

A penny saved is a penny earned

Ruchi Chopda | Mar 31, 2014, 07:23 AM IST

RELATED

A study reveals that motivating migrants can lead to better savings.

Given that more than 200 million people leave their homelands for low-wage jobs including as maids and construction labourers, Dean Yang, associate professor of economics and public policy at the University of Michigan and Ganesh Seshan of Georgetown University in Qatar, decided to find out whether motivating these workers can help them save more money. The study, recently published in the Journal of Development Economics, covered 200 migrant men from Kerala working in Doha, Qatar.

Apart from finding out if the migrants could be motivated to save more, the researchers also aimed to understand if the workers could make better financial decisions with their spouses by attending a motivational talk on personal finance.

Informs Seshan, "We wanted to work with a migrant population that was largely represented in the Arabian Gulf countries. Indians constitute the largest group of migrants in these countries and so we chose this group."

The men, from different age groups, educational backgrounds and professions, were split into a control group and a treatment group. The latter received a three-hour motivational pep talk on saving by financial expert KV Shamsudheen, a popular Keralite motivational speaker who runs his radio show in the United Arab Emirates.

Says Yang, "This was a simple one-time targeted motivational session that had a big impact. And even though there wasn't much technical information, the hope was that the session would motivate the migrants to save more." With a PowerPoint presentation, Shamsudheen discussed why migrants needed to save more money and make joint decisions with their spouses. About 13-17 months after the session, the researchers conducted follow-up surveys to check if there were improvements. While the workers were mostly interviewed in person, they phoned their wives in India to gauge the impact of the session. To eliminate external factors that could have affected the treatment group into increasing their savings, the researchers used the randomised control trial (RCT) methodology. Says Seshan, "This methodology is regarded as the 'gold standard' for impact evaluation by most researchers. Since both groups shared similar characteristics on average prior to the workshop, any common shocks that could have affected both parties have been accounted for." The post-workshop surveys revealed that the migrants reported a 30% increase in making financial decisions together with their better halves, who reported a significantly enhanced interest in seeking financial education for themselves. In a subset of families, which initially reported saving less, savings grew by 34.5% and remittances by 13.2%, the study showed.

Post a comment

More from The Times of India

- We are sorry, Rishi ji 28 Mar 2014

- Man attacks girl, her mother with acid in Andhra Pradesh 29 Mar 2014

- MUST SEE: Kareena's look in 'Gabbar' 31 Mar 2014

- I love Varun and know that he will always be there for me: Alia Bhatt 29

Connect with us

Subscribe to our Newsletters

- Top News (Daily)
- Tech News (Daily)
- Life & Style (Daily)
- Movie Review (Weekly)

Your Email Address

FEATURED TODAY IN EDUCATION

Maharashtra govt largesse for poor students funds private colleges

IIM-Indore graduate gets Rs 32 lakh annual salary offer

Consultants collected lakhs to leak PGMET questions

GATE scores out, fewer took exams this year

105-year-old IISc has its first formal convocation

more

2 TIMES POINTS EARNED



Hi there,

Login with your Facebook ID to see what your friends are reading on Times of India.

Log In with Facebook

TOP STORIES

Did IAF's crashed Super Hercules have fake Chinese parts?

World Twenty20: It's 4 out of 4 as India tick all boxes

Narendra Modi needs to be treated in mental hospital: Sharad Pawar

CAG under fire from govt, but praised by President

Overwhelming support for TOI manifesto

more

Mar 2014

- Prabhakar's daughter to debut in Tollywood 21 Mar 2014
- Things you should never tell your children 06 Mar 2014

Recommended by

ALSO ON TOI



Families seek answers in MH370...



Kerry, Lavrov agree diplomatic...



MH370: Long search looms for m...



Chandigarh: Arvind Kejriwal ho...



Ram dev defends his 'looteri ba...

Follow TOI's Home Section

Search for News

Search

SHARE YOUR VIEWS - POST YOUR COMMENT BELOW

We encourage you to log in and comment. Non-logged-in comments will go through a verification process for security reasons.

Log in to post this comment

Your comment

Characters Remaining: 3000

Refrain from posting comments that are obscene, defamatory or inflammatory, and do not indulge in personal attacks, name calling or inciting hatred against any community. Help us delete comments that do not follow these guidelines by marking them offensive. Let's work together to keep the conversation civil.

POST COMMENT

Sort by: [Newest](#) | [Oldest](#) | [Recommended \(0\)](#) | [Most Discussed](#) | [Agree](#) | [Disagree](#)



Aashish Sharma (Delhi)
37 Followers
2 hrs ago Gold: 16.6K



soo true the mney u save is the money u earn for urself

Agree (0)
Disagree (0)
Recommend (0)
Offensive

MOST POPULAR

[Read](#) | [Commented](#) | [Shared](#)

From Home

BJP expels senior leader Jaswant Singh for six years

Antony hints at 'secular' front; Congress ready to play second fiddle

233 seats for NDA, 119 for UPA: Poll

Bihar: This family of 47 voters being wooed by all parties

[more](#)

Across Times of India

Missing Malaysian jetliner: MI6, CIA investigating as fears of terror attack resurface

Indian-origin teenager Suvir Mirchandani tells US govt how to save \$400 million by just changing their font

Katrina Kaif challenges Salman Khan

I love Varun and know that he will always be there for me: Alia Bhatt

[more](#)



All

TOI

My Profile

[Know more about Times Points](#)

More inside The Times of India

| CITY | INDIA | WORLD | BUSINESS | TECH |
|---|---|---|--|--|
| Delhi Metro shuts two stations | IAF rules out defective Chinese parts for C-130J Super Hercules plane crash | North, South Korea trade fire | Will consult RBI on easing gold import curbs: Govt | Hands-on: Gionee Elife S5.5 |
| Nirbhaya: SC extends stay on death sentence of 2 convicts | Surgery offers best sugar control for diabetes: Study | Turkish PM set to tighten grip after poll | Birla Sun Life MF eyes Rs 6,000cr equity assets | Apple files patent for 'transparent texting' |
| Infant kidnapped in Navi Mumbai rescued, 5 held | Govt to continue focusing on AIDS prevention | Security tightened at Malaysian airports | NCDEX to launch world's first futures contract for bajra | World's slimmest phone unveiled @ Rs 23k |
| Gurgaon-Faridabad toll plaza vandalised | Countries differ widely on statin use | Russian PM Medvedev visits Crimea | Hindustan Motor under process to handover Chennai plant | Android app by Indian caught mining bitcoins |
| » MORE FROM CITY | » MORE FROM INDIA | » MORE FROM WORLD | » MORE FROM BUSINESS | » MORE FROM TECH |

THE TIMES OF INDIA

Powered by **INDIATIMES**

[About us](#)
[Privacy policy](#)
[New sletter](#)
[Sitemap](#)

[Advertise with us](#)
[Feedback](#)
[TOI Mobile](#)
[Archives](#)

[Terms of Use and Grievance Redressal Policy](#)
[RSS](#)
[ePaper](#)

Other Times Group news sites

Times Crest | The Economic Times
 इकनॉमिक टाइम्स | ईकोनॉमिक्स टाइम्स
 Pune Mirror | Bangalore Mirror
 Ahmedabad Mirror | ItsMyAscent
 Education Times | Brand Capital
 Mumbai Mirror | Times Now
 Indiatimes | नवभारत टाइम्स
 महाराष्ट्र टाइम्स | ವಿಜಯ ಕರ್ನಾಟಕ
 Go Green | NavGujarat Samay

Living and entertainment

Timescity | iDiva | Entertainment | Zoom
 Healthmeup | Luxpresso | Gadget Review s
 GuyLife | Online Songs

Interest Network

itimes | Email

Hot on the Web

World | Politics
 Business | Sports
 Entertainment
 Science & Tech
 New Cars

Services

Book print ads | Online shopping | Free SMS | Website design | CRM | Tenders
 Matrimonial | Ringtones | Astrology | Jobs | Tech Community | Property | Buy car
 Bikes in India | Deals | Free Classifieds | Send money to India | Used Cars
 Restaurants in Delhi | Movie Show Timings in Mumbai | Remit to India | Buy Mobiles
 Listen Songs | News | Real Estate Developers

Trending Topics

Yahoo | Photogallery | You Tube | Gold Price | Twitter | Irctc | Renault Duster | Yoga
 | Aadhar Card | Facebook | Sunny Leone Photos

Copyright © 2014 Bennett, Coleman & Co. Ltd. All rights reserved. For reprint rights: [Times Syndication Service](#)