions Practiced by the Head of household and Family Economic Status in Kerman, Iran. Life Science Journal. 2011;8(1):275-187] (ISSN:1097–8135). http://www.lifesciencesite.com.

Keywords: Management functions, Family economic status, Income, Expenditure, Ownership of physical Asset.

INTRODUCTION

Household management is much more than just "paying bills." It plays an overarching role in all household production. The critical role of household management as part of household production has received significant attention in family economics, including the publication of the seminal text by Deacon and Firebaugh (Anne & Thomas, 2009). Researchers have traced the assessment of the study on resource management from an importance on economy and efficiency in the household in 1900s to the growth of systems-based research models obtains an ecosystems approach to management. Households take input, convert it in the throughput phase into output, and at that time use the output internally or replace it with a different system. Family resource management has a fundamental role in helping meet and alter the increasing complexities faced by the families. Household management is the process of using the resources to attain the families' goals through planning and taking the steps necessary to meet these goals. A crucial part of the management process is the allocation of resources for the appropriate goals (Deacon & Firebaugh, 1988). In other words, management is the process of using what one has to get what one wants. The management process involves thinking, action, and results. Although household management is practical, it is not necessarily simple. It becomes complex because the choices of the individual and the family are constrained by limited resources. Each individual has his or her own resource, attitudes, talents, and skills that are brought to bear on situations. Management, therefore, has to be viewed within the context of the greater life environment, which is constantly changing (Goldsmith, 1996). Household management consists of more than merely the economic management of resources to produce a high standard of living through consumption.

The management process begins with a problem, need, want, or goal, which has to be identified.

Once identified, the individual or family moves to the second step, which is the clarification of values. The third step involves identifying the available resources. Deciding, planning, and implementing are the fourth step of the process. In the fifth step, the goals are accomplished or fulfilled and the process as a whole is evaluated. Then, the information returns to the system and enables the individual's overall management knowledge and ability to grow, (Figure 1) (Goldsmith, 1996).

Each person has his or her own management style, or way of making decisions and acting. Various factors including history, biology, culture, personality, and technology influence the individual's management style. It can be either an individual or a group activity. Life management encompasses all the decisions a person or family will make, and the way their values, goals, and resources affects their decision-making. It includes all the goals, events, situations, and decisions that make up their lifestyle. Thus, life management is a holistic approach that looks at management as a process that evolves over an entire lifespan (Goldsmith, 1996).

The study of household management is a combination of theory, concepts, techniques, research, and practice. There is not just one management theory or framework; instead, management is an interdisciplinary field that borrows concepts and theories from related disciplines (Goldsmith, 1996,). Much of a family's decision-making is shaped by the environmental settings in which the family functions. These environments either constrain this decision-making or offer opportunities for the family. Because the physiological and the psychological makeup of the family members differ, so does the environment in which they interact, it becomes essential to view decision-making from an ecological perspective (Paolucci, Hall, & Axinn, 1977).

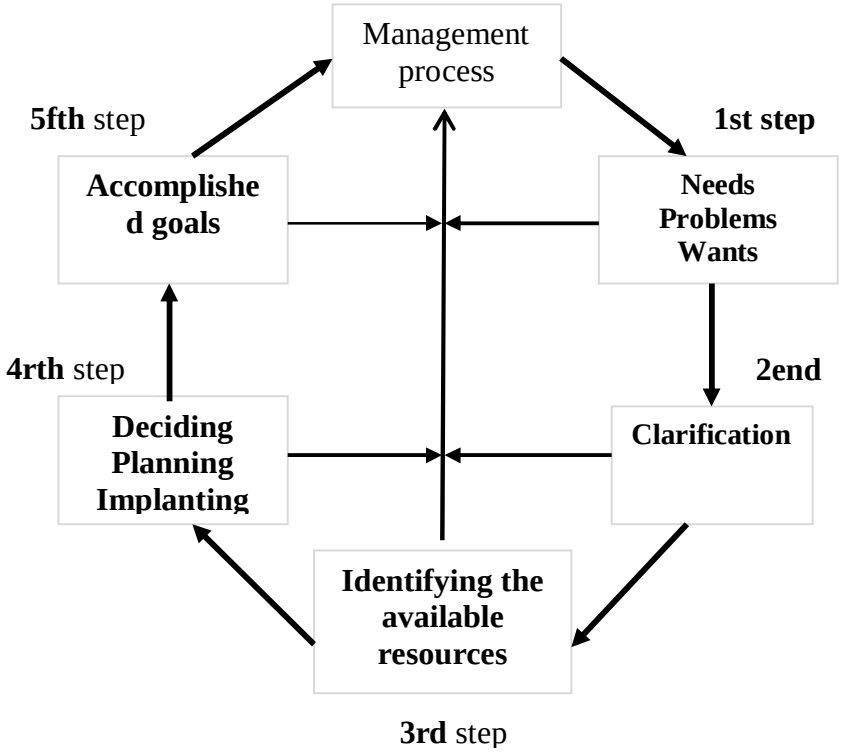

Figure 1: Management process (Goldsmith 1996).

Systems Theory

In the mid-1970s, family resource management researchers studying the family unit began to use paradigms evolving from other social science disciplines, including psychology and sociology (Doherty et al., 1993; Key & Firebaugh, 1989a, 1989b). Today the prevalent paradigm is systems theory. Using systems theory, hypotheses have been developed and tested with quantitative methods (Godwin, 1990a). Most studies have used net worth as the predicted outcome (Beutler & Mason, 1987; Godwin, 1990a; Hira, 1987; Sumarwan & Hira, 1993; Titus et al., 1989).

Financial management has integrated systems theory with a set of recommended financial management practices, the 'normative practices,' to assess whether families are managing their financial affairs properly (Rettig & Mortenson, 1986).

However, family financial management researchers using the recommended practices and systems theory for explanation and discovery have expressed uneasiness with the existing outcomes (Beutler & Mason, 1987; Godwin, 1990a; Key & Firebaugh; 1989; Winter, 1986b; Varcoe, 1990). They are frustrated by a lack of understanding about the exact management practices occurring within the family as a microeconomic unit. Godwin (1990a) stated that "much of the literature on family financial management is prescriptive, including extensive discussions of what families should do in managing their financial resources. Davis and Carr (1992) and Godwin (1990a, 1990b) stated that "the incentives that actually lead people to embrace (or reject) the process… remain unclear" (Davis & Carr, 1992, p.14). Thompson, Sharpe, and Hamilton (1998) is an example of research that attempts to fill this gap of how planning is actually being done. They studied the retirement planning process of single, midlife women.

Management functions Theory

Henri Fayol was an eminently successful practitioner, who promoted the theory of administration (Fayol, 1949). Fayol was perhaps the first to note the need for management education (Brodie, 1967). Fayol (1949) used the term "administration" in the title, perhaps unfortunately, as it would have been better termed as "management". Fayol's work was clearly about management but the foreword argues that no such word exists in the French language. He argued that all industrial undertakings precipitate activities that can be categorized into six groups: technical, commercial, financial, security, accounting and management. Fayol's work focused on the latter category, management, and categorizes management into five major functions: planning, organizing, directing, coordinating, and controlling (Figure 2).

Planning, "means both to assess the future and make provision for it". Fayol views the action plan as the most useful output of the planning process. He notes that this plan must consider the firm's resources, work-in-progress, and future trends in the eternal environment. Fayol discusses the features of a good action plan and highlights unity, continuity, flexibility and precision.

Organizing: Fayol enumerates the managerial duties of organizations that must be realized through personnel. He identifies many key objectives of organizing, including: ensuring proper plan preparation and execution; aligning objectives with resources; establishing a single guiding authority; harmonizing and coordinating of activities; maximizing personnel deployment; clear delineation of duties; encouraging initiative and responsibility; maintaining discipline; ensuring the subordination of individual interests to corporate interests; supervision of both material and human order; and maintaining full control (Fayol, 1949).

Commanding: is the responsibility of every manager. The purpose is achieving the maximum contribution to the interests of the business from all personnel within the manager's unit. Fayol (1949) discusses several maxims: Have a thorough knowledge of personnel – Fayol notes that in large organizations this knowledge could only reasonably apply to direct reports as per the manager's span of control. Eliminate the incompetent. Be well versed in the agreements binding the business and its employees. Set a good example. Conduct periodic audits of the organization and use summarized charts to further this. Bring together chief assistants by means of conferences, at which unity of direction and focusing of effort is provided for. Do not become engrossed in detail. Aim at making unity; energy, initiative and loyalty prevail among the personnel.

Coordinating: He suggests that this is the harmonization of resources in their optimum proportions in order to achieve results. Fayol identifies some of the characteristics of being well coordinated.

Controlling: consists of the ongoing, routine verification of plan implementation, instructions issued, and principles. Controlling applies to all processes. Its purpose is to identify weaknesses and problems such that they can be rectified and recurrences prevented. Fayol notes that to be effective, control must be timely and be supported by penalties. Fayol stresses the need for independent, objective and impartial inspection.

Research Methodology

Design of the Study

The aim of this study is on the level of managerial functions practiced by the families.

And also, to determine the relationship between the levels of managerial functions practiced and family economic status in Kerman city.

This is a quantitative study that investigates a social or human problem based on testing a theory composed of variables measured with numbers and analyzed with statistical measures, in order to conclude whether the forecasting generalizations of the theory hold accurate (Creswell, 1994). The survey design can present a quantitative or numeric description of some portion of the population (sample) by asking questions. This data collection technique allows a researcher to generalize the results from a sample of respondents to a population (Fowler, 1988). Therefore, the survey

methodology was deemed appropriate for this research as this study intends to use the survey responses from the Kerman City families to explore management functions and family economic status.

The research design employed was correlation research. Correlation research investigates the degree to which variables are related and the direction of the relationship. This study is also descriptive, and, therefore, will provide a description of population, the instruments, the data collection procedures, and the data analysis utilized in this study.

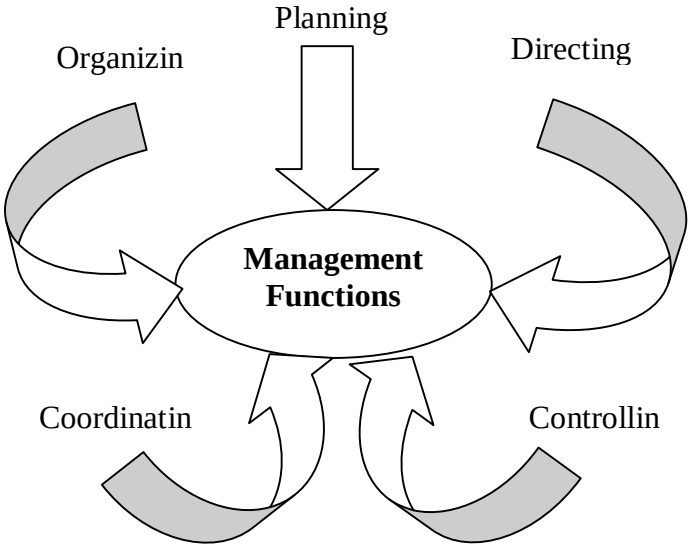

Figure 1: Management functions, Henry Fayol (1949).

Population and Sampling

The target population of the study is all 127,891 families in Kerman City. The list and map areas were obtained from Kerman Planning and Management Organization. Therefore, the list of areas is presented as the sampling frame for the study. The samples are households selected randomly from the five areas. The unit of analysis is the head of households that were selected as respondents, so for selecting sample size. For this survey, the researcher selected 390 households, out of a total of 127,892 families in Kerman City, based on Kerjcie and Morgan's Table and the sample size schedule (Saifollahi, 2008).

Due to the large research area, the researcher used a cluster or area for random sampling. First, the population is divided into clusters. In the proportionate cluster sampling, the population members are usually grouped in units that can be used conveniently as clusters. Based on the Kerman municipality breakdown, this city has five regions, which were numbered, respectively. It is not necessary that all clusters have the same number of population members (Wiersma, 2000). Second, the researcher referred to the Kerman planning and management organization map and selected five regions. Third, the researcher selected clusters in areas to measure all units within the sample cluster in the regions. Normally, each cluster comprised around eight to nineteen families to be interviewed.

Instrumentation

This study examines the effects of the managerial functions practiced on the economic status of families in Kerman City, Iran. For the purpose, instrument used for this study is a questionnaire consisting of three sections. The first section focuses on information concerning the demographic characteristics such as age, gender, level of education, marital status, and occupation. The second section consists of managerial functions which are reflected by five measured variables, namely: a) planning, b) organizing, c) directing, d) coordinating, and e) controlling. The last part of the questionnaire concerns family economic status, including income, ownership of physical assets and expenditure. Researcher used Delphi technique in different research steps, such as research framework, design of the research questionnaire; determine spectrum of choices scales (array of choices scales), set of indicators, data analysis, and conclusion.

Data Collection

After the three sections of the questionnaires were pilot tested to ensure the high reliability of the items, the final version of the questionnaire sets were distributed to the respondents with the help of five

representatives from Kerman Planning and Management Organization.

All essential and suitable precautionary measures were taken by the researcher in order to improve the response rates. These measures were as follows: initially, each questionnaire had a letter from the researcher attached to introduce the researcher and to develop a rapport between the researcher and the heads of the households. Second, the research purposes and the procedures in answering the questionnaire were explained in the letter.

In this study, data collection was through face-to-face interviews to obtain information from the heads of households. Face-to-face interviews were deemed the most appropriate method for data collection for a number of reasons. First, if the researcher sent the questionnaire to people's homes they would not necessarily answer the questions. Second, in Kerman a mail survey technique would be absolutely inappropriate. Finally, the most important reason outweighing all other reasons was that the respondents include illiterate people who would be unable to respond to mail surveys. Also, it is difficult to gather information concerning expenditure, income and assets, as people usually prefer to keep such information a secret. The interviews began with an introduction to the purpose of the study, and an explanation to the respondents that being a scientific study the reporting will be done without mentioning any names. During the interview, the interviewer interacted with the participants using a relaxed, friendly and informal tone. In cases of misunderstanding, outright incomprehension or topic avoidance, the interviewer repeated the statements for clarification to fulfil the purpose of the interview

The researcher decided to use the city map, which was detailed enough to facilitate the identification of each state, sector, block, and house. Kerman City comprises five municipality states (Jalal Maab, 2008). Using the map to randomly select households has its own merits; first, this map is updated regularly and, second, it helped minimize the selection bias by including all houses in Kerman and by equalizing the probability of each house and household for selection. The selection process was absolutely random since no information concerning the demographic or socioeconomic characteristics of the households was available at the time, and the selection process was not based on any stratum or other characteristics. The final sample size was 390 households and it was used to analyze the data. The interviews were carried out from November 2008 until the end of January 2009.

Data Analysis

Subsequently, the collected data was coded before being entered into the computer for analysis. The collected data was summarized, analyzed, and interpreted to answer the research questions and the research objectives. For descriptive purposes, the demographic variables of the head of households were categorized into a range of different categories and levels for comfortable analysis and interpretation.

The objective is to determine the relationship between the managerial functions practiced and family economic status. The level of managerial functions is the independent variable (x) and family economic status is the dependent variable (y). The relationship between the managerial function practice and FES was investigated using Pearson product-moment correlation coefficients. Pearson product moment correlation is the most commonly used method of computing a correlation coefficient between variables that are linearly related. Correlation is a measure of the strength of the relationship between two variables (Bryman & Bell, 2003; Hair, Black, Babin, Anderson, & Tatham, 2006). Furthermore Pearson correlation is suitable for interval and ratio scale (Sekaran, 2001). The direction of the relationship is indicated by + and – signs. The value can range from -1 indicating a perfect negative relationship, 0 indicating no relationship, and +1 indicating perfect positive relationship.

Findings and Discussion

Respondents Profile

The respondents' profile is described in terms of demographic characteristics, which comprised of gender, age, level of education, and employment status. Most of the respondents were male (92.3%) compared to female respondents (7.7%). The respondent's age ranged from 22 to 87 with a mean of 45.40 years old and a standard deviation of 13.40 indicating variability in age among the respondents. A total of 17.7% of the respondents are young with 30 years old and younger, 32.3% was between 31 to 45 years old, while 37.9% were between 46 to 60 years old and only 12.1% were more than 60 years old.

Looking at the marital status, majority of the respondents were married (89.5%), while the remaining 3.1% were divorced, 6.9% were widowed, and only .5% heads of households were single.

Comparing the research data about the level of education of respondents with the information from the Statistics Center of Iran (SCI), we can see that, there is significant difference. National data indicated that 18.3% of the illiterate population as compared to only 4.9% of the respondents studied, 21% population had primary and secondary level of education as compared to 26.6% of the respondents; 7.4% population had high school education as compared to 17.3% of the respondents; 38.6% of the population had diploma and associate degree as compared to bachelor degree of the respondents (7.3%); in Iran 7.3% of the population had

bachelor degree, while respondents was 14.6%; mean master's and above degree population was 2.3%, and respondents was 7.2%. Generally, the average level of education among respondents was higher compared to the Iranian population. According to Ministry of Statistics Small Industries & Industrial Parks Organization, Iran's Statistics Center and Planning, Development and Technology Planning Office in Iran (2009), Kerman categorised in the first level of industrial developed provinces. And this indicated that Kerman province is more developed in various aspects such as industry, agriculture, level of education and so on as compared to other provinces. Fidings revealed that 72.% of the heads of the households in Kerman were self employed (35.1%), full time employed (25.4%) and part time employed (11.5%).In addition, 27.7% were pensioners and retirees. The percentage of head of the households who were homemakers is lower (0.3%).

Economic Status of the Families in Kerman City

There are three dimensions of economic status used in this study: income, expenditure, and ownership of physical asset.

First, income is the most important element of economic status which indicates the financial situation of families. In other words, financial situation of families are strongly and positively influenced by income. Other factor that plays an important role in economic status is expenditure which largely depends on income and property. Household expenditure is usually depends on household size or family size; some families tend to spend more than others, even with the same size. The family expenditure, therefore, will be used to examine the inequality in the distribution of expenses.

The last factor to measure the economic status was ownership of physical asset. In Iran history, property and wealth carry an interesting implication, since they are mostly immovable as land and buildings and are transferred through generations. In evaluating socioeconomic status, and additional especially family economic status, measuring variables other than household income could be useful, for instance assets such as inherited wealth, savings, employment benefits, or ownership of homes (Berkman & Macintyre, 1997). Although income represents a flow of resources over some period of time, wealth captures the stock of assets at a given point in time, and thus economic reserves. Wealth is a foundation of economic security given that indicators of a household's capacity to get together emergencies or absorb economic shocks like unemployment. Income and wealth are wholly interrelated, but they are not exchangeable, as showed by the instance of an elderly person with a modest fixed income but substantial accumulated wealth (John, Catherine, & MacArthur, 2002). In United States the correlation between income and wealth is about 0.5, which is improved by the inclusion of asset income (generated by wealth) in the assess of total income (Keister & Moller, 2000).

Some researchers measuring family economic status based on expenditures (Xu et al., 2003). While, other researchers believed that the amount of food expenditures is the basis of a measurement of a family economy status (Deaton & Muellbauer, 1980). The most important category which are mentioned in the world through the expenditures on the measurement of a family economy are; food, clothes and shoes (foot wear), rental expenses, healthcares, training & learning, transports and communications.

Also, researcher studied the amount of individual's ownership of physical asset for measuring family economic status. In particular, the factors such as the ownership of house, factory, company, private garden or villas and investment in the stock exchange market were accounted as the indexes for measuring the economic status of a family. One of the most important factors in Iran is buying the house which allocated to the economic status of individuals, so in this study, the researcher tried to investigate the situation of individuals' ownership, specifically the ownership of house.

Many American researchers consider that there are straightforward three class model that integrated the better off, the middle class, and poor in economic status of family or society (Eichar, 1989). In this study, the income and expenditure were compared to the Iran Statistics Centre data. If the mean family income and expenditure were lower than the mean of Iran population, this family would be in the poverty status and if the family status was in higher level than this mean, the family would be in a better off situation. And finally if the status of family was the same or near the same mean of Iran population, the family would be in middle class.

Family Monthly Income

Income is perhaps the most important indicator of family economic status. Household income has been widely used as an indicator of economic status in US studies (Greg et al., 2002). Income has been employed broadly as a measure of SES, with the majority typical income-based measure being a household's total cash income, measured over various time periods like a month, or the 12-months period. Income and the money management or income management have significant effect on families goals, for the reason that the lack of family financial management may result in intra-family conflict due to diverse and uncoordinated financial

strategies by family members (Stephen, 2000). Anyway, accurate measurement of family income is also difficult. Since family income is personal, people tend to understate or inaccurately state their family income due to previous high taxation levels or due to subsidy offered to lower income groups by the government.

Based on the urban families income and expenditure plan in Iran (2007-2008) by Statistics Centre of Iran (Madad, 2008), the mean income in Iran in 2007 was USD 7800 yearly and USD 650 monthly and also the mean income for Kerman province was USD 6600 yearly, and USD 550 monthly. The mean of USD 1190 of family income in Kerman City (sample) indicated a high income level compared to Iran population.

Table 1 indicated that, the head of household high income percentage indicated that in Kerman City, majority of income obtained by head of household and the second highest income percentage obtained by spouse's income. Likewise, there are other sources of incomes which are indicated in Table 1.

Table 1: Household Income Sources & Percentage (n=390)

Sources of Income	Mean (USD)	%
Main Income	789	66.3
Supplementary	46.4	3.9
Spouse Income	76.5	6.4
Spouse Supplementary	3.8	.32
Rent Land	26.2	2.2
Rent House	22.6	1.9
Daughter Income	6.5	.55
Son income	7.1	.6
Grandchild Income	0	0
Relative Income	5.2	.44
Agriculture Activities	30.3	2.55
Pensioner and Retired	73.8	6.2
Social Welfare Benefit	14.9	1.25
Business	71.4	6
Profit, Interest and Dividend	12	1
Other Sources	4	.34
Total	1190	100

Household Expenditure

Household's ability to pay is defined as sufficient income remaining after basic survival needs have been met. sufficient income is taken to be the whole consumption expenditure of the household, which in a lot of countries is a more perfect reflection of purchasing power than income reported in household survey (Xu et al., 2003). Investigating household expenditure is essential, because in term of policy viewpoint, one needs to obviously recognize the determinants of housing expenditures and the relative importance of every determinant. Determinants of household expenditure, especially on fundamental products similar to food and clothing, have been of regular interest to economists for countries. New work starts from Engel (1985) and this centre of attention on relationship between expenditure on food and income. The nature and patterns of food bought and expenditure reflected and in diverse ways continue to reveal wealth, income and life style (Jacobson et al., 2009).

Gan and Vernon (2003) decision that food is, in actuality more shared than is supposed to be the case. For some researchers food is not the best pattern of a private good, they thought clothing is a better one (Gan & Vernon, 2003). It is possible, researchers respond, that economies of scale in food production are possible, but their theoretical argument even now leads them to make decision (Deaton & Paxson, 2003).

Expenditure as one of the dependent variable, has caught the attention in most literature. The researcher measured it by sixteen indicators, including: Food and raw materials purchased and consumed at home and elsewhere, maintenance of assets and furniture, children education, celebration, transportation service, tax, travelling, holiday, replacing of home furniture, education and training expenses, health care, leisure activities, house rental, utilities, clothing and other disposable household items. Any expenditure made by the members of the selected household for business purposes were not considered in this study.

Table 2 indicated monthly household expenditure in Kerman City.

Table 2: Monthly Household Expenditure (n=390)

Household Expenditure	Frequency	Percentage
Lowest 250	97	24.9
251 to 500	131	33.6
501 to 750	78	20
751 to 1,000	42	10.8
1,001 and Above	42	10.8

Ownership of Physical Asset

Beside income and expenditure the researcher used ownership of physical assets to measure the family economic status. Researchers found family economic status categorization is different for rural and urban based on asset ownership (Chuma & Molyneux, 2009). Ownership of physical assets is an apparent indicator for situation in the social construction, and almost definitely a better indicator to income-based measure (Podder & Kakwani, 1976). To measure ownership of physical asset, the researcher used several questions related to ownership of home, factory, villa or vacation home, dividend and investment in stock exchange. In sample, 66.2% of families were home owners, 21.5% of families staying in rental houses, 2.6% of families lived in government quarters, and 9.7% of them lived with others such as relatives.

Looking into all the economic status of the heads of households the value of their home ownership was found to be the largest component of wealth or asset. This is an indication of the importance of owning a home as a source to measure the economic status.

Management functions

Management functions include five dimensions (planning, coordinating, organizing, directing and controlling). Table 3 indicated that Kerman people use from management functions in their life.44.3% of the respondents had moderate management, and majority of head of households (51%) believed to strong management practiced in their life.

Table 3. Management Functions (n=390)

	Frequency	Percent
Weak	11	2.8
Moderate	173	44.3
Strong	199	51
Very strong	7	1.8
Total	390	100

Table 4 indicates the heads of households' ideas about the management functions. About 39% of heads of households had moderate planning in the family affairs, about 45.6% of them had strong planning, i.e. these number of heads of households had an acceptable knowledge about goals and life planning, or this kind of people had very good knowledge about future strategies, life goals in short and long term, making the future visible and how to achieve the goals. About 39% of respondents had moderate coordinating, i.e. they had knowledge and information about coordinating methods among family members, about 43.6% had strong coordinating, i.e. these number of heads of households had good knowledge about coordinating methods among family members, about 10.8% had very strong coordinating in his/her life, which indicates that this category of people had very good knowledge about collaboration for family problems solving, coordination for family costs reduction, optimum use of resources and family facilities and ability to achieve information.

Majority of the head of the households (74.9%) believed that their organizations in family affair is weak, they cannot do this function very well i.e. looking ahead, collaboration between family members, division of labour between family members, to determine functions of family members, authority entrusted to the family members, to give responsibility to family members. 23.1% of respondents had moderate organizing in family affairs; it means that this number of heads of households had knowledge about family organizing. This indicates that this category of heads of households had knowledge about mention functions in organizing. around 36.7 % of the heads of households believed that they had moderate directing between family members, about 54.4 % of them had strong directing, i.e. this number of heads of households had a good knowledge about family directing methods, and about 5.4 % of heads of households had very strong directing in his/her life. It indicates that this category had very high knowledge about decision making, establishing friendly relationship between family members, usage of violence and reward between family members, and the kind of attention to family members' need? Based on continuous data, the mean was 30.83, the median was 31, the mode was 27, the range was 36, and the minimum and maximum were 9 and 45 (Table 4). About 47.7% of heads of households had moderate controlling in their life's, this number of head households had an acceptable knowledge about controlling family affairs, 42.1% of the respondents had strong controlling in his/her life which shows that this category of people had very good knowledge about controlling, they had special attention to the family affairs, they tried to investigate the causes of the problems, they had control on entrusting functions in family and they compared existing and optimum situation. However in management functions, based on five elements, the highest percentage was in organizing with 74.9 % (weak organizing), and in other aspects or functions, most of the respondents were believed to use these functions moderate and strong in their life. This indicated that people with consideration of their level of education, their age, gender, and occupations, had almost similar views about management functions.

Table 4: Management Functions (n=390)

	Planning		**Coordinating**		**Organizing**		**Directing**		**Controlling**	
	n	%	n	%	n	%	n	%	n	%
Very weak	0	0	0	0	8	2	1	.25	2	.5
Weak	14	3.6	26	6.7	292	74.9	13	3.3	12	3.1
Moderate	152	39	152	39	90	23.1	143	36.7	186	47.7
Strong	178	45.6	170	43.6	0	0	212	54.3	164	42
Very strong	46	11.8	42	10.7	0	0	21	5.4	26	6.7
Total	390	100	390	100	390	100	390	100	390	100

Table 0-1: Management Functions

	Management	Planning	Coordinating	Organizing	Directing	Controlling
Mean	145.92	37.56	24.32	16.69	30.8	36.5
Median	146.5	37	24	16	31	35
Mode	129	33	21	15	27	33
Range	155	38	27	20	36	44
Minimum	60	17	8	5	9	11
Maximum	215	55	35	25	45	55
Skewness	-0.197	-0.005	-0.196	-0.047	-0.273	0.05
Kurtosis	-0.282	-0.637	-0.436	0.216	-0.001	0.518

For confirm this findings, in the model Deacon and Firebaugh (1988), the managerial subsystem is explained at the same time as comprising both planning and implementing behaviours. Planning is comprised of setting regular and sequencing behaviours. Standard or regular setting included two activities descriptive the demand(s) that is (are) to be met and evaluation the resources accessible to meet the demand(s). The standards or regulars and sequences comprise a program families apply plans throughout the behaviours of actuating or doing the plan and controlling the plan. Controlling includes inspection how the plan is succeeding and adjusting or making changes as required to the plan as it progresses. In the managerial subsystem, demands and resources are converted to the outputs of responses to the demand and alter to the composition of the resources stock. Managing these managerial actions well is consideration to guide to improved management. Improved management is supposed to guide to a higher quality of life.

Relationship between Managerial Functions Practiced and Family Economic Status in Kerman City

Money management is the most commonly prescribed technique for the household. Money management is advocated in order that plan and control spend, to identify where immoderate expenditure has occurred, to “make ends meet”, to dishearten impulse buys, to attentive the head of household to the likelihood of reducing into debt, to expose the range for savings and investment, to foster the management abilities of family members, and to make sure that short-term income and expenditure patterns are matching with the achievement of long-term goals (Bremner, 1988; Crary & Donaldson, 1980; Dibben, 1984; Gundrey, 1975; Hancock, 1979; McGlone & Metland, 1984; Munnion, 1969; Nickell, Rice, & Tucker, 1976; Potter, 1972). The following hypotheses will be tested in order to get the approximate measures of management functions and family economic status dimensions (expenditure, income, and ownership of physical asset).

The relationship between household expenditure, and management functions was investigated using Pearson product-moment correlation coefficients. Preliminary analyses were performed to ensure no violation of the assumptions of normality and linearity. Since there were five (5) bivariate pairs, Bonferroni adjusted alpha of 0.01 (0.05/5) was used to test null hypothesis of the bivariate pairs.

As depicted in Table 5, the linear positive relationships were found between household expenditure, and planning ($r = .28$, $p = .0001$), coordinating ($r = .20$, $p = .0001$), organizing ($r = .243$, $p = 0.0001$), directing ($r = .251$, $p = 0.0001$), and controlling ($r = .29$, $p = 0.0001$). All correlation coefficients indicate weak and positive linear relationship between household expenditure and elements of management functions.

Although this study was not designed to determine, whether, an increase in one variable caused an increase in the value of a second variables, it would seem logical to say that the household expenditure is more likely to increase when management functions increase. Also confidently we can say that these relationships are genuine and not happen by chance. Previous studies have stressed on the importance of life cycle stage in establishing expenditure patterns (Abdel-Ghany & Sharpe, 1997; Bloom & Koreanman, 1986; Chung & Magrabi, 1990; Edmondson, 1999; Gallo & Boehm, 1987; Robey & Russell, 1983; Rubin & Nieswiadomy, 1994; Sexauer, 1997). These findings confirmed with the earlier household expenditure researchers views, they believed that different elements have effect on Household expenditure (HE) one of these elements was level of education and it was indirectly related to management knowledge of head of households (Abdel-Ghany & Foster, 1982; Dardis et al., 1981; Horton & Hafstrom, 1985). Western sociological study above the last few years has create that patterns of monetary management

and expenditure decision making be different among diverse cultures, beyond social classes and over time (Simon, 2002). The management of households' day-to-day expenditure has been conventionally seen as a subject of household decision- making influence (Ray-may et al., 2006). The management of household expenditure is a significant family economic action. Household sociologists in Taiwan have discovered that growth of an economy, resource differences between husband and wife, cultural conditions and family life cycle might all illustrate the management rule of household expenditure (Chen et al., 2000).

The relationship between family income, and management functions was investigated using Pearson product-moment correlation coefficients. Preliminary analyses were performed to ensure no violation of the assumptions of normality and linearity. Since there were five (5) bivariate pairs, Bonferroni adjusted alpha of 0.01 (0.05/5) was used to test null hypothesis of the bivariate pairs.

As depicted in Table 5, the linear positive relationships were found to exist between family income, and planning (r = .25, p = .0001), coordinating (r = .219, p = .0001), organizing (r = .205, p = 0.0001), directing (r = .243, p = 0.0001), controlling (r = .29, p = 0.0001). All correlation coefficients indicate a weak and positive linear relationship between family income elements of management functions.

To confirm this findings, the peoples controlling the finances is capable to make expenditure decisions, other than as well as responsible for ensuring that he desires of family members are met. In a circumstance where the money attainable is scarcely enough to meet those needs, the role of control the household money is further likely to be a burden than a source of ability (Simon, 2002). Also can see other study that confirm study findings, it is specific noticeable that, in over 80% of families, the budget is said to be controlled cooperatively; although in merely one in eight households it is managed by one person; (Simon, 2002). Researchers believed that reasonable planning, management and accounting for family moneys are apparent in perspective literature as virtuous practice which decrease uncertainly and take the sentiment out of household money matters (Allen, 1977; McGlone & Metland, 1984; Norling et al., 1989). Money management systems are frequently complex for persons and families as "part of the art of living" (Allen, 1973). As Firebaugh identified, and Haskins before him, personal accounting has an extensive social and behavioural importance in everyday life. Its training serves "to strengthen economic morality, self-reliance and regulation (Haskins, 1903).

The relationship between ownership of physical asset, and management functions was investigated using Pearson product-moment correlation coefficients. Preliminary analyses were performed to ensure no violation of the assumptions of normality and linearity. Since there were five (5) bivariate pairs, Bonferroni adjusted alpha of 0.01 (0.05/5) was used to test null hypothesis of the bivariate pairs.

As depicted in Table 5, the linear relationship was found to exist between ownership of physical asset, and planning (r = .184, p = .0001), coordinating (r = .097, p = .055), organizing (r = .161, p = 0.0001), directing (r = .165, p = 0.0001), and controlling (r = .195, p = 0.0001). All correlation coefficients indicate weak and positive linear relationship between ownership of physical asset and elements of management functions. With a glance to the above results, only coordinating didn't have significant relationship with ownership of physical asset, and other management functions had significant relationship with asset. The results indicate that respondents do the planning, organizing, directing, and controlling in life affairs, and they can increase the rate of ownership of physical asset, but this increase cannot be very significant.

Some researchers supported the relationship between asset and management functions. Financial and individual tangible assets are to be said in the net worth statement at realisable values and while their whole is added to expected life span earnings a determine is gained of "the total sum of economic value available to that personal for individual monetary planning" (Crary & Donaldson, 1980). Annual or more frequent statements of net worth are recommended in order to carry out intermittent "wealth checks" (Jennings, 1996).

Conclusion & Recommendation

Family resources management fulfils a fundamental role in addressing and raising the awareness of the increasing complexities faced by families. Household management is a process of using the required resources to attain the families' goals through planning and taking the necessary steps to meet these goals. Financial management has integrated systems theory with a set of recommended financial management practices, the 'normative practices,' to assess whether families are managing their financial affairs properly.

The aim of this study is to determine the level of managerial functions practiced by the families, as well as the relationship between the levels of managerial functions practiced and family economic status in Kerman city. This is a quantitative study that investigates a social or human problem based on testing a theory comprising variables measured with numbers and analyzed using statistical measures. The research design employed was correlation research, which

examines the degree to which variables are related and the direction of the relationship. For this survey, based on Kerjcie and Morgan's Table and the sample size schedule, the researcher selected 390 households out of a total of 127,892 families residing in Kerman City. The instrument used for this study was a questionnaire consisting of three sections, with data collection through face-to-face interviews to obtain information from the heads of households.

Table 0: Pearson's Correlation of Household Expenditure, Family Income, Ownership of Physical Asset and Management Functions

	Variables	Y	X_1	X_2	X_3	X_4	X5
Y	Household Expenditure						
X_1	Planning (2)	.278**					
X_2	Coordinating (3)	.200**	.785**				
X_3	Organizing (4)	.243**	.612**	.659**			
X_4	Directing (5)	.251**	.616**	.672**	.628**		
X_5	Controlling (6)	.290**	.623**	.631**	.681**	.698**	
Y	Family Income (1)						
X_1	Planning (2)	.247**					
X_2	Coordinating (3)	.219**	.785**				
X_3	Organizing (4)	.205**	.612**	.659**			
X_4	Directing (5)	.243**	.616**	.672**	.628**		
X5	Controlling (6)	.292**	.623**	.631**	.681**	.698**	
Y	Asset (1)						
X_1	Planning (2)	.184**					
X_2	Coordinating (3)	.097	.785**				
X_3	Organizing (4)	.161**	.612**	.659**			
X_4	Directing (5)	.165**	.616**	.672**	.628**		
X_5	Controlling (6)	.195**	.623**	.631**	.681**	.698**	

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

In this study, we investigated the relationship between management functions and family economic status. The effect of different functions of management was tested on the dimensions of FES (income, expenditure, and ownership of assets). The relationship between household expenditure, and management functions (planning, coordinating, organizing, directing and controlling) was investigated using Pearson product-moment correlation coefficient.

The findings indicate that linear positive relationships were found to exist between family income, household expenditure, and ownership of physical assets with management functions. All correlation coefficients indicate a weak and positive linear relationship between family income, household expenditure, and ownership of physical assets with elements of management functions.

It may be interesting for future studies to look at the effect of other elements on family economic status, for example, the effect of leadership approaches on family economic status, the effect of different leadership styles on family economic status, and the effect of the surrounding environment on family economic status. Future studies can look at the effect of family economic status on management functions. Furthermore, it is recommended that policy makers give attention to future plans for such research.

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1/23/2010