MIDLANDS STATE UNIVERSITY

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

AN INVESTIGATION OF THE PREVALENCE OF FINANCIAL STRESS AND ITS EFECT ON EMPLOYEE PERFORMANCE AT THE WORKPLACE.

CASE OF TURNALL HOLDINGS LIMITED.

BY

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SUBMITTED TO THE MIDLANDS STATE UNIVERSITY IN PARTIAL FULFILMENT OF THE REQUIREMENTS OF THE BACHELOR OF COMMERCE BUSINESS MANAGEMENT HONOURS DEGREE

GWERU, ZIMBABWE:

NOVEMBER 2016

DECLARATION

I Prisca Magodhini Reg number R131830N**,** hereby declare that this research represents my own effort and work. This document reflects my knowledge and it has never been issued to any University or published for any degree program or diploma at any institution. All materials used in the research are fully acknowledged and sited and the references, list of tables, list of figures and appendices are also included.

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DEGREE PROGRAM: BCOM Business Management Honours Degree

YEAR GRANTED: 2016

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DEDICATION

This research is dedicated to my mother, father and my two siblings for the support, financial provision and encouragement they gave me throughout my studies. Above all, this piece of work is dedicated to the Almighty GOD.

ACKNOWLEDGEMENTS

I want to acknowledge the unwavering guidance and tireless support that I got from my supervisor (Doctor Mutanga) throughout the course of this study regardless of his busy schedules. Putting this document together was also made easy and possible due to the contributions, motivation, support and criticisms and assistance that I acquired from the following people.

Doctor Mutenheri
My Parents
Mr. A.N Kanyongo
Mr. J.F Ndhlovu
Mr. T Kanukai

I also wish to express my profound appreciation towards the Midlands State University Library, the faculty of Commerce as well as the entire Department of Business Management for their succour and help. Special mention also goes to the Turnall Holdings family for allowing me to carry out my research using their organisation as a case study as well as their co-operation in providing me with adequate information that made this study a success.

ABSTRACT

This research was a case study of Turnall Holdings Limited which sought to establish the prevalence of financial stress and examine its effect on workplace performance of employees. The study was motivated by the fact that some employees are extrinsically motivated whilst others are not, yet the employer was trying to combat the current corporate financial constraints through eliminating all employee financial benefits. As such, Turnall employees were found to be facing financial difficulties as denoted by low salaries and wages as well as late payment of these, following a salary cut of 7-15% in May 2016 and a further cut of 50% in September 2016. Also, employees' financial benefits were eliminated, they spent up to four months without being paid and working days (for some employees) were also reduced resulting in employees getting half salaries. Additionally, as a result of financial problems, employees were found to be associated with high and rising debt and credit levels, low saving rates, frequent requests of salary advances, high absenteeism rates and they sometimes took long breaks. The objectives of this study were to investigate prevalence of financial stress, identification of its predictors and its consequences, to establish the strategies being adopted to cope with it and to investigate its effect on employee performance at the workplace. Various literature sources in relation to the study tittle were reviewed and critically analyzed, which in-turn informed thisstudy work. The study adopted a combination of the descriptive and explanatory research designs. Population in this case was also the study's target population, which comprised of all Turnall employees totaling 110 inclusive of employees and managers. A sample of 59 respondents was employed and it was based on the stratified random sampling technique. Out of the 59 questionnaires that were dished out, 42 were retrieved by the researcher and the obtained raw data was presented in tabular format and was analyzed using the STATA 11 statistical package, utilizing the regression tool and frequency computations. The study thus established that undeniably, financial stress is prevalent among Turnall employees and it is predicted by demographic factors as well as other independent factors. Its consequences include high absenteeism rates, lateness at work and health problems and employees are currently adopting some strategies to cope with it, which include menial jobs, collective saving programs and financial management strategies. It was also established that these consequences are affecting employee performance through reduction in productivity per worker. The main study recommendations are that the employees should have stress management skills through financial education, advice and counselling and the employer on the other hand should explore any other alternative turnaround strategies to revive the company from financial distress other than continuously cutting down on wages and salaries and retrenching its workforce. Further studies are thus recommended where productivity trends are established and related to financial stress over a specific period of time since productivity in this case was measured through inference.

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LIST OF ABBREVIATIONS

CCCS- Consumer Credit Counselling Service

FBC- First Bank Corporation

NEC- National Employment Council

ZESA- Zimbabwe Electricity Supply Authority

DEFINITION OF KEY TERMS

Financial Stress: This is the difficulty that individuals, households or companies may have in meeting their basic financial commitments due to shortages of money.

Employee Performance: These are the work or job related activities that are expected from an employee as well as how well those activities are performed for the betterment of the organisation.

Employee Productivity: This is an assessment of the efficiency of an employee or a group of employees which in most cases may be assessed in terms of output of an employee in a given specific period of time. (In this study, it is being used to measure employee performance)

Financial Constraints: This is a shortage or lack of money such that individuals or households cannot afford to buy some things that are needed for their own use.

***Financial Crisis*:** This is a situation in which the supply or source of financial resources is outpaced by the demand of those resources by individuals, households or companies.

***Financial Health*:** This is the term that is used to describe the state of the overall financial aspect of an individual that includes the amount of assets one own and how much income one is able to save after paying out all regular expenses.

CHAPTER ONE

INTRODUCTION OF THE STUDY

1.0 Chapter Introduction

Financial stress is that kind of stress that comes from being in debt, being unable to meet financial obligations as they fall due, being unable to save money from monthly incomes and fear of having inadequate finances in the future even though finances may seem adequate today (Swathout, 2015). Employee performanceis also defined as the work related activities expected of a worker, how well those activities are executed as well as the result of the individual's behavior.Personal financial stress canconsequently leak into the workplace and begin to affect employee productivity and ultimately organizational performance and effectiveness.In this chapter, the background of the study is presented, which ends with identifying the gap in the study area which is being pursued by the study. It also goes on to lay down the research objectives, research questions, significance of the study, the research assumptions, limitations and delimitations to the study. Additionally included is the conceptual framework which displays the linkage of the study variables and their relationship.

1.1 Backgroundofthe Study

The success of any company is closely tied to the performance of its employees and the company's ability to financially satisfy them since there is always a proportion of extrinsically motivated employees, if not all (Bowman, 2010). The financial wellbeing of employees is in the best interest of all the stakeholders comprising the employees themselves, communities, organisations and especially employerswho spend extensive resources hiring employees and trying to generate products, profits and retain loyal customers. Therefore, to succeed in hiring, Shields (2015) laments that employers must always be in a position to provide tangible benefits,and in most cases, in the form of remuneration or financial rewards.

At Turnall Holdings Limited, there however seems to be; existence of rising and high levels of Turnall employee debts at banks and financial institutions, high absenteeism rates, lateness at work, late payment of salaries and wages by the employer and frequent requests of salary advances by employees, and all of this is emanating from personal financial problems. It also appear like the managementkeep on terminating employee financial benefits instead of exploring any other applicable alternative turnaround strategies to revive the company from the prevailing economic hardships. These according toBorek et al (2015) can therefore be the predictors of determining whether financial stress is prevalent among the employees or not.

In the business arena, the first customer of any organisation is the employee and if these employees are suffering from social problems, it is likely to affect their performance and that of an organisation at large (Bowman, 2010).Primarily, the Turnall Holdings Limited appears to be under financial distress and this fact is supported by the Sunday Mail of 14 September 2016 which points out that, "In the six months to June 2016, the company reported a loss of $1.8 million. A presentation to Analysts and Stakeholders of 30 March 2015 additionally revealed that the company is facing financial difficulties and may become insolvent in the near future. It also pointed outht that the company has retrenched close to 50% of its workforce and is actually struggling to pay them the associated retrenchment packages.The presentation further revealed that the company was yet to cut down on employee and manager allowances and privileges which include bonuses, overtime payments, housing, transport and medical allowances, and early 2016, this was implemented.The question is always that, is the organisation not cutting its way to growth or survival in the name of downsizing or is it not instilling fear of the unknown (uncertainty) in the minds of the remaining employees.

Still on that, since the company seems to be struggling, it then meanthat Turnall employees may possibly be facing financial constraints. The weekly report of 20 May 2016 reports that salaries were cut by 7-15% in May 2016 and may be further cut by 50% by September 2016 and some employees were retrenched because the company is facing financial challenges. In support, the Sunday mail of September 14 2016 conveyedthat, "Workers of Turnall Holdings are considering going on a strike to register their discontent over a 50% salary cut, particularly at a time when they consider management to be recklessly extravagant".According toHillman (2015) salary cuts is one of the factors which clearly foretells financial difficulties among employees in organisations.

Once more, the workers that were retrenched were supposed to be given all their retrenchment packages at the point of termination of their contracts but they were not given because they reached a deadlock on the payment rate (Extra Ordinary NEC Meeting, 20 May 2016).The remaining employees are currently not getting their salaries on time as they are spending up to four months without getting paid. Therefore, performance of both the employees and the company seem to be going down.The employee performance appraisal records (January to June 2016) likewiserevealed evidence that employees worry concerning low salaries and wages, delayed payment of salaries and wages, reduced working hours and working days resulting in employees getting half salaries. They are also worried abouttheir current status of being unable to support the welfare of their families and having deep thoughts about the uncertainties of taking children to school in the future. This thus seems to be affecting employees' performance in one way or the other and it justifies diminishing employee performance especially being unable to meet deadlines (performance appraisal records).

In continuation, there also appears to be signs of high and rising levels of debts taken by Turnall employees from banks and microfinance institutions. The salaries and wages records discloses that most employees have taken loans at banks (especially at FBC and Stanbic bank) which strongly shows that the financial situation of these employees might be at stake. Moreover, the minutes of the NEC Meeting of 31 March 2016 points out that some employees are spending up to four months without salaries yet some of them have got monthly bills. These bills include loan repayments and the associated interests, ZESA and water bills, medical bills, rentals and children's school fees which have to be paid up. Since the company is being unable to pay out salaries and wages on time, the employees may possibly end up using working hours to focus on how to get money to cover up their expenses which might eventually negatively affects their performance at work.

Still on that, preliminary inquiriesindicated that a number of employees are behind now on their loan repayments to their banks as verified by the FBC officials that pitched up during the presence of the researcher, inquiring as to when they are likely see the salaries reflecting into the bank accounts so that they can deduct the monthly installments. The bank official even mentioned that the salaries were behind by four months and that means the money will be deducted four times in that months' salary leaving the employee with very little disposable income. Cardarelli (2014) argues that employees associated with debt, credit and money problems waste time especially working hours thinking about money and dealing with the related monetary matters and are hence left with little time to focus on their work.

Additionally, coworkers look as if they usually engage themselves in extended discussions with one another concerning lack of money to cover major expenses, being broke, being bankrupt and they seem to be in fear of what the future holds for them. The company's weekly report of 1 July 2016 reports that the plant that produces asbestos sheets in Harare had been closed on the 30st of June and this move triggered the retrenchment of employees and this is being perceived by the remaining employees as a threat to them simply because they are worried that they may get retrenched too or the company may shut down any time soon. Hence productivity may ultimately diminish as they find themselves discussing about these issues in connection with uncertainties of the future of the company as well as their own personal financial situations during working hours.

Preliminary inquiries done for purposes of this study also further pointed out that the employer seems to be no longer providing financial incentives that were previously provided for employees for them to reach financial wellness. The Herald of 27 March 2015 purports that this situation is being fueled by the deterioration of company standards ever since the company went public. Moreover, the February 2016 monthly further reports that pensions and payments of school bursaries for children of employees are no longer being given to employees since the company is financially struggling. The minutes of the NEC meeting of 31 March 2016 correspondingly showed that Turnall's management has drastically failed to meet its obligation of focusing on employees personal financial problems as they have a great bearing on the workplace.Usually mismanaged human resources are one of the sources of distress to corporations and Houston (2009) suggests that there is a close relationship between employee financial health, productivity and employer profitability suggesting that both parties need to achieve their financial goals in order to succeed. Williams et al (2014) also argues that employer's concerns over employee financial issues have increased due to their need to improve productivity and lower other costs.

However, the company has been trying to implement some efforts termed employee welfare programs that are aimed at improving the financial wellbeing of its workforce. These programs are seen by the management as additional incentives given to employees to augment their wages and are in the form of financial and non-financial programs. The worth mentioning are the financial programs which include pensions, leave pay, medical aid contributions, school fees support (bursaries) for employees' immediate children, salary advances, subsidized transport facilities and housing allowances (which were however recently cut down with the exception of leave pay and salary advances)

Therefore, in light of the above, there seems to be signals of financial stress prevalence among Turnall employees basing on the views highlighted above.It is hence against this background that the researcher has been motivated to carry out a study to establish whether financial stress is prevalent among Turnall employees or not, and if prevalent establish its predictors, consequences and effect onemployee performance at the workplace, which in this study is being measured by workers' productivity.

1.2 Problem Statement

Turnall employees appear to be facing financial related problems as evidenced by delays in the coming of salaries, high levels of borrowing and failure to timeously pay these loans, frequent salary advance requests, high levels of absenteeism and lateness at work. This could be as a result of financial stress among these employees. The company ishowever making efforts to improve the welfare of the employees through offering leave pay and salary advances. It also formerly provided subsidized transport facilities, housing allowances, medical aid contributions and pensions. Given the company's efforts, it remains unclear whether financial stress exists among employees and if it does, which forms of it are most prevalent and the related consequences hence the need for this study.

1.3 Research Objectives

1. To investigate the prevalence of financial stress among employees.
2. To identify predictors of financial stress among employees.
3. To identify the consequences of financial problems among employees at the workplace.
4. To establish the strategies being adopted by Turnall employees to cope with financial stress.

5. To investigate the effect of financial stress on employees' performance at work.

1.4 Research Questions

1. To what extent does financial stress exist among Turnall employees?
2. What are the predictors of financial stress among employees?
3. What are the consequences of financial problems among employees at the workplace?
4. Which strategies are being adopted by Turnall employees to cope with financial stress?
5. What is the effect of financial stress on employees' performance at work?

1.5 Significance of the Study

1.5.1 Theoretical importance

This study intended to yield academic contribution, particularly on the issues of financial stress and employee performance hence adding value to current literature. The existing body of knowledge includes studies which are not contextualized to developing and economic challenged nations like Zimbabwe. The studies undertaken so far by Garmen (2012), Bray (2010), Bashir and Asad (2009), Meyer (2016) and Meneze (2013) were conducted in developed countries and some of their findings may not necessarily be applicable in the Zimbabwean setting. Some of these studies were also not industry specific and some were conducted on a target population comprising both employed and non-employed individuals. Hence it was established from some of these studies that employed individuals are usually not financially stressed, which might not be the case among Zimbabwean employees.

Therefore, the main objective of this study was to contribute to these existing paradigms with the objective of introducing different views and perspectives concerning whether financial stress is prevalent among employees or not, as well as the establishment of the extent at which it affects employee workplace performance.

1.5.2 Practical Importance

(i) This study was important because a number of employers nationwide will benefit from it since the aforementioned will help their organisations in coming up and adopting financial stress management strategies as well as the importance of educating their employees on how they can deal with financial stress. This will ensure that employees remain important and continue to play their role in ensuring individual productivity as well as organizational performance for its own betterment.

(ii) This study was also important in the sense that it was trying to grasp how financial stress that may exist among employees can be managed, minimized and solved so as to enhance performance of employees. Also, the results of this study can be applicable to other organisations in the future as these results will contribute to the building of knowledge in various functional areas of the businesses and industries.

(iii)The study will also benefit employees in exploring the different strategies that can be adopted to cope or deal with financial stress issues to enhance their productivity levels at the workplace.

1.5.3 Significance to the Researcher

(i) This study was significant as it enhanced the researcher’s research skills.

(ii) The study also benefited the researcher with deeper knowledge concerning financial stress, its predictors, how it manifests itself, as well as the related consequences of the same.

(iii)The researcher also gained from this study, an appreciation of the strategies that an employee can adopt to cope or manage financial stress as well as the role of the management in facilitating the same.

(iv)The study also gave the researcher an in-depth knowledge of how financial issues impacts workplace performance as well as how managers can deal with the situation should it occur.

1.6 Delimitation

1.6.1 Geographical delimitation

This study concentrated on Turnall Holdings Limited, the Harare Branch.

1.6.2 Time delimitation

The study focused on the period January 2015 to September 2016 since that is the period when the company was seriously embarking on retrenchment and operational turnaround strategies to revive the company which was slowly deteriorating.

1.6.3 Conceptual delimitation

This study alsofocused only on the prevalence or existence of financial stress and its effect on employee performance. Any other variables were considered not important for this study. Performance of employees was also herein measured by productivity per worker and hence again, discarding any other variables which affects employee performance.

1.7 Conceptual Framework

Figure 1.1 below is the conceptual framework which shows the interrelationships of the variables.

Figure 1.1: Linkage between financial wellbeing, financial stress, and employee Performance and productivity.

Source: The Researcher

1.8 Limitations

(i) The researcher found difficulties in accessing respondents. However, this problem was remedied by good public relations management, convincing the managers to grand full access to information as well as use of personally administered questionnaires which facilitated easy access.

(ii) The researcher also faced some problems in accessing some information which was said to be private and confidential. This was however rectified by persuading the managers and respondents that the information being collected was to be treated privately, confidentially and for academic purposes only.

(iii) The researcheradditionally encountered problems in accessing recent literature concerning employee financial stress issues since it is regarded a psychological issue. This was however overcome by subscribing to e-journals and e-books.

1.9 Research Assumptions

The study assumed the following:

(i) The respondents were forthcoming, co-operative, helpful and honest in completing the study questionnaires.

(ii) The financial situation of employees did not change during the course of the study.

(iii)The sample selected from the population was representative enough for the purpose of results generalization.

1.10Chapter Summary

This chapter clearly focuses on outlining the background of the study, pointing out the significance of undertaking the study. It also goes on to show the statement of the problem focusing on the research gap to be fulfilled by the researcher. Additionally included are the, research objectives followed by the research questions which need to be answered at the end of the study as well as the delimitation and limitations of the study. Finally stated are the research assumptions as well as the definition of key terms. The following chapter's focus will be on the literature review, with the objective of bringing out the different views of different authors concerning the research subject.

CHAPTER TWO

LITERATURE REVIEW

2.0 Chapter Introduction

This chapter's main focus is to display the theoretical and empirical current body of knowledge concerning issues of financial stress and employee performance. The current body of knowledge is hence reviewed, analyzed and summarized with the objective of examining, describing and justifying what has been done so far in this area of study, and hence displaying out the gap that justifies the need for this study. This chapter therefore aims to identify what financial stress is, its causes, predictors and consequences, the strategies that can be adopted by employees to manage it and to investigate how financial stress affects the performance of employees at the workplace (theoretical review). Additionally, in order to inform this study work, the chapter also include the evaluation of previous similar studies (empirical review) as well as examining the methodologies that were used with the aim of identifying a literature gap which makes this study necessary. The purpose of literature review is to look at what other scholars have studied and what has not been addressed in this area being studied.

2.1 Theoretical Review

Garman (2012) highlighted in his study that approximately one-third of employees at any company are stressed by their personal problems, and half of those individuals are so impaired that job performance which can be measured by productivity per employee, is affected. Yih (2016), also points out that a lot of people at the workplace are stressed and one of the biggest causes comes from financial issues. However, research suggests that the problems at home have got a great bearing on an employee's productivity at work and Borek et al (2015) suggests that approximately 20% of any workforce is affected by personal problems that impact employee performance and it may be possible that some of these personal problems are financial problems. In addition, Cardarelli et al (2014) argues that personal financial problems affects all aspects of an employees' life and employers report that four out of five employees' personal issues are impacting their job productivity somewhat.

2.1.1 Financial Stress Defined

Financial stress is that kind of pressure or tension that comes from one's finances. Gorman (2014) defines it as thatform of stress that one experiences from being in debt, being unable to meet financial obligations as they fall due, when income becomes less than budgeted expenses, being unable to save money from one's income and fear of having inadequate finances in the future even though finances may be adequate today. Houston (2009) adds on that financial stress comes when an individual; has got less money for self and family care, experiences delays in the coming of salaries, has got cash flow problems month in month out, over uses credit and debt, spends recklessly and fails to plan due to financial illiteracy. This eventually contributes to financial problems among employees.

With reference to Bray (2010), the view of Financial Stress comprise of three distinct dimensions which are summarized as follows;

(i) The level at which individuals or families compress their daily or monthly financial activities in order to meet their daily and monthly budgets. In other words, it is the degree at which employees miss out their financial undertakings and routines because of lack of affordability.
(ii) The extent to which individuals and households lack financial management skills, particularly cash flow management.
(iii) Circumstances and instances where individuals experience hardships or may have needed to rely on last resort management mechanisms.

Major Causes of financial stress among employees

Financial stress inducing variables usually affect an employee's financial wellbeing and ultimately his or her performance at the workplace. The following are the most common financial stressors from recent studies;

(i) Surviving on debt and credit almost every month

One of the many ways which exerts stress among employees is knowing that their monthly income cannot be able to sustain their expenses. Hence financially stressed employees normally meet their wants and needs through usage of credit facilities from colleagues, banks and financial institutions instead of their incomes. However, according to Hooker et al (2009) survival from credit and debt especially long term debt is not favorable because it proves to be more expensive because of the associated interest rates.

(ii) Financial activities not tying up with budgets

Hooker et al (2009) also reported from their study that over three quarters of the research subjects in each organization gave reports that they budgeted they consumption and in the end, their financial behavior did not tie up with the budgets. Usually when the finances that one puts aside for consumption becomes less than the actual consumption, individuals ultimately go under a significant periods of financial stress.

(iii) Insufficient monetary rewards

One of the financial stress predictors among employees is inadequate salaries and wages (monetary rewards). Usually, lack of money causes a major problem in a workplace set up because one of the ways in which employees are motivated to perform to their best capabilities are monetary benefits. However, Shields et al (2015) debates that when the compensation that employees receive at the end of the month is insufficient such that one has to think of any other means of survival, it then contributes to what is known as financial stress .

(iv) Being unable to pay utilities

One of the leading financial stressors among employees as highlighted by Ekerman (2011) is not being able to pay one's bills, e.g. rentals, water and electricity bills, medical contributions, insurance contributions and other financial difficulties. This apparently produces stress among employees which when not addressed, may cause a significant problem among employees to focus on their jobs and other work related issues.

Lavrakas (2010) also adds on that in his findings, over a quarter of employers that were interviewed responded that their workers are financially stressed indeed, to a point that they face so many challenges in taking care of their families, paying for children’s fees, supporting their extended families and their elderly parents. This then makes employees to lose focus and concentration whilst at work which then negatively affects their performance.

2.1.2 Predictors of financial stress

2.1.2.1 Demographic Factors

(i) Age and gender

Bray (2010) did an analysis on the predictors of financial stress and found that age, gender and marital status are some of the many variables that are related to financial stress and they are complimented by holding loans, poor budgeting and low income. Hooker et al (2009) also studied the variables that are related to financial wellbeing among employees and concluded that older personnel were 1.9 times more prospective to rate themselves as financially well as compared to younger employees denoting that younger employees are more prone to experiencing financial stress. From the study, it was also established that men are more prone to face financial difficulties as compared to women especially those who are married. Brougham et al. (2012), also established from their study that females were considerably more likely to report stress brought out by personal financial difficulties.

(ii) Income levels

Muda et al (2015) studied on the relationship between financial stress and income levels and established that 60% of the respondents who are financially stressed were employees who get low salaries and wages and usually these employee's lifestyles and standards of living end up being negatively affected. Those same respondents also reported because of inadequate salaries, they end up also having debt problems and stated since their salaries are not adequate to cover all their expenses especially those with large families with more than three children hence they resort to other means of survival. Usually, individuals who are employed in lower paid jobs are more likely to be affected financial difficulties and by debt simply because their low and inadequate incomes.

Bowman (2010) argues that when employees are financially motivated, it increases job participation and involvement by making the work interesting and meaningful, and the fact that it tends to keep an employee more productive and subsequently improving job performance. Hence it shows that when employee's salaries are adequate to cover all their budgeted expenses, their standards of living and lifestyles are also affected and they are easily motivated to improve their individual productivity. However when income is inadequate, then it is a good indicator of financial stress because most people end focusing on important financial personal things and this affects productivity and ultimately their performance at work.

(iii)Qualifications held by employees

According to Adomako and Danso (2014) there is a positive relationship between holding a school qualifications and financial wellbeing. It is from this view that it is expected that an employee who has got an attainment of a qualification from college especially business and accounting related qualifications are less likely to experience financial difficulties and those without school qualifications are more likely to have financial stress

Imtiaz (2014) examined the relationship between post-school qualifications and financial disadvantage among Australians and concluded that education and training complimented by other factors like income levels and spending patterns usually safeguard households and individuals from experiencing financial related stress and it increases the chances or probability of getting out of it once in it.This then makes an employee's level of education a strong predictor of financial stress.

2.1.2.2 Other Independent Predictors of Financial Stress

(i) Savings rates

According to Yih (2016), savings rates have been declining ever since at almost 18% peak in the 1980's whereas present savingsespecially in developing countries are hovering between 2% and 5% which is close to non-existent. From this perspective, this is far much less than what an employee may require in securing for the future. Meyer (2016) argues that when an individual is unable to frequently put aside money for precautionary and speculative purposes, then it is a clear predictor of financial stress. Further argument is that when an employee is associated with low saving rates or is totally unable to put an amount of money aside, then it spells a very serious problem both at micro and macro level as everyone's financial future significantly depends on how much is put aside today for precautionary purposes in the future**.**

(ii) Part time work or employment

To supplement low salaries and late payment of the salaries, employees usually engage in part time jobs or employment to get money for family and self-care. This then enables them to cover for their expenses while they wait for their salary payments. This was however included by Cox (2014) as a predictor of financial stress. Garmen (2015) also argues that part-time work is a strong predictor of financial difficulties. In his study, majority of Americans (59%) reported having part time employment and argues that extra income earned from part-time work consequently reduces financial stress and thus showing its importance. However, Cox (2014) studied the same and concluded that financial stress cannot be said to be indicated by part time work simply because there are some employees (60%) who just enjoy the pressure that comes from work and are intrinsically motivated, however some also just engage in part-time jobs so as to add on their monetary base only when they want to raise money for some reasons, for example, buying a house or preparation of a wedding.

(iii)Adequacy and Timeliness of salary payments

When employees spend the whole month at work, they expect to be rewarded or remunerated at the end of the month or on the day agreed as the payday with salaries, which shows a true reflection of their efforts. However, when the pay day arrives and their monies do not reflect in their bank accounts then such employees' lifestyles, standards of living and welfare are doomed because the only available solution remaining is to resort to other means of survival that boosts their individual cash inflows each and every month. This situation is further worsened when employees spend close to four months without receiving their salaries and wages and worse when the company frequently cut of employee salaries and monetary benefits.

Borek et al (2015) suggests that inadequate salaries and lateness in salary payments predict financial stress among employees. He further argues that if the problem persists, employees may end up losing their interests in serving the company because the primary objective in the supply of labor is both the related monetary and non-monetary rewards and benefits.

(iv)Frequent Requests of salary advances

An additional predictor or indicator of financial stress among employees is when they frequently request for salary advances. With reference toMeneze (2013), one in five employers reported that their employees frequently requested for salary advances claiming to want to cover some immediate expenses. Hence a deep investigation into the matter yielded a result that when employees are not able to put aside a percentage of their money to deal with these immediate and rising expenses but rather rely on requesting salary advances to cover such expenses when they arise, then one of the possible outcomes is that these employees might be experiencing financial difficulties and the tremors that come with them (financial stress)

(v) **Spending patterns and Financial literacy**

Cox (2014) who did an assessment of the relationship of financial wellbeing factors and discovered that financial literacy when combined with other factors like financial problems, financial behavior (spending patterns) and financial capabilities indicate presence of financial stress.

- Financial literacy

Hooker et al (2009) highlighted that usually there is little or no education that is offered to employees at work regarding financial management issues. This is the case especially in developing countries like Zimbabwe where presently the objective of each and every employer is cutting down on cost. The usual norm is that people usually tend to learn issues to do with financial management skills from family and close friends and hence creating problems as many of these teachers do not have the adequate knowledge, expertise and ability to teach others about issues of money. Research done by Adomako and Danso (2014) suggested that 42% of adults lack the basic financial literacy and life skills in general, to manage or cope with the knowledge of the economy and society (in terms of financial issues), hence disregarding knowledge from these people. Thus when employees do not receive financial related education especially that which is offered at work what so ever, it is a predictor of financial stress.Additionally, Brougham et al. (2012), also established that university administrators who are more financially knowledgeable indicated that they are able to handle financially related stress more meritoriously than those who have less knowledge of the same.

- Spending patterns

Financial stress among employees, households, individuals and even organisations is directly correlated to poor cash management skills. Meyer (2016) studied on how financial stress affects worker's productivity and established that half the respondents that reported experiencing financial stress also agreed that their spending patterns are also not good and it has crippled them up to a point that regardless of being employed and receiving reasonable salaries at the end of the month, they usually find themselves living from hand to mouth. This is usually caused by people who spend recklessly without thinking of the related consequences. Whether the salary comes or not, there are some employees who cannot control their spending patterns and at the end of the day end up with financial stress whilst at the middle of the month.

2.1.3 Consequences of Financial Stress

(i) Absenteeism

Absenteeism is defined as the aggregate work hours or work time missed by an employee. Financial stress has been found to be one of the factors that influences employee absenteeism as one will be focusing on his or her financial circumstances. Jacobsen (2014) investigated this matter and concluded that employee financial issues have influenced the absence norm and each year, among American companies' employees, stress associated with one's financial problems was a strong forecaster of absenteeism related to other contributing factors.

Kim and Garman (2011) also researched on the leading consequences of financial stress and concluded that financial stress is associated with absenteeism at work. They further scrutinized that among employees, those with higher levels of financial stress (71%) reported that they are affected to a point that they are usually absent at work using that time handling their financial issues which then decreases the time that they are present at work.

Miller (2016) also studied on how financial stress impact on the performance of employees and concluded that 34% of the research subjects reported that they are immensely stressed about their personal financial situations and they suffer from related health complications such as headaches, some signs of fatigue and depression. Therefore, they usually request for more sick days hence leading to high absenteeism and tardiness rates and ultimately decreased productivity.

(ii) **Lateness at work**

A cost to both the employee and the employer occurs when members of staff who are financially troubled use their working hours dealing with their personal financial worries. According to Bray (2010),two of the foremost consequences which shows that employees are financially struggling are; a tremendous increase of the number of employees reporting late for work and also a number of employees missing working hours because of different reasons like transport difficulties especially when the company does not offer transport allowances or staff transport to its workforce.

Additionally, when one is financially struggling, he or she spends much of the scheduled working hours sorting money issues with potential creditors, looking for other means to get financial support hence impacting on job productivity. Borek (2015) also did a research on the indicators and consequences of financial stress at an American Bank and found out that among the individuals who reported to be having financial stress, 55% of them are being affected to the point that they usually arrive late at work especially towards month end whereby they will be spending close to 3-4 hours per day at the bank negotiating with their creditors in terms of their debt arrangements.

(iii)Taking long breaks and Use of work time to deal with financial issues

Bashir and Asad (2009) argues that workers struggling financially usually take long tea breaks and lunch breaks and it might be that some of them will be sorting out their personal issues. Some employees even waste much of their work time calling their creditors, handling their financial associated matters and discussing their consolidated debts (Lavrakas, 2010). This lost work time end up negatively affecting accomplishment of job tasks and responsibilities which constitutes employee performance and ultimately diminishing the entire corporate productivity.

(iv)High and rising debt and credit levels among employees

With reference to Hakkio and Keeton (2014), financial stress among individuals yields consequences such as reliance of survival upon debt and credit to meet essential and nonessential needs. When faced with financial difficulties, employees tend to rely on loans from banks and financial institutions and credits from family and friends with the objective of maintaining lifestyles that they may perhaps not otherwise afford. Therefore employee performance (which is measured by productivity per worker in this study) end up declining when they spend much of their working hours thinking of how they are going to repay their loans and the associated interest rates and where they can continue securing loans for their basic survival.

Borek (2015) discussed debt and credit as consequences of financial stress and concluded that levels of individual debts especially in the form of loans at banks are rising year by year over the past 10 years and hence raising a concern that employees, individuals and families might be having excessive burdens over debt and its associated interests. Imtiaz and Ahmadas (2014) also investigated the same and found out that out of all the research subjects, the majority (60%) of employees reported to be associated with survival from debt almost every month because of high costs of living and hence concluded that these employees are more prone to suffering from financial stress and somehow also affecting their job productivity.

These results are similar to those of Shim et al. (2012) who hearsays that the enquiries on employee debt to the CA in Wales and England were at highest levels and were reported to have increased by 25% over the past year which could also depict financial stress.However, theseresults are contrary to the Statistics obtained from the (Consumer Credit Counselling Service, 2015) which portrayed that employee levels of debt have been slightly dropping ever-since 2005 to present day which shows financial wellness.

(v) Informal discussions with colleagues about being broke during working hours

Employees may spend time at work discussing their personal money matters with one another even if they are experiencing financial difficulties or not.With reference toMeneze (2013) who investigated the variables related to financial stress concluded that seven out of ten American workers reported that financial stress is the most common cause of stress amongst themselves and almost 58% of respondents said that they find dealing with their personal financial situations stressful up to a point that they discuss these situations with one another so as to feel good and to find financial help from these colleagues.

Additionally, Kim and Garman(2011) in her study of white collar personnel at an insurance company, concludes that 92% of respondents reported that they spent some work time discussing with one another on their financial situations and how each one of them is handling these matters since the salary that they are getting from the employer is inadequate. Although work time used in this way was categorized as positive and negative by Kim and Garman(2011), any amount of work time used to discuss personal financial matters, whether positive or negative, may thus be a consequence of financial stress and an indicator of lost productivity.

2.1.4 Strategies that can be adopted by employees to cope with financial stress

(i) Sticking to plans

Employees normally try by all means to manage financial stress by drafting a plan or budget at the beginning of the month and sticking to that budget in order to avoid financing themselves through loans from banks and financial institutions and creating credit with colleagues. Muda et al (2015) reveals that once a financially stressed person starts to get his or her plans in place, they can breathe easier and reduce stress by 87% if they implement as such.

(ii) Depending on debt and credit

To cope with stress caused by ones' finances, people usually survive on short term and long term loans from banks and financial institutions as well as credits from colleagues and family members. Hillman (2015) argues that relying on credit from relatives and friends relieves financial stress but the result is that it creates other problems and depending on someone usually raises questions especially if one is known by the family members to be employed.

(iii) Engaging in menial jobs

To manage financial stress, employees usually engage in other sub jobs which include running tuck-shops at home, money lending when they get their salaries, informal trading and transport operating which gives them money when they are in need of it. This then enables them to cover for their expenses while they wait for their salary payments.

(iv) Investing, saving and lending

Borek et al (2015) encourages employees facing financial challenges to adopt a plan of saving at least 10% of their income even if they may be paying off their debts. Lavrakas et al (2010)also suggests that one can avoid impulsive buying in order to deal with financial stress. It is beneficial for an individual to cut credit especially when they are under financial challenges and resort to rather put their money in investments.

The additional objective of this study is to establish and add to current literature the strategies being adopted by Turnall employees to manage or cope with financial stress.

2.1.5 Understanding Employee Workplace Performance

Financial stress has got so many costs to organisations, one of which is performance of employees at the workplace. Garmen (2012), Bray (2010), Bashir and Asad (2009), Meyer (2016) and Meneze (2013) conducted studies in relation to financial stress and its effect of employee performance. This is discussed below;

In most organisations, the performance of employees or employee productivity is measured by the quantity of work performed or number of customers served in a specific period of time and monitoring whether deadlines were met or whether the work performed goes hand in hand with the industry or company standards and customer expectations. In most companies, this initiative is implemented through performance appraisal schemes**.**Jirasinghe and Houldsworth (2011) also supports this view that managing worker performance is concerned with following the governing requirements to appraise and rate everyone's performance and hence identified a continuous and recurrent performance management process which deals with firstly planning the performance expectations in advance, continuously monitoring employees performance, rating performance periodically and then rewarding good and satisfactory performance. This is summarized in figure 2.1 below.

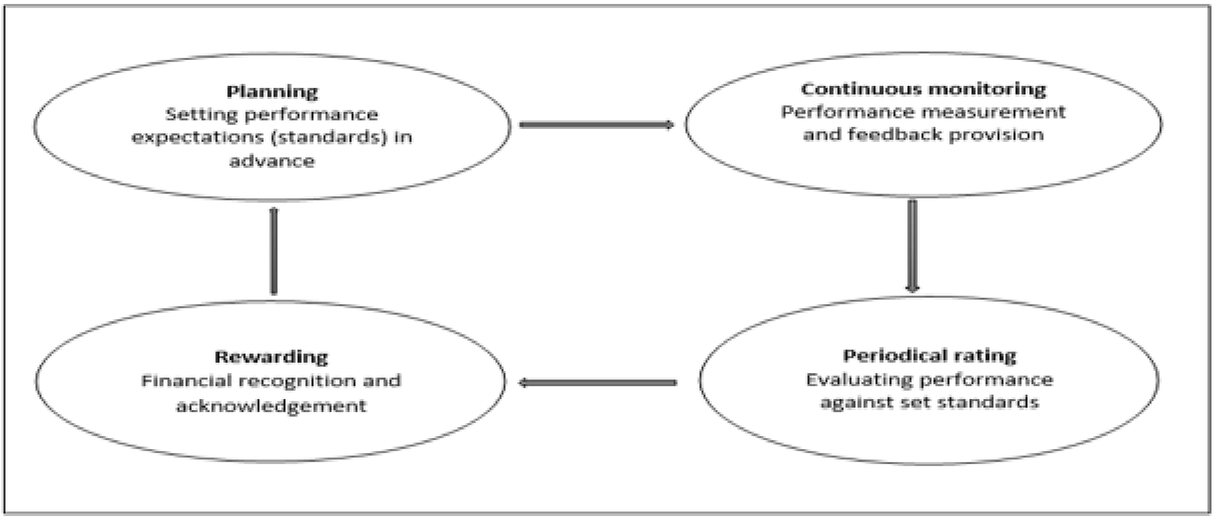

Figure 2.1: Performance Management Key Components

Source: Jirasinghe and Houldsworth (2011)

With reference to Stotovich (2010), recent has proven and concluded that incentive programs that are well designed, if used well, can improve employee performance by close to 44 percent or above. Figure 2.1above clearly outlines how organisations measure and reward good performance. However, when employees are hoping to be rewarded financially for their endeavors and at the end of the month the salary does not come, it negatively affects their individual productivity. This is because they will think that there is no tangible reward for good performance and hence they will not perform to their best capabilities.

This is the case with most employees in most companies, especially in Zimbabwe, simply because companies are financially struggling. Therefore the employers eventually become unable to financially reward employee performance the normal way hence pointing out a predictor of financial stress. Therefore, this study aims to analyze and establish whether financial stress exists among Turnall employees and the impact that it exerts on the performance of employees.

Muda et al (2015) identified job related stress, motivation andworkplace effective communication as the determinants that influence employee performance. Of interest here is job related stress which is usually experienced when an employee fails to coordinate the available resources and demands of his or her job with his or her personal abilities. When this happens, it affects employee’s ability to receive a high amount of salary especially in those organisations where the performance related pay is used.

Some managers may want an employee to achieve a certain level of work whereas the employee may not be able to cope with the given task which usually dissatisfies the manager. Ekerman (2011) went on toreason that job related stress is known to be a universal social problem which has got a number of factors that disturb workers psychologically, physically and eventually their performance at work.

2.1.6 How financial stress affects workplace performance

(i) Diminished employee productivity

Meyer (2016) argues that individual financial stress usually seeps into the place of work and begin to disturb employee efficiency and productivity. Therefore, the consequences of financial stress collectively have an effect on the performance of employees, which is measures by productivity (Meyer, 2016). These consequences as discussed above are; use of working hours to deal with personal financial issues, being late for work as a result of financial problems, absenteeism as a result of financial problems, taking long breaks to deal with financial problems and engaging in informal discussions about financial issues during working hours.

Normally, employees who are absent-minded by financial stress may be physically present but mentally absent and usually when employees are preoccupied they end up spending less time doing work related activities because of spending much time on the phone, negotiating with their creditors and looking for ways out of their financial struggles. The end result is therefore compromised employee performance.

(ii) Reduced employee commitment to their duties

Meyer (2016) disputes when financial stress strikes an employee, it weighs down that person's commitment to his or her duties and ultimately to the organisation that he or she works for. Cox (2014) adds on that a financially stressed workforce is more likely to reveal signs of dissatisfaction by the job itself and this leads to reduced morale, lack of concentration and lack of prolonged existence with the company that they are associated with.

(iii) Low job satisfaction

As outlined earlier, financial stressed employees are associated with having low productivity levels being caused by getting insufficient income to cover for their expenditures. Hence when employees are remunerated as not expected and when the company itself faces economic hardships to remunerate its workforce on time, then it means that job satisfaction among the employees in question also diminishes. A study conducted by Meneze (2013) revealed that financial stress is closely linked to job satisfaction and low job satisfaction is also correlated with giving up work due inadequate salary and wage payments.

(iv) Compromised employee health

Fisher (2012) determined that when individuals are dealing with high levels of debt, they are much more likely to report health related problems and in his research, 10-16 million people are terribly suffering due to their accumulated debts and their health is adversely impacted one way or the other. Lavrakas and his classmates from Ohio university also conducted out their research in 2010 and their discovery was that among the employees reporting high debt stress, 27% had ulcers or related health problems and 29% suffered anxiety, worry and concern.

Not much has been covered in assessing how financial stress affects workplace performance, hence the researcher aims at adding to the current literature by investigating other factors which points out that employees are suffering from financial stress

2.2 Empirical Review

(i) Hooker et al (2009) undertook a research on the assessment of the financial wellbeing of employees at different public and private companies and concluded that substantial minorities of employees, that is, only 9% of respondents have financial concerns and experience financial related stress and only 10% of employees felt that their workplace performance, wellbeing and health was suffering as a result of financial issues. Garmen et al (2015) and Williams et al (2014) also investigated the same and concluded that 70% and 56% respectively of their respondents reported experiencing financial stress as well as how it negatively affects their workplace performance behaviors because of the pressure it exerts in their lives and families. Bray (2010) also differed in the sense that also highlighted that employees do not face financial difficulties and performance problems being faced at the workplace are as a result of other factors like poor management styles and lack of employee motivation.

Hence this study seeks to contribute by bringing in different views and perspectivesusing a case of a Zimbabwean company, concerning whether financial stress is prevalent among employees or not and how it affects employee workplace performance. The effects of stress which have been studied byHooker et al (2009), Garmen et al (2015), Williams et al (2014) and Bray (2010) are not exhaustive hence this study also aims at contributing by further exploring other effects of financial stress.

Additionally, this studyalsoseeks to over throw the existing paradigms in the field and establish the relationship that exists between financial stress and other variables like gender, job position, level of education and how it is correlated with employee performance with the objective of investigating how personal financial problems impacts on employee performance at the workplace.

(ii) Cardarelli et al (2014) observed on financial education and advice, that substantial minorities (close to 19%) seek advice and information about their finances. In addition to that, Adomako and Danso (2014) also investigated the same and revealed that fewer than 14% of respondents made use of the programs on financial 0education run by their employers. On the other hand, Hakkkio and Keeton (2014) claimed that in order to reduce financial personal problems, the employer must provide financial education to employees as it leads increased employee awareness of financial controls hence less financial stress, absenteeism, reduced job turnover and improved productivity.

This study therefore aims to further unveil the actual objective behind financial education programs through the study's recommendations, that is, to clearly point out if it is of great importance for organisations to help employees manage financial stress through financial education programs, its effectiveness as well as analyzing whether its accessibility may be a barrier to participation or not.

(iii)Muda et al (2015) did their research on the factors affecting employee's performance at two Indonesian banks and identified three factors namely job stress, motivation and workplace communication. Bashir and Asad (2009) also did their study on Employees' stress and its impact on their performance and concluded that some of the leading factors affecting workplace performance are inflexible organizational structure, deficit of span of control over the working environment, insufficient monetary rewards and low recognition for the work performed.

Therefore, the aim of this study is to establish prevalence of financial stress among employees and if it is then go further in assessing how it affects employee performance as well as the leading factors affecting the performance of employees, at a public company in Zimbabwe.

(iv) Imtiaz and Ahmads (2014) did their research on the impact of stress on employee productivity, performance and turnover in Pakistan and found out that rising stress levels among doctors is being caused by an inadequate monetary reward system and personal issues which ultimately negatively affects their job performance. Cox et al (2014) also did their research on financial wellbeing among UK employees and noted that a small proportion of those who are employed are affected by being in debt and not being able to take care of their financial needs and 5% of the respondents fall into the group of employees who are suffering from financial problems.

Garman (2015) also did his research in Washington DC on financial stress and workplace performance and concluded that financial stress indeed affects worker performance throughout the country, across all industries. He highlighted thatas many as a third of the respondents are financially stressed and half of those individuals' performance at work is affected.

Therefore the researcher's aim is to study the same in a developing country, particularly a Zimbabwean company and establish whether financial stress is prevalent among Zimbabwean employees who are working in an economically faulty environment. The current literature also seems to be incommensurate and misguiding since it is not clear as to whether financial stress is prevalent among employees or not, hence the researcher aims to discard the existing views in the field and offer an alternative.

2.3 Chapter Summary

This chapter summaries the theoretical and empirical views of different authors concerning the research topic. Outlined are the definition of financial stress, understanding employee performance at the workplace and the related factors, some of the indicators of financial stress, the major financial stressors among employees, how financial stress affects performance of employees in a work setup and the strategies that employees may adopt to manage or cope with financial stress. Empirically, it appears that not much has been done in developing countries, particularly the Zimbabwean context which is characterized by harsh economic hardships since in some developed countries financial stress is non-existent. This then shows the justification for this research. The following chapter is going to cover the research methodology, which outlines procedures and instruments used in conducting this research.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Chapter Introduction

This chapter's main focus is to outline the procedures and activities undertaken by the researcher during the course of the research. Its contents are therefore the research design, the research instruments, the chosen data collection procedures, the datapresentation and analysis plans as well as justification of the use of each one of these. The objective is to clearly spell out a concise and clear description of how the researcher is to carry out the study.Saunders et al (2009) defines research methodology as the techniques and procedures used by authors in a bid to explain, describe and predict phenomenon of a research area.

3.1 Research Design

Gravetter and Forzano (2015) defines a research design as the plan or idea of the overall structure a research with the objective of delivering the evidence needed to answer the research problem as well as making decisions on how to collect that evidence. This study was a cross-sectional study which resorted to thedescripto-explanatory design combiningboth the descriptive and explanatory study designs.Coolican (2010) emphasizes that if one's research project is descriptive in nature and is likely to be a precursor to explanation then it is termed a descripto-explanatory study. This studywas also a case study of only one organisation, focusing on employees of Turnall Holdings Limited

3.1.1 Descriptive Research Design

Kothari (2014) defines descriptive research as one which is used to describe, record, analyze and interpret situations that exist. This particular study was descriptive in the sense thatfinancial stress was interpreted and predicted in relation to variables like employees'; age groups, educational level,gender, job positions and income levels. Furthermore, these variables will be revealed, recorded and analyzed. In other words, this study will be used to acquire the required information concerning the present status of the facts and occurrences to give a description or an analysis of whether financial stress exists among employees or not with respect to the associated variables. This will eventually assist the researcher to gain an exact profile of the financial stress situation prevailing among Turnall employees.The descriptive design also enabled the researcher to gather information which will then be used to enhance performance of Turnall employees through reducing or eliminating employee; absenteeism, lateness at work, taking long breaks as well as the strategies that are being adopted to minimize or cope with financial stress.

3.1.2 Explanatory Research Design

With reference to Saunders (2015) an explanatory research is one whose focus is on studying a problem or situation in a bid to explain the impact, bearing or relationship existing between variables. This study is explanatory in the sense that the relationships between financial stress and demographic variables or factors like income levels, job position,age group, educational level and gender were established.In order to make sound causal inferences, this research design allowed the researcher to look for the presence of correlation, association or covariance, appropriate time sequence, rule out other variables as the cause and come to reasonable sense conclusions.

3.2 Data Collection Approach

In this regard, the researcher made use of the mixed data collection approach which utilizes both qualitative and quantitative methods which ensured consistency of the research findings. This study wasquantitative in nature because the researcher was able to collect and analyze data using figures through use of a closed and structured questionnaire to determine the relationship between financial stress and demographic variables like age, gender, job position, income levels, and levels of education.

The study is also quantitative in nature because it; determined the demographic factors predicting financial stress as well the relationship which exists between these factors with financial stress. Hence use of regression analysis (t-tests)was utilized to analyze this quantitative data. The study was also quantitative as it computed frequencies (counting of respondents in agreement or disagreement) concerning the closed questions of the questionnaire which were measured using the Likert-scale.

The use of qualitative research methods also assisted the researcher to explore the different perceptions of the research respondents especially through the use of open ended questions on the questionnaires and interviews, in pursuit of gaining an understanding of their perceptions in regard with the causes of financial stress, its predictors, the associated consequences and how its manifestation among employees affects their performance at the workplace.Additionally, use of qualitative methods also permitted the researcher to collect respondents' feelings, appreciation of perceptions and feelings in regard to the financial stress predictors among employees, the consequences and the strategies currently being adopted by employees to cope with financial stress, through use of a semi-structured interview guide complimented by an unstructured questions included in the questionnaire. This generated a thick and rich account or explanation of whether financial stress is prevalent or not, the extent and context within which it is manifesting itself among employees as well as the influence that it is possessing to workplace performance.

3.3 Populationand Target Population

3.3.1 Population

Hellen (2013) defines a population as a whole summary of components or elements about which a researcher anticipate to give an inference or conclusion.The population of this study are all the employees and managers in various departments and sections stationed at the Turnall Holding Limited (Harare Branch). This comprises of 110 employees including both managers and employees. A summary of the population in this study is given in table 3.1 below.

3.3.2 Target Population

Targetpopulation denotes those respondents or people that are considered to be the custodians of information being sought by the researcher (Bryman 2012). In this study again, the target population are also all the employees of Turnall Holdings Limited because they are considered to have all the relevant information that is required for the purposes of this study. In addition, all employees also constitute the target population because they are all vulnerable to financial stress therefore they are capable of providing information being sought for by the researcher. A summary of the target population is also illustrated in table 3.1 below.

Table 3.1 Population and Target Population

Departments	Population and Target Population
Purchasing	20
Accounts	20
Sales and marketing	25
Distribution	15
Production	30
Total	**110**

Source: Human Resource documents (Staff Records)

3.4 Sample Size

Sample size is defined by Saunders (2015) as the number of the research sampling units, which is constructed or drawn from either a single frame or multiple frames. To satisfy the concept representation of the target population, which is 110 employees in this regard, the researcher chose 59 respondents which are Turnall employees and managers from all the departments hence making it a sample size of 54%. This sample size is ideal for this research because it satisfies the preconditions of representation. With reference to Scheaffer (2012), for a sample size to be representative of the population and acceptable, there must be a sample size of 30% or aboveas it is representative enough of the target population for purposes of generalizing results.

In this study, the sample size of 54% is well above the recommended level therefore the findings can be considered as representative of the population. Also, it is of benefit in this study for the sample size to be large enough to facilitate the provision of necessary confidence in the data to be collected. Hellen (2013) supports this view and adds that in research, the larger one's sample size is, the lower the chances of making any errors in generalizing results to the target population. The sample size is further highlighted in table 3.2 below

Table 3.2 - Target Population and Sample Size

Departments	Target Population	Number of Respondents	Sample Size
Purchasing	20	10	50%
Accounts	20	11	55%
Sales and marketing	25	13	52%
Distribution	15	8	53%
Production	30	17	56%
Total	**110**	**59**	**54%**

Source: The Researcher

3.5 Sampling Procedures

According to Scheaffer (2012) sampling is a process of selecting a small, sufficient and representative number of respondents from the target population such that by observing that sample, conclusions can be made for the target population from which the sample has been drawn. In this study, the researcher utilized a probability sampling method particularly the stratified random sampling method.

3.5.1 Stratified Random Sampling

Gravetter and Forzano (2015) laments that stratified random sampling is an adaptation of the random sampling in which the researcher divides the target population under study into relevant and significant strata or subsets based on some known features or attributes. For the purposes of this study, the strata are the 5 departments which are existent at the Turnall Harare Branch. The employees are grouped strata, that is, in terms of the departments they are associated with and the basis is that the respondents (employees) have got differences in characteristics like gender, job positions, income levels (salary grades), age group, different positions and theywork in different departments. This is therefore going to affect the employees' financial knowledge as well as the results. Hence because of these variations, to get findings that are representative of the population, it is then necessary to stratify and then within each strata have a random sample.

The researcher also made use of this sampling strategy because separating the respondents, which are the employees, into different, non-related subgroups or strata was going to allow the writer to make conclusions about the precise elements of the total population which would not be visible in an undetermined random sample.

3.6 Data Sources

There are basically two sources of data namely primary and secondary sources of data. For the purposes of this research, both of these data sources were relied on. McGrawth (2010) expresses that most qualitative research questions are tackled using a combination of secondary and primary data and it is quite inevitable and sometimes referred to as the mixed method study.

3.6.1 Primary Data

Hellen (2013) highlights that primary data is the original evidence that is gathered in research for the problem at hand or specifically for project being undertaken. In this study, the writer made use primary data which is the information that was obtained from Turnall employees from various departments through the use of questionnaires and interviews. The primary data in this instance constituted the raw data collected in the field concerning the predictors of financial stress, the financial stress consequences, the strategies being adopted to cope with financial stress and information on how prevalence of financial stress affects productivity of employees at the workplace.

Further, raw data facilitated the researcher to obtain first-hand information from the employees, which will be relevant for this research. Additionally, the author is confident that; the data facilitated provision of answers to the research questions and attainment of research objectives, the benefits associated with use of primary data were greater than the costs and that management of Turnall gave access to the relevant and data.

3.6.2 Secondary Data

Mitchell (2012) theorizes that secondary data is data that was published before, which was gathered for other purposes. Secondary data includes both quantitative and qualitative data and are used in both descriptive and explanatory research just as it is also in this particular study. In this document, the researcher resorted tothe use of journals, Turnall human resource documents, newspaper articles, research papers, textbooks and accredited articles in pursuit of gathering data to be used in answering some research questions and meeting research objectives and not forgetting to pay attention to the measurement validity and coverage of the data.In addition, secondary data that was collected using questionnaires with high response rates was given first preference and relied on for the purposes of this study.

3.7 Research Instruments

Bryman (2012) defines research instruments as the tools that are used by scholars to gather relevant information for the purposes of the studies being undertaken. Among the research instruments that are available for use in research, the researcher used interviews and questionnaires for primary data collection purposes. To a larger extent, questionnaires were greatly made use of while interviews were also conducted but to a lesser extent. The use of interviews complimented the use of questionnaires in order to address issues of reliability and validity

3.7.1 The Questionnaire

A Questionnaire is defined by Hellen (2013) as the universal term which include all the tools or methods of collecting data where by each person from the selected research respondents is asked to give a response to the same set of laid down set of questions in a predetermined or prearranged order. Among the available different types of questionnaires, the writer chose to utilize the self-administered questionnaire (comprising open and closed questions) to collect data from the research respondents, Turnall employees.Farthing (2015) laments that in a descriptoexplanatoryresearch, questionnaires and interviews are used as they enable the researcher to establish existing data on the problem through the responses from the research subjects.

3.7.1.1 Justification of Using Questionnaires

(i) Questionnaires provided an efficient way of collecting responses from a large sample(which in this case constituted 59 respondents) prior to quantitative analysis.

(ii) Questionnaires ensured collection of precise data that was required to answer the research questions and to achieve research objectives, so the researcher had no need to go back to collect additional data to the same individualsusing a different research instrument since normally, there are respondents who choose to be anonymous

(iii) The use of questionnaires also facilitated the use of interviews whilst the researcher waited for the respondents to fill in their responses and opinions.

(iv) The researcher was confident that the self-administered questionnaire has the highest response rate hence making it an ideal research instrument.

(v) The choice of the questionnaire was the best because it allowed the researcher to ask the respondents to answer questions frankly without bias.

3.7.1.2 Questionnaire Design

According to Kothari (2014) the design of questionnaires usually affects the response rate of the questionnaires (either negatively or positively) as well as the validity and reliability of the data to be collected. The researcher however ensured;

(i) Careful design of each of the questions through use of more closed ended questions and a limited use of open ended questions**.**

(ii) Provision of explanation of the purpose, pleasing and clear visual presentation.

(iii) Careful planning, execution, delivery and return of the completed questionnaires.

(iv) Elimination of bias, in terms of wording and phrasing, in formulating the questions (this was further achieved by conducting pre-testing).

(v) Simple layout of the entire questionnaire as well as use of simple and common language to encourage meaningful participation of the respondents.

(vi) Use of the five pointer Likert scale since; it facilitates better comparisons, it is easy to comprehend, it is fast, resourceful and economical for the collection of data. Therefore, the questionnaire comprised of the five Likert scale sections with the corresponding scores as show on table 3.3 below;

Table 3.3: Likert Scale

Section	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Score	5	4	3	2	1

Source: Bryman (2012)

3.7.1.3 Measures of the Questionnaire

The variables for Section A of the questionnaire (profile of respondents) were adapted from Swarthout (2015) because this research is looking for the respondents'; gender, age groups, levels of qualifications, job positions and departments. This is because literature exhibits that these demographic factors affect issues such as an individual's level of financial problems or difficulties, financial behaviour or spending patterns, financial capabilities and ultimately, level of financial stress. For example, on age groups, it has been shown that different bases of these age ranges portrays people who have got different characteristics and it has been proven that 10year generational gaps exhibits these mentioned characteristics. Then on the level of income,the levels as well as the bases of variation werepreferredand selected by the researcher, through preliminary investigations. Thus all these demographic factors were relevant for purposes of this study.

Section B of the questionnaire aimed at collecting data on the financial matters of employees inorder to achieve the research objectives and to answer the research questions. Thus the variables for objective one and two which sought to investigate the prevalence of financial stress and to identify its predictors respectively, were adopted by the researcher from Hakkio and Keeton (2014). Furthermore, question three of the questionnaire were also adapted fromLavrakas

(2010) and were further modified by the researcher. The researcher further self craftedquestion four and five contained in the questionnaire.

3.7.2 Interviews

An interview is well-defined by Bhattacharyya (2006) asa two way discussion or conversation that is instigated by the researcher to obtain relevant and useful information from the participants or research subjects. In this regard, the researcher utilized the use of interviews especially during the time spent waiting for the respondents to fill in the questionnaires. Usage of Interviews was used in this study as it allowed the researcher to gather information that could not be easily collectible through the use of a questionnaire. Therefore the researcher resorted to semi-structured personal face-to-face interviews and telephonic interviews (when necessary) because they strike the balance between rigidity and flexibility. Semi-structured interviews are ones where the interviewer prepares guiding questions for the interview but does not keep inclined to those questions.

3.7.2.1 Justification

(i) The use of interviews allowed the researcher to collect emerging fresh and new primary data as and when needed.

(ii) Interviews facilitated the collection of sufficient and satisfactory information throughout the course of the interview since the interviewer personally asked for the information.

(iii) Use of interviews also increased the knowledge of both the researcher and the interviewee as they showcased their views and ideas on the research problem and how it was manifesting itself hence an objective method of gathering primary data.

(iv) Interviews are associated with direct and instant feedback of data from the research subjects.

3.8 Validityand Reliability

3.8.1 Validity

Gravetter and Forzano (2015) concludes that validity is the relevance and appropriateness of the measures utilized in data gathering, the accurateness of the analysis of the obtained results and generalizability of the research findings. For purposes of this study, internal validity was ensured by the conduct of pre-testing, sometimes called field testing. The research instruments were administered on a group of respondents with similar traits to the target population of the study in determining the suitability of questions to be asked for data collection purposes. This allowed the researcher to fine tune the questions in the instrument so as to remain with only simple questions that are easy to understand and comprehend, so that the intended data wouldbe collected without any drawbacks.

Additionally, the research instruments were subject to proof reading, use of simple language and the use of approved scales for measuring stress and its predictors which were adopted fromHakkio and Keeton (2014). Likewise, usage of the five pointer Likert scale was also utilized for questionnaire design since; it facilitates better comparisons, it is easy to understand, it is fast, resourceful and economical for the purpose of collecting data. To ensure external validity, the researcher used a sample size that was big and representative enough of the population from which it has been drawn so that the results could be generalized to the entire population and a sample size of with 54% representation was used.

3.8.2 Reliability

Reliability on the other hand indicates the extent to which a chosen research instrument is without bias and hence offers consistent measurement across time.Reliability of the research instruments in this case was ensured by use of triangulation of the research instruments where the researcher made use of more than one sources of data and method of collection to ensure authenticity and reliability of the research data, analysis and interpretation. The researcher therefore made use of the mixed research approach, that is, the use of both quantitative and qualitative data collection methods and the use of the questionnaire and interviews. The purpose according to Cresswell (2012) is to ensure that the data tells what the researcher think it is telling.

3.9 Data Presentationand Analysis Procedure Plans

Data presentation is the style in which data is presented or distributed on paper. In this study, the data was obtained through data collection which was in both quantitative and qualitative form, and is going to be presented in chapter four usingthe tabular format. The responses on aspects, attributes and recommendations will be cited directly and presented on frequency tables produced from recurring responses to examine the measures of central tendency. For data analysis, the regression analysis (T Tests)at 5% level of confidence and frequency computations will also beemployed and the STATA 11 Package will be used for this purpose and also for the estimation of a regression model which is detailed in Figure 3.1 below.

$$\boldsymbol{Stress_i = \beta_0 + \beta_1 gender + \beta_2 position + \beta_3 department + \beta_4 age + \beta_5 income + \beta_6 qualification + \varepsilon_i}$$

Where-stress is the level of stress as measured by the Likert scale.

-gender is the gender of the respondent.

-position is the job position of the respondent.

-department is the departments of the respondent.

-age is the age group of respondent.

-income is the income levels of the respondent.

-qualification is the level of qualification of the respondent.

-$\varepsilon_i$is the error term.

-the betas are the coefficients to be estimated.

-the coefficients to be estimated are shown in table 3.4 below.

Figure 3.1: Regression Model

Table 3.4Definitions of Variables

Variable	Symbols	
Gender	1 if male	0 if female
Job Position	1 if employee 2 if low level manager 3 if middle manager	4 if senior manager 5 if executive manager 6 if other
Department	1 if purchasing 2 if accounts 3 if sales & marketing	4 if distribution 5 if production 6 if other
Age Group	1 if between 20 & 30 2 if between 30 & 40 3 if between 40 & 50	4 if between 50 and 60 5 if above 60
Income Levels	1 if below 500 2 if between $500 & $1 000 3 if between $1 000 & $1 500	4 if between $1 500 & $2 000 5 if above $2 000
Level of Qualification	1 if below certificate 2 if certificate 3 if diploma	4 if First degree 5 if post graduate

Source: The Researcher

3.10Chapter Summary

This Chapter clearly pre-empted the research methodology that the researcher used during the course of the study. It thus particularizes the adopted research design (descripto-explanatory design), the sampling method (stratified-random sampling method), the research instruments to be utilized as well as the justification of each of these.It also highlights the plans for data presentation and analysis of the research findings which is going to be covered in the on-coming chapter.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Chapter Introduction

This chapter outlines the qualitative discussion, the quantitative analysis and overall interpretation of the research findings in relation to the research objectives stated in chapter one and the method of analysis also stated in chapter 3. Data was collected using self-administered questionnaires (appendix B) and semi-structured interviews (appendix C). The research findings are herein presented in tabular format.

4.1 Response Rate

For purposes of data collection, the researcher utilized use of questionnaires which were administered to the research respondents as well as the three interviews, where ten people constituting four managers and six general employees, were scheduled and conducted whilst the researcher awaited for the research subjects to respond and return the questionnaires.

Table 4.1 below depicts the response rate percentages in relation to the number of distributed questionnaire per department against those that were retrieved by the researcher.

Table 4.1: Response Rate Distribution

Department	Distributed Questionnaires	Returned Questionnaires	Response Rate
Purchasing	10	6	60%
Accounts	11	8	72.7%
Sales and Marketing	13	10	76.9%
Distribution	8	6	75%
Production	17	12	70.6%
Total	**59**	**42**	**71.2%**

Source: Raw Data

Table 4.1 above shows the categories of the respondents to which the researcher administered the questionnaires as well as the respective response rates. Fifty nine questionnaires were distributed among employees in the different Turnall departments and forty two were returned by the respondents. The response of 42 out of 59 questionnaires gives a response rate of 71.2% as per the selected target population.

Henceforth, this response rate allows for representativeness of the target population. This was supported by Chatman (2010) who highlighted that a response rate that is above 50% is regarded as ideal for research purposes as it yields representativeness of the target population and the gathered information in that regard is considered ideal for generalization purposes.

4.2 Profileof the Respondents

Table 4.2 below shows the consolidated results obtained from the raw data concerning the background information of the respondents included in section A of the research questionnaire.

Table 4.2: Profile of Respondents

Demographic Factor	Variables	Frequency	Percentage
Gender	Male	15	36%
	Female	27	64%
Job Positions	General Employee	26	62%
	Low level Manager	4	9%
	Middle Manager	3	7%
	Senior Manager	4	10%
	Executive Manager	5	12%
Department	Purchasing	9	21%
	Accounts	8	19%
	Sales and Marketing	10	24%
	Distribution	6	15%
	Production	9	21%
Age Group	Between 20 and 30	14	33%
	Between 30 and 40	13	31%
	Between 40 and 50	8	19%
	Between 50 and 60	5	12%
	Above 60	2	5%
Income Level	Below $500	22	52%
	Between $500 and $ 1 000	8	19%
	Between $ 1000 and $1 500	4	10%
	Between $1500 and $2 000	3	7%
	Above $2 000	5	12%
Level of Qualification	Below Certificate	0	0%
	Certificate	2	5%
	Diploma	19	45%
	First Degree	15	36%
	Post-Graduate	6	14%

Source: Raw Data

As shown on table 4.2 above, the demographic mix or combination of the respondents show that they were from different categories according to gender, job position, income levels, department age group and qualification. This indicates that the views collected in this study represent all people from different backgrounds therefore findings can be considered as credible in pursuit of achieving the study objectives.

4.3 Findingsand Discussion

4.3.1 Prevalence of Financial stress among Turnall Holdings Limited employees

The first question of the questionnaire just after profile of respondents were related to the study's first objective of investigating the prevalence of financial stress among employees. In order to investigate the prevalence of financial stress among employees, respondents were asked to indicate their extent of agreement or disagreement through the use of the five pointer Likert scale to each of the statements of question 1 (a and b) in the questionnaire. The collected data was put into stata11 in order to compute the frequencies that are shown against each statement. The statements as well as the respective proportions showing the extent of agreement and disagreement to each of the questions are consolidated and particularized on table 4.3 below.

Table 4.3: Proportions to Establish Prevalence of Financial Stress among employees

Statements	Disagree	Uncertain	Agree	Total
1. Over the past 2 years, due to shortage of money, I usually spend more money than I get per month	2%	3%	95%	**100%**
2. Over the past 2 years, due to shortage of money, I usually depend on debt for self and family care	17%	7%	76%	**100%**
3. Over the past 2 years due to shortage of money, I sought financial help from friends and family	14%	21%	65%	**100%**
4.Over the past 2 years due to shortage of money, I frequently take loans from the bank	0%	0%	100%	**100%**
5. Over the past 2 years due to shortage of money, I once pawned or sold my property to cover inefficiencies	34%	12%	54%	**100%**
6. Over the past 2 years due to shortage of money, I could not cover my budgeted expenses with my monthly income	5%	0%	95%	**100%**
7. Over the past 2 years, due to shortage of money I, could not pay all of my bills on time	0%	0%	100%	**100%**
8. Presently, I can't afford to buy a house or a car	0%	0%	100%	**100%**
9. Presently, I can't afford to buy brand new clothes for my family	24%	14%	62%	**100%**
10. Presently, I can't afford to go out for a holiday with my family or friends	0%	0%	100%	**100%**
11. Presently, I can't afford a special meal for my family once a week	17%	5%	78%	**100%**

Source: Raw Data

With reference to table 4.3 above, when asked about questions to infer prevalence of financial stress, the majority of respondents indicated prevalence of financial stress. This is for the reason that as a result of money shortages over the past two years; 95% agreed that they usually spend more money than their monthly earnings, 76% usually depend on debt for self and family care to cover for financial shortages, 95% of could not cover their budgeted expenses with their monthly income, 65% sought financial help from friends and family to cover for money inefficiencies and 54% also agreed that they once pawned or sold their property to cover for inefficiencies.

In continuation, 62% of the respondents additionallyreported that they cannot presently afford to buy new clothes for themselves and their families, 78% responded that they cannot afford special meals for their families once a week. Further, all the respondents agreed that they frequently take loans from the bank, they could not pay all of their bills on time, they presently cannot afford to buy a house or car, and they presently cannot afford to go out for a holiday with their families or friends hence indicating 100% vulnerability to financial stress.

Therefore in summing up of all the variables that were used to investigate prevalence of financial stress, it can then be inferred that a noteworthy proportion of Turnall employees are indeed stressed as a result of personal financial difficulties that exist among them. Additionally, the majority of the interviewees were in agreement with this view with the exception of two managers who responded that, "...it all depends with individuals' financial approaches to life, otherwise when one is employed we cannot talk of financial stress".

These results are similar to the empirical results of Garmen et al (2015) and Williams et al (2014) who investigated the same and concluded that 70% and 56% respectively of their respondents reported experiencing financial stress due to inadequate salaries and shortage of money. However, these results contradict with those of Hooker (2009) who found out that only 9% of the respondents have financial concerns and experience financial related stress. The difference in results may be because; for developed countries, when one is employed, it is known that the monthly salary of an individual is sufficient to cover all financial matters which is not the case with a developing economy like Zimbabwe especially when most companies are currently undergoing serious salary cut measures.

4.3.2 Predictors of Financial Stress among employees

The second objective of this study is to identify the predictors of financial stress and the field research concerning these predictors are itemized below.

4.3.2.1 Demographic Predictors of Financial Stress

In order to identify whether demographic factors are some of the predictors of financial stress or not, the Stata 11 package in conjunction with the regression tool was used to compute frequencies and estimate a regression model (stated in figure 3.1 of chapter three). The t-tests were used to establish whether demographic factors are predictors of financial stress or not. The results are herein interpreted using t-tests whereby a significant difference betweeneach demographic and the prevalence of financial stress was observed which then prompted determination of whether a relationship between the variables exist or not.Thus a significant difference is shown by a t-value that is greater than 1.96 or below -1.96 and an insignificant difference is shown by t-values that are in-between 1.96 and -1.96. This is supported by Vamdem (2014) who depicts that all regression results having a t-value above 1.96 or below -1.96 depicts a significant relationship between the variables being tested.

When establishing the relationship between two or more variables using the regression method, the statistical tool eliminates or omits the first category. In this case, the omitted variables were compared with the remaining variables to establish whether there exist a significant difference between the variables or not necessitating giving an inference of the relationship between each of the demographic factors and financial stress and also establishing whether each one of the factors qualifies as a predictor of financial stress or not.

The researcher also sought to test the relationship between demographic predictors and financial stress hence formulation of the following hypothesis,

Ho: There is no relationship between demographic predictors of financial stress and financial stress

Hi: There is a relationship between demographic predictors of financial stress and financial stress

(i) Gender as a Demographic Predictor of Financial Stress

Table 4.4 below shows the relationship between gender and financial stress as estimated using the regression model (shown in fig 3.1).

Table 4.4: Relationship between gender and financial stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
1.gender	.7925926	1.102595	0.72	0.476	-1.435834	3.021019
_cons	45.8	.8840423	51.81	0.000	44.01328	47.58672

Source: Raw Data

From table 4.4 above, at 5% level of confidence, there is a insignificant difference between males and females in terms their stress levels as shown by the t-value shown in the table (0.72) which is less than 1.96. This implies that both males and females are equally affected by financial stress. Therefore the inference is that there is no relationship at all between gender and financial stress since everyone is affected in the same way. In other words, gender does not influence, predict or cause financial stress at all.

These results are however in contrary with the results of Bray (2010) who connotes that gender is one of the many factors that predict or indicate financial stress andhe established that men are more prone to face financial difficulties as compared to women especially those who are married and those of Brougham et al. (2012), who established from their research that females were considerably more likely to report stress brought out by personal financial difficulties.

(ii) Age Group as a Demographic Predictor of Financial Stress

Table 4.5 below shows the relationship between an employees' age group and financial stress as estimated using the regression model adopted for the purposes of this study.

Table 4.5: Relationship between Age Group and Financial Stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
age						
2	-1.747253	1.194376	-1.46	0.152	-4.167288	.6727821
3	-4.285714	1.374349	-3.12	0.004	-7.07041	-1.501019
4	-3.685714	1.615558	-2.28	0.028	-6.959145	-.4122832
5	-3.785714	2.344098	-1.61	0.115	-8.535307	.9638788
_cons	48.28571	.8287637	58.26	0.000	46.60648	49.96495

Source: Raw Data

With reference to table 4.5 above, the omitted age group (between 20 and 30) is herein being compared with the remaining variables [between 30 and 40 (2), between 40 and 50 (3), between 50 and 60 (4) and above 60 (5)]. With reference to table 4.5 above, there is no significant difference between employees aged between 20 and 30 and those aged between 30 and 40 in terms of how financial stress affects them, meaning they are affected in the same way. This is depicted by the t-value (-1.46) which is above -1.96.

Additionally, there is a significant negative difference between an employee aged between 20 and 30; and an employee aged between 30 and 40 as shown by the t-value (-3.12), and an employee aged between 50 and 60 (t-value:-2.28). This is because these two absolute figures are greater than -1.96. Therefore the implication is that at 5% level of confidence, there is a significant difference in terms of the level of financial stress between those two age group categories and the omitted one. This means that in comparison with those aged between 20 and 30, those aged between 30 and 50 have got a lower level of financial stress. However, as employees grow older, they are affected by financial stress in the same way that it affects those aged between 20 and 30. This is emanating from the t-value (-1.61) which is above-1.96. This implies that there is a strong negative relationship between age and financial stress and young employeesand the elderlyare more prone to experiencing financial difficulties.

Consequently from that angle, it can be deduced that age is a demographic predictor of financial stress when these age categories are separated to say employees of aged between 20 and 40 and above 60 on one side and those aged between 40 and 60 on the other side. These results are supported by the empirical results of Bray (2010) who did an analysis on the predictors of financial stress and established age among complimentary variables (gender and marital status) as some of the many variables that predict financial stress. However, findings of this study are in contrary with those of Hooker (2009) who concluded in his study that older personnel were 1.9 times more prospective to rate themselves as financially well as compared to younger employees denoting that younger employees are more prone to experiencing financial stress.

(iii)Income Levels as a Demographic Predictor of Financial Stress

Table 4.6 below shows the relationship between employees' income levels and financial stress as projected using the regression model which was adopted for purposes of this study.

Table 4.6: Relationship between income levels and financial stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
income						
2	-2.579545	.9418265	-2.74	0.009	-4.487867	-.6712236
3	-5.204545	1.239972	-4.20	0.000	-7.716968	-2.692123
4	-4.121212	1.403992	-2.94	0.006	-6.96597	-1.276454
5	-7.254545	1.130192	-6.42	0.000	-9.544532	-4.964559
_cons	48.45455	.4863571	99.63	0.000	47.46909	49.44

Source: Raw Data

With reference to table 4.6 above, it can be inferred that there is a significant difference between the omitted income level (below $500) and all the remaining income levels [between $55 and $1 000 (2), between $1 000 and $1 500 (3), between $1 500 and $2 000(4) and above $2 000 (5)] in terms of how they prone to experiencing financial related stress.This is because upon subjecting the collected data to t-tests, all the variables are above the cutoff point (-1.96) at 5% confidence level**.** This therefore portrays that there is a strong negative relationship between financial stress and income levels and everyone in the organisation is affected by financial stress in the same way regardless of the prevailing income levels**.**

Thus, this implies that employees' level of income is a demographic factor predicting financial stress among employees**.** These findings are supported by the empirical results of Muda et al (2015) who researched on the relationship between financial stress and income levels and established that 60% of the respondents who are financially traumatized or stressed were employees who earn low salaries and wages and usually these employee's lifestyles and standards of living end up being negatively affected.

(iv) Level of Qualification as a Demographic Predictor of Financial Stress

Table 4.7 below shows the relationship between employees' qualification levels and financial stress as estimated by Stata 11 package using the adopted regression model.

Table 4.7: Relationship between Level of Qualification and Financial Stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
qualificat~n						
3	-2.236842	1.6812	-1.33	0.191	-5.640253	1.166569
4	-5.166667	1.702414	-3.03	0.004	-8.613024	-1.720309
5	-9.333333	1.846528	-5.05	0.000	-13.07143	-5.595233
_cons	50.5	1.59914	31.58	0.000	47.26271	53.73729

Source: Raw Data

From table 4.7 above, category one (below certificate level) was omitted because no employee indicated not having any qualification, hence inferences in this case will made using category 2 (Certificate Level). Table 4.7 also shows aninsignificant difference between certificate holders and diploma holders in terms of how financial stress affects them, meaning they are affected by it in the same way. This is shown by the t-value (-1.33) which is below 1.96 and above -1.96. Additionally, there is a significant negative difference between a certificate holder; and a first degree holder as shown by the t-value (-3.03), and a post graduate employee (t-value:-5.05). This is because these two absolute figures are greater than -1.96.

Therefore the implication is that there is a significant difference in terms of level of financial stress between those two level of qualification categories and the omitted one. It can thus be clinched that level of qualification is also negatively related to financial stress. This means that in comparison with certificate holders, employees with first degrees and those with a post graduate qualification are less prone to experiencing financial stress. However, certificate holders and diploma holders experience financial stress in the same way.

Accordingly, it can be deduced that level of qualification is a demographic predictor of financial stress when we separate employees holding certificates and diplomas on one side and those with first and postgraduate degrees on the other side. These results are similar to the empirical results by Adomako and Danso (2014) who established a positive relationship between holding a school qualifications and financial wellbeing meaning financial wellness is also measured by one's level of qualification.

(v) Job positions as a Demographic Predictor of Financial Stress

Table 4.8 below shows the relationship between an employees' job position occupied at work and financial stress as estimated using the regression model.

Table 4.8: Relationship between job positions and Financial Stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
position						
2	-2.538462	1.322762	-1.92	0.063	-5.218633	.1417095
3	-3.371795	1.501722	-2.25	0.031	-6.414573	-.329017
4	-4.538462	1.322762	-3.43	0.001	-7.218633	-1.858291
5	-6.838462	1.202672	-5.69	0.000	-9.275306	-4.401618
_cons	48.03846	.4830045	99.46	0.000	47.0598	49.01712

Source: Raw Data

With reference to table 4.8 above, the omitted general employee category is herein being compared with the remaining variables [low level manager (2), middle manager (3), senior manager (4) and executive manager (5)]. With reference to table 4.5, there is no significant difference between ordinary employee and low level managers in terms of how they are affected by financial stress, meaning they are affected by it in the same way. This is depicted by the t-value (-1.92) which is below 1.96.Additionally, there is significant negative difference between; an employee and a middle manager as shown by the t-value (-2.25), an employee and senior manager (t-value:-3.43), and an employee and an executive manager (t-value:-5.69). This is because all these absolute figures are greater than -1.96.

Therefore the implication is that there is a significant difference in terms of the level of financial stress between ordinary employees and; middle managers, senior managers and executive managers. This then means that there is a significant negative relationship between financial stress and job position occupied by an employee. This means that in comparison with ordinary employees, middle managers have got a low level of financial stress, senior managers also have even lower levels of financial stress and executive managers have the lowest level of the same and they are in a better position than the rest. Consequently from that angle, it can be deduced that job position is a predictor of financial stress when we separate low level managers and general employees on one side and then middle managers and senior managers on the other side at 5% level of significance.

(vi) Department as a Demographic Predictor of Financial Stress

Table 4.9 below shows the relationship between an employees' associated department and financial stress as estimated using the regression model adopted for purposes of this study.

Table 4.9: Relationship between Department and Financial Stress

stress	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
department						
2	.875	1.691964	0.52	0.608	-2.553244	4.303244
3	.1	1.599883	0.06	0.950	-3.141672	3.341672
4	-1.166667	1.835192	-0.64	0.529	-4.885119	2.551786
5	1.333333	1.641446	0.81	0.422	-1.992552	4.659218
_cons	46	1.160677	39.63	0.000	43.64824	48.35176

Source: Raw Data

With reference to table 4.9 above, it can be inferred at 5% level of significance that there is no significant difference between the omitted department (purchasing) and all the remaining departments [Accounts (2), sales and marketing (3), distribution (4) and production (5)] in terms of how they are affected by financial stress. This is because upon subjecting the raw data to t-tests, all the variables are below the cutoff point (1.96). This therefore depicts that everyone in the organisation is affected by financial stress in the same way regardless of whether they work in the accounts, production, purchasing department or any other department.

Thus, it can then be noted or inferred that there is no relationship between department and level of financial stress and department is not a demographic factor predicting financial stress among employees.

In summing up the demographic factors that predict financial stress, from this study, it can consequently be inferred that, Job position, age group, income levels and level of qualification are the major demographic factors that predict financial stress among employees.These results also compliments with the interview results where the majority of the interviewees were in agreement that the above mentioned demographic factors indeed indicate or predict financial stress with the inclusion of marital status and size of family as additional factors.However, it was also deduced that gender and department does not predict financial stress.

Therefore, in light of the inference on the demographic factors above, null hypothesis **(Ho)** is thus rejected and hence this study concludes that there is a relationship between demographic predictors of financial stress, in particular age, job position, level of qualification and income levels.

4.3.2.2 Other Independent Predictors of Financial Stress

To identify the rest of the financial stress predictors, Question 2 of the questionnaire was utilized through the 5 pointer Likert scale andStata 11 was used for to compute the frequencies. The respondents were asked to indicate their extent of agreement or disagreement to each of the questionnaire question 2 statements in relation to financial issues or problems. The results are displayed on table 4.10 below and the financial stress predictors are itemized, presented and analyzed thereafter.

Table 4.10: Proportions of other Predictors of Financial Stress

Statements	**Disagree**	**Uncertain**	**Agree**	**Total**
1. You frequently save from your monthly income	100%	0%	0%	**100%**
2. You have got part time work or employment elsewhere	21%	10%	69%	**100%**
3. There is timeliness in the coming of salaries and wages	97%	0%	3%	**100%**
4. Your salary is adequate for self and family care	100%	0%	0%	**100%**
5. Your standards of living and lifestyle are good	93%	2%	5%	**100%**
6. You frequently request for salary advances	5%	0%	95%	**100%**
7. You are financially literate and your spending patterns are good	55%	19%	26%	**100%**

Source: Raw Data

(i) Savings rates as a predictor of Financial stress

The first statement in table 4.10 above was used to determine whether savings rates are a predictor of financial stress or not. Accordingly, respondents were asked, in relation to financial issues if they are able to save from their monthly incomes or not and were thus asked to indicate their extent of agreement or disagreement through the exhaustion of the 5 pointer Likert-scale. From the collected data, all the respondents (100%) disagreed to the statement which shows that they are not able to save some money from their monthly income. The repercussion of these results is that since Turnall employees are facing financial difficulties and their salaries and all financial benefits have been cut, they surely cannot afford to save from their remaining salary grades.

Therefore it can be inferred that saving rates are a predictor of financial stress and furthermore, the mainstream of the interviewees also identified this predictor. These results are similar with the empirical results of Meyer (2016) who highlights that when an employee is unable to frequently put aside funds for future precautionary and speculative purposes, it is considered as a clear predictor of financial stress because saving for the future is critical for everyone.

(ii) Part time work or employment as a predictor of financial stress

The second statement of table 4.10 above pursued to inspect whether having a part-time job or employment can be clinched as a predictor or indicator of financial stress. Thus the respondents were asked through a 5 pointer Likert scale to indicate in relation to financial issues whether they agree or not that they have got part time work or employment elsewhere.

(iii) Adequacy of salaries and Timeliness of the Payments

Statements 3 and 4 in table 4.10 above were used to determine whether adequacy and timeliness of salary payments are a predictor of financial stress or not. Accordingly, respondents were asked to indicate their extent of agreement or disagreement to the statements through usage of the 5 pointer Likert-scale. From the collected data, the mainstream of the research subjects (93%) disagreed that there is timeliness in the coming of salaries and wages to the statement and all of them also disagreed that their salaries are adequate for self and family care. The implication of these results is that Turnall employees are prone to financial stress.

Therefore it can be inferred that salary payments and adequacy are also predicts financial stress and the majority of the interviewees also stated this variable as a predictor of the same. These results are similar with the empirical results of Borek et al (2015) who suggests that inadequate salaries complimented by lateness in salary payments predict financial stress among employees and he further argues the consequences of such.

(iv) Standards of living as a predictors of financial stress

Statement 5 in table 4.10 above was used to determine whether it can be alluded that standards of living are also a predictor of financial stress or not. As a result, respondents were asked to indicate their extent of agreement or disagreement to the statement through usage of the 5 pointer Likert-scale. From the results, majority of the research subjects (97%) disagreed that their standards of living and lifestyles are good. The implication of these results is that Turnall employees are disposed to financial stress experiences.

Therefore the inference from the both the questionnaire and interview responses is that standards of living are equally a predictor of financial stress. These results are similar with the empirical results of Muda et al (2015) who researched on the relationship between financial stress and income levels and established that 60% of the respondents who are financially stressed were employees who earn low salaries and hence, usually these employee's lifestyles and standards of living end up being negatively affected.

(v) Frequent Requests of Salary Advances as a Predictor of financial Stress

Statement 6 in table 4.10 above was used to determine whether it can be suggested that frequent requests of salary advances by employees is also a predictor of financial stress or not. Hence, the respondents were asked to specify their extent of agreement or disagreement to the statement through usage of the 5 pointer Likert-scale. From the collected data, the mainstream of the research subjects (95%) agreed that they frequently request for salary advances.

Therefore the implication is that when employees frequently request salary advances it could mean that they are financially stressed, which then makes the variable a predictor of such and all the interviewees additionally had this point of view also. These findings corresponds with those of Meneze (2013), who concluded that one in five employers (20%) reported that their employees frequently requested for salary advances claiming to want to cover some immediate expenses which point towards financial difficulties among these individuals.

(vi) Spending patterns and Financial literacy

The last statement in table 4.10 above was used to establish whether it can be advocated that a combination of spending patterns and financial literacy is also a predictor of financial stress or not. Hence, the respondents were asked to indicate their agreement or disagreement to the statement through use of the 5 pointer Likert-scale. From the collected data, the majority of the research subjects disagreed that their spending patterns are good (55%) and they are financially literate

Therefore, this could mean that Turnall employees are financially stressed, which then makes the combination a valid predictor of such and majority of the interviewees also stated this variable as a predictor of the same. These findings are similar to those of Cox (2014) who did an assessment of the relationship of financial wellbeing factors and discovered that financial literacy when combined with other factors like financial problems, financial behavior (spending patterns) and financial capabilities indicate presence of financial stress. Additionally, Brougham et al. (2012), established that university administrators who are more financially knowledgeable indicated that they are able to handle financially related stress more meritoriously than those who have less knowledge of the same.

4.3.3 Consequences of Financial Problems amongst employees.

The third objective of this study is to identify the consequences of financial stress among employees. Hence, question number 3 on the distributed questionnaires sorted to identify these and in order to identify these consequences, the respondents were asked to indicate their extent of agreement or disagreement through the use of the five pointer Likert scale to each of the statements contained on question 3 of the questionnaire. The collected data was put into stata11 in order to compute the frequencies and the results for each established consequence are itemized below.

4.3.3.1 Absenteeism resulting from financial problems

The first statement on question 3 of the questionnaire prompted the respondents to state whether they agree or not through the 5 pointer Likert scale that at times they don’t come to work as a result of their personal financial problems. As a result, able 4.11 below shows the computed frequencies which depict whether absenteeism as a result of financial problems can be regarded as a consequence of financial stress or not.

Table 4.11 Absenteeism due to financial problems

absenteeism 3	Freq.	Percent	Cum.
2	13	30.95	30.95
3	7	16.67	47.62
5	22	52.38	100.00
Total	42	100.00	

Source: Raw Data

With reference to Table 4.11, it was established from the Stata 11 computed frequencies that the majority of the respondents (52%) agreed to the statement. Hence this can be alluded that indeed absenteeism can be regarded as a consequence of financial stress among employees. These results are the same with those of the interview responses where the majority also included absenteeism as a consequence of financial stress.

Kim and Garman (2011)researched on the leading consequences of financial stress and scrutinized that among employees, those with higher levels of financial stress (71%) reported that they are affected to a point that they are usually absent at work using that time handling their financial issues which then decreases the time that they are present at work. Miller (2016) also established that stress caused by financial problems results in employees requesting for more sick days hence leading to high absenteeism and tardiness rates and ultimately decreased employee productivity.

4.3.3.2 Lateness at work resulting from financial problems

The second statement on question 3 of the questionnaire urged the respondents to show whether they agree or not through the 5 pointer Likert scale that they sometimes arrive late at work dealing with personal financial problems, therefore, table 4.12 below shows the computed frequencies so as to probe the matter.

Table 4.12: Lateness at work due to financial problems

lateness1	Freq.	Percent	Cum.
2	2	4.76	4.76
3	2	4.76	9.52
5	38	90.48	100.00
Total	42	100.00	

Source: Raw Data

According to Table 4.12, it was established from the Stata 11 computed frequencies that the majority of the respondents (90%) agreed to the statement. Thus, it can be inferred that indeed lateness at work can be regarded as one of the immediate consequences of financial stress among employees and a mainstream of the interviewees also identified the same as well. This concurs to the findings of Bray (2010), who reported that two of the foremost consequences of financial struggles are; a tremendous increase of the number of employees reporting late for work and also a number of employees missing working hours because of one reason to the other.

4.3.3.3 Use of Working Hours to deal with personal financial problems.

Statement number 3 included on question 3 of the questionnaire was meant to collect data to establish the respondents agree or not through the 5 pointer Likert scale that they sometimes use working hours to deal with their personal financial issues. And so, table 4.13 below shows the computed frequencies so as to investigate the matter.

Table 4.13: Proportion of employees who use working hours to deal with personalfinancial Issues

wh1	Freq.	Percent	Cum.
2	1	2.38	2.38
5	41	97.62	100.00
Total	42	100.00	

Source: Raw Data

Table 4.13 depicts that the majority of the respondents (97%) agreed to the statement. Thus, it can be inferred that certainly use of working hours to solve financial issues that are personal is also a consequences of financial stress among employees. These results also concurs to those of the interviews that were conducted, where 90% of the respondents also identified this consequence. Furthermore, Lavrakas' (2010) empirical results also shows that some employees have financial difficulties such that they waste much of their work time calling their creditors, handling their financial associated matters and discussing their consolidated debts.

4.3.3.4 High and rising debt levels among employees resulting from financial shortages

Statement four on question 3 of the questionnaire also required the respondents to indicate their extent of agreement or disagreement through the 5 pointer Likert scale whether they currently have debt from any source or credit from family or friends to cover for financial shortages. Table 4.14 below shows the calculated frequencies which depict whether employees debt levels as a result of financial problems can also be considered also one of the consequences of financial stress.

Table 4.14: Proportion of employees who currently have debt due to financial shortages

debt2	Freq.	Percent	Cum.
2	10	23.81	23.81
5	32	76.19	100.00
Total	42	100.00	

Source: Raw Data

Table 4.14 above shows the results from the Stata 11. As shown by the computed frequencies, the majority of the respondents (76%) agreed that over the past 2 years, they frequently apply for a loan or get credit from family or friends to cover for financial shortages and as a result their debt levels have increased. Thus, in that regard it can be inferred that high and rising debt and credit levels among employees is undeniably an immediate consequence of financial stress among workers and all the interviewees also recognized this consequence.

These results are similar to those of Borek (2015) and those of Imtiaz and Ahmadas (2014). Shim et al. (2012) also found the same and concluded that the enquiries on employee debt to the CA in Wales and England were at high levels and were reported to have increased by 25% over the past year which could also depict financial stress.However, theseresults are contrary to the Statistics obtained from the (Consumer Credit Counselling Service, 2015) which portrayed that employee levels of debt have been slightly dropping ever-since 2005 to present day which spectacles financial wellness among employees in the United Kingdom.

4.3.3.5 Taking Long breaks to take care of financial problems

The fifth statement of the third question on the questionnaire gave the instruction to respondents to indicate their extent of agreement or disagreement through the 5 pointer Likert scale of whether they sometimes take long lunch or tea breaks to take care of financial problems Table 4.15 below shows the calculated frequencies which depict whether taking long breaks as a result of financial problems can also be a consequence of financial stress.

Table 4.15: Proportion of employees who take long breaks to solve financial problems

lb2	Freq.	Percent	Cum.
2	6	14.29	14.29
3	1	2.38	16.67
5	35	83.33	100.00
Total	42	100.00	

Source: Raw Data

Table 4.15 depicts that the majority of the respondents (83%) allegedly agreed to the statement. Thus, it can be inferred positively that taking long breaks to solve financial problems can also be inferred as a consequence of financial stress among employees. However the minority of the interviewees also indicated this variable as a consequence. These results are similar to the empirical results of Bashir and Asad (2009) who argues that workers struggling financially usually take long tea breaks and lunch breaks and it could be that some of these workers will be sorting out their personal issues.

4.3.3.6 Informal discussions with colleagues about being broke (during working hours)

Through the 5 pointer Likert scale usage, the last statement of the third question on the questionnaire instructed respondents to indicate whether they agree or not that they sometimes engage in informal discussions with one another about being broke. Thus, Table 4.16 below shows the calculated frequencies which illustrate whether or not this can be considered a consequence of financial stress.

Table 4.16: Proportion of employees who engage in informal discussions

id2	Freq.	Percent	Cum.
2	11	26.19	26.19
5	31	73.81	100.00
Total	42	100.00	

Source: Raw Data

Table 4.16 give a picture that the majority of the respondents (73%) apparently agreed to the statement. Thus, it can certainly be inferred that discussions with one another about financial difficulties steals ones' working hours and thus making it a consequence of financial stress among employees. This outcome compliments with that of the interviewees who agreed that they usually find themselves sharing their financial circumstances with colleagues even during working hours. These results are similar to the empirical results of Meneze (2013) and those of Kim and Garman (2011) who also established the same results and concluded that respondents reported that they find dealing with their personal financial situations stressful up to a point that they discuss these situations with one another so as to feel good and to find financial help from these colleagues.

Further, from the interview responses and the questionnaires' open ended question on the consequences, the respondents also included the following as additional consequences;

- Health related problems such as headaches, blood pressure getting high, anxiety and depression over financial conditions and the related medical costs.
- Skipping meals especially lunch, to save money for other basic needs like paying children's fees and other important basic bills.
- Low self-esteem and feeling out of place due to money shortages (especially among those who are married and are the breadwinners).
- Failure to pay back loans, ZESA and water bills, resulting in handovers to debt collectors which also results in no one wanting to give you loans again in the future because you allegedly defaulted or struggled to payback in the past.
- Cancellation of funeral policy contributions and medical aid contributions to cover for immediate expenses.

4.3.4 Strategies being adopted by Turnall employees to cope with Financial Stress

In order to identify the strategies currently being used by Turnall Holdings Limited personnel to combat or cope with financial stress, the questionnaire was used through question number four whereby the research subjects were asked to tick on the appropriate strategies that they are currently implementing as a result of financial difficulties. The data which was collected was subject to stata11 where frequencies were computed. This is presented in table 4.17 below

Table 4.17: Strategies being adopted to cope with financial stress

Strategy	**Adopt**	**Does not Adopt**	**Total**
Sticking to plans	35%	65%	**100%**
Dependence on debt	94%	6%	**100%**
Menial Jobs	82%	18%	**100%**
Investing and Lending	9%	91%	**100%**

Source: Raw Data

4.3.4.1 Sticking to plans

As show on table 4.17 above, (35%) of the respondents indicated that they try by all means to stick to their budgeted plans in terms of expenses versus their monthly income which shows that few individuals plan ahead financially. Therefore, this suggests or infers that sticking to plans is a strategy being adopted or implemented by some of Turnall employees to cope with financial stress although the minority indicated that they do implement it. This concurs with the empirical research findings of Muda et al (2015) who revealed that once a financially stressed individual starts to get his or her monthly plans in place, that individual can breathe easier and reduce stress brought about by financial issues by 87% if they implement as such.

4.3.4.2 Dependence on debt and credits

With reference to table 4.17 above, the majority of the respondents (94%) reported that in order to cover for their personal financial inefficiencies, they depend on debt and credit almost every month for self and family upkeep. This consequently suggests that dependence on credits from family and friends and debts from banks and financial institutions is also one of the tactics being adopted by the employees under study to combat the financial difficulties that they are facing.

Hillman (2015) correspondingly highlights that relying on credit from relatives and friends relieves financial stress but the result is that it creates other problems and depending on someone usually raises questions especially if one is known by the family members to be employed.

4.3.4.3 Menial Jobs

From Table 4.17 above, the majority (82%) of the research subjects also indicated that they usually combat their financial difficulties through dependence on other menial jobs such as running tuck shops at home and having too many informal jobs which gives them money which then supplements their inadequate salary earnings. Thus it can then be inferred that Turnall employees are also using the tactic of engaging themselves in menial jobs so as to manage financial stress.

4.3.4.4 Investing and lending

As shown on table 4.17 above, few respondents (9%) indicated that they adopt the strategy of investing, saving and lending money when the salary comes to cover up for future inefficiencies. Therefore, it can be deduced that this strategy is also being adopted by only a few number of the research subjects, which makes it also a strategy being implemented (to a lesser extent). This concurs with the empirical research findings of Lavrakas et al (2010 who also suggests that it is beneficial for an individual to cut credit especially when they are under financial challenges and resort to rather put their money in investments.

From the questionnaires' open ended question where the respondents were asked to indicate any other strategies that they are adopting to deal with financial stress, as well as from the interviewee responses, the following were strategies were also indicated.

- Implementation of financial management strategies, for example cutting down on useless expenses and costs.
- Assumption of current financial satisfaction even though when it is absent. 51% reported that this makes them feel better.

4.3.5 The Effect of Financial Stress on Employees' Performance at Work

In order to satisfy the fifth objective of this study, it can be inferred from the consequences of financial stress with regard to how their collective exhibition affect the performance of employees at the workplace. To ensure objectivity, question five of the questionnaire was also used, where respondents were required to indicate whether they agree or not to the stated consequences in terms of how they affect individual performance. The primary data that was collected was subject to stata11 where frequencies were computed and thus the results contained in figure 4.1 below.

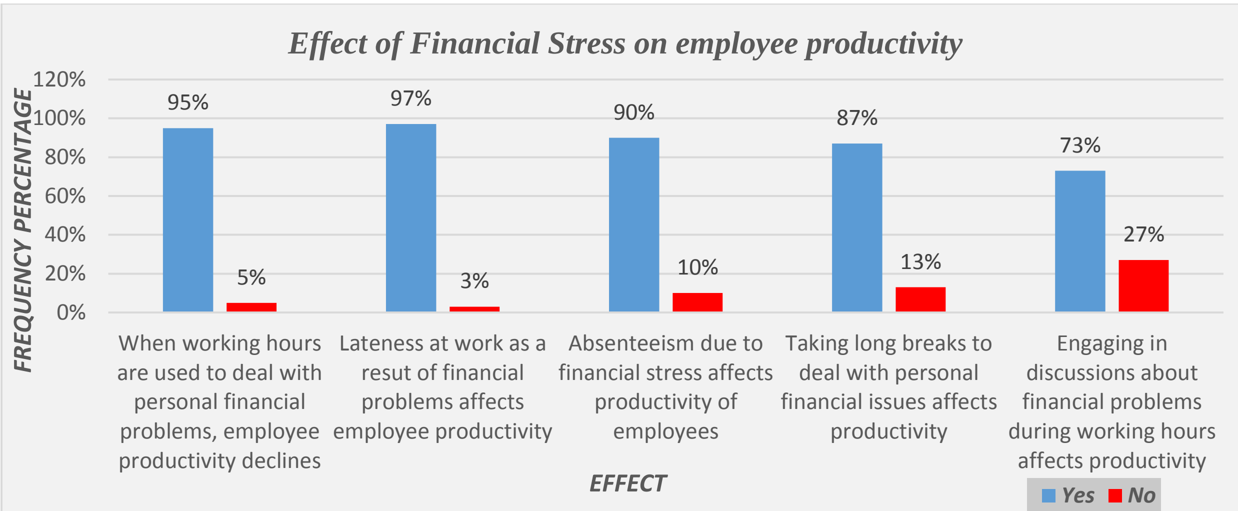

Figure 4.1: Effect of Financial Stress

Source: Raw Data

For purposes of generalizing results, this study measures performance of individual employees with their productivity. And most of the research subjects indicated agreement that all the consequences of financial stress collectively and independently affects employee productivity. Thus with reference to Figure 4.1 above, the majority of employees (95%) indicated agreement that when working hours are used to deal with personal financial issues, difficulties, situations and problems, then it ultimately affects employee productivity of an individual and 97% also were also in agreement that being late for work as a result of financial problems affects employee productivity.

Still on that, 90% indicated agreement that at times absenteeism is as a result of financial stress and ultimately impact on employee productivity at work, 87% also agreed that taking long breaks as a result of financial problems, affects productivity and 73% highlighted that indeed when employees normally engage in discussions about being broke during working hours, it ultimately affects productivity. Thus, it can be inferred that the consequences of financial stress have got a direct impact on the performance of employees, which in this case is being measured by employee productivity. These results are similar to the empirical results of Kim and Garman (2011), who observed that any amount of work time used to pursue individual commitments, whether positive or negative, leads to loss of employee productivity and ultimately corporate productivity.

Additionally, the open ended questions and the interviews also yielded the following as effects of financial stress;

- 75% of the interviewed managers reported that; it is difficult to supervise financially stressed and demotivated staff , some are no longer meeting their deadlines as compared to their performance in the past and some have even developed the “I do not care attitude”.
- Diminishing individual production levels as compared with the past 2-3years.
- Reduced commitment and accountability to their duties and over the job itself.
- Employees no longer have the zeal to pursue company objectives.
- Reduced Job satisfaction which ultimately impacts on individual performance.

4.4 Chapter Summary

The purpose of this chapter was to highlight meaningful and important information that was derived from raw data collected, through data analysis and interpretation. The chapter thus highlights the research findings with the objective of presenting and analyzing them with various approaches in and tabular and graphical format. The oncoming chapter outlines the summary, recommendations and conclusions drawn from the research findings.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Chapter Introduction

This chapter's main focus is the summary of the study's research findings, the conclusions and recommendations. The intention is to align the research findings with both the research objectives and research questions. The chapter ends with providing suggestions for further study.

5.1 Summary of Findings

Chapter one to four of this document tackled the background of the study, research problem and the sub-problems, the objectives of the study and what other authoritative scholars say about the problem at hand. The adopted research methodology and the presentation and analysis of different views and opinions from the respondents concerning the research objectives (gathered through the use of questionnaires and interviews) were also discussed. The summary of the research findings in conjunction with the research objectives are herein itemized in this section.

5.1.1 To investigate the prevalence of financial stress among employees

The study established that financial stress is prevalent among Turnall Holdings Limited employees. This is because the majority of the respondents agreed to the statements that were scaled to establish whether stress as a result of personal financial shortages is prevalent among employees or not. Worth mentioning are; 76% of respondents who indicated agreement that over the past two years, due to shortage of money, they usually depend on debt for self and family care, 65% who agreed that over the past 2 years, due to shortage of money they sought financial help from friends and family, 62% who agreed as well that presently they can't afford to buy brand new clothes for their families and all the respondents also agreed that due to money shortages they could not pay their bills on time and they frequently take loans from the bank over these past two years.

5.1.2 To identify predictors of financial stress among employees.

The researcher established that there are demographic factors and other independent factors that predict financial stress among employees. It was found that job position, age group, income levels level of qualification, marital status and size of family are the major demographic factors that predict financial stress among Turnall employees. The identified independent factors are savings rates, part-time employment, combination of spending patterns and financial literacy, adequacy of salaries and timeliness of the payments, standards of living and frequent requests of salary advances.

5.1.3 To identify the consequences of financial problems among employees at the workplace.

From the collected data, it was acknowledged that financial problems or difficulties among employees results in absenteeism, lateness at work, use of working hours to deal with personal financial problems, health problems, low self-esteem and feeling out of place, failure to pay back loans, cancellation of medical aid and funeral policy contributions in order to cover for immediate expenses. It was additionally established that employees facing financial problems; are associated with high and rising debt levels resulting from financial shortages, take long breaks, and engage in informal discussions with one another about personal financial issues during working hours which were also classified by the researcher as consequences of financial stress.

5.1.4 To establish the strategies being adopted by Turnall employees to cope with financial stress.

Research findings from Turnall employees showed that employees are currently trying by all means to adjust to the prevailing financial problems that they are facing. As such, there are some strategies that they have since adopted to cope with stress that comes with personal financial difficulties. The strategies that were established by the researcher are sticking to plans, investing and lending when the salary comes, dependence on debt and engaging in menial jobs with the objectives of covering up for the inadequate salaries and the delay in their payments by the company. Additional strategies that were established are collective saving programs, financial management strategies and assumption of financial satisfaction even though it may be absent.

5.1.5 To investigate the effect of financial stress on employees' performance at work.

In this study, employees' performance was measured by productivity per worker and the effect was investigated through inference. Therefore it was concluded that all the consequences of financial stress have got a direct effect on productivity of employees. The majority of respondents revealed that they agree that; absenteeism, taking long breaks, being late for work, health problems and failure to pay back loans as a result of financial stress as a result of financialaffects employees' productivity at the workplace. In addition, mainstream of respondents also indicated that when; working hours are used to deal with personal financial issues, employees normally engage in discussions about being broke during working hoursand when they are associated with high and rising debt levels, then the immediate result is a decline in the job productivity of those employees.

5.2 Conclusions

Turnall Holdings Limited employees are facing financial difficulties resulting in the prevalence of financial stress among them. This is predicted or indicated by some demographic factors and independent factors which include age, income levels, marital status, low savings rates, engagements in part-time employment, inadequacy of salaries and wages, late payment of salaries and wages, declining standards of living and lifestyles, frequent requests of salary advances and financial illiteracy.

The consequences of financial stress were further identified and among them include absenteeism, lateness at work, taking long breaks and health problems. However, employees are adopting strategies to cope with financial stress, among which include sticking to plans, dependence on debt, collective saving programs, having menial jobs and financial management strategies. Furthermore it can be concluded that these consequences of financial stress are having a direct effect on employee performance which in this study was measured by productivity per worker.

Therefore the researcher concludes that all this is being fueled by the company's management who are straining employees by cutting down on their salaries by 50% and doing away with almost all monetary benefits. This is being stimulated by the unfavorable choice of turnaround strategies being adopted by management to revive the organisation from financial distress as well as the prevailing harsh economic conditions.

5.3 Study Recommendations

Following the research findings and conclusions, the researcher makes the following recommendations to management of Turnall Holdings Limited;

5.3.1 Management of personal finances training programs

The managers need to enhance employee's financial literacy and capability through financial education programs in order to enhance the employees' financial well-being. This will enhance employees' financial behavior (spending patterns) and decrease financial problems and financial stress hence promoting financial health. The company can thus offer general education in intelligent consumer behavior and financial decision-making through holding workshops and seminars. Employees at every income level are most likely to benefit from these financial education programs. Financial health results in higher morale, loyalty and physical health on the part of employees, which in turn implies greater focus on the job. By improving financial health, the number of employees experiencing money problems that affect their job performance can be reduced.

5.3.2 Thriving to pay salaries that are commensurate with employees' basic needs

Salary and wage grades need to be revised at Turnall, otherwise the potential of efficient employees can be wasted causing high threat to the organizational goals and lowering overall performance. Of cause cutting down on operational cost is important when the company is struggling but it does not make sense when it leads to stress among employees that contributes to decreases in their output (productivity). Henceforth management need to also explore other turnaround strategies available for adoption to save the company from financial distress and be in a position to remunerate employees with money such that they can be able to sustain themselves and their families.

5.3.2 Setting up Stress Management Programs

The employer should also hire professional psychologists from time to time who then helpemployees to practice effective stress management. The organisation,through knowledgeable managers can also assist by providing professional help when necessary which in-turn improves the performance of the employees. Stress management issues can be employed along with monetary, non-monetary and structural reforms by the management to effectively manage the financial stress and retain high performance of employees.

5.3.3 Financial counselling

Counseling can also be warranted by the employer in order to change the direction of the employee's financial fortunes. The company, through credit union counselors can provide the motivation for employees to work themselves out of poor financial conditions. Counseling programs if handled well can improve employee performance on the job, and increase production and profitability for the company.

5.3.4Collective Savings Programs

Managers can also encourage employees to improve their personal financial positions through the traditional and emerging collective savings programs out of their monthly salaries and wages. Savings is often considered a key factor in reducing financial stress even for low-income earners. Savings give employees the resources they need to deal more effectively with financial crises, when they occur. A practical example are collective cash savings programs with the goal to build resources equal to 3 to 6 months' salary. These programs help the employees to deal with unexpected circumstances, such as medical bills, education expenses and personal financial problems where they can borrow from the accumulated savings at a very low interest rate to cover for their money inefficiencies. This hence reduces the pressure exerted by financial problems.

5.4 Areas of Further Study

Productivity of employees in this study was measured through inference, hence further studies are recommended, whereby the researcher collects data concerning the actual productivity trends over a certain period of time and relate it to prevalence of financial stress over that period.

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LIST OF APPENDICES

APPENDIX A

Cover Letter

Midlands State University
Established 2000
Our Hands, Our Minds, Our Destiny

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Zimbabwe

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS MANAGEMENT

Date:…/…./ 2016

Dear Sir/Madam

RE: REQUEST FOR PERMISSION TO CARRY OUT A RESEARCH AT YOUR ORGANISATION.

My identification is (Registration Number – R131830N). I am an undergraduate student at Midlands State University studying Bachelor of Commerce Business Management Honors Degree. Therefore, I am required to carry out a study in partial fulfillment of Bachelor of Commerce Business Management Honors Degree.

Thus, I am carrying out a study on the topic "**Prevalence of financial stress and its effect on employee performance at the workplace"** and I intend to relate it to your organization thus I hereby seek for your permission to do so. I also intend to collect data through usage of questionnaires and interviews. I assure you that all information that is going to be provided will be used for purely academic purposes and confidentiality shall be maintained at all cost.

Your co-operation will be greatly appreciated.

APPENDIX B

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Questionnairefor Respondents

To whom it may concern

My identity is R131830N. I am here by conducting a research project in partial fulfillment of the requirements of the Bachelor of Commerce Business Management Honors Degree at Midlands State University. The research is entitled "**Prevalence of financial stress and its effect on employee performance at the work place, Case of Turnall Holdings Limited."** I hereby ask for your assistance and cooperation in completing this questionnaire. All the information that is going to be provided will be treated with maximum confidentiality and will be used only for academic purposes. This questionnaire might take at most 15 minutes to complete.

Your cooperation will be greatly appreciated.

INSTRUCTIONS

1. **Do not write your name on the questionnaire**
2. **Show your response by ticking in the relevant answer box or boxes**

3. **Where applicable give your opinion on the blank space provided**

4. **Where applicable, ratings are; *[strongly disagree-1, disagree-2, uncertain-3, agree-4 and strongly agree-5]***

SECTION A: PROFILE OF RESPONDENTS

1. **Gende**r *(Tick the appropriate)*

Male	Female

2. **Job Position** *(Tick the appropriate)*

General Employee		Senior manager	
Low level manager		Executive manager	
Middle manager		Other (please specify)………………………………..	

3. **Department***(Tick the appropriate)*

Purchasing		Distribution	
Accounts		Production	
Sales and marketing		Other (please specify)………………………………..	

4. **Age Group** (*Tick the appropriate)*

Between 20 and 30		Between 50 and 60	
Between 30 and 40		Above 60	
Between 40 and 50			

5. **Income Level** *(Tick the appropriate)*

Below $500		Between $1 500 and $2 000	
Between $500 and $1 000		Above $2 000	
Between $1 000 and $1 500			

6. **Level of Qualification** *(tick the appropriate)*

Below certificate level		First Degree level	
Certificate level		Post-Graduate level	
Diploma level			

SECTION B: FINANCIAL ISSUES

1. (a) To what extent do you agree or disagree to each of the following circumstances *(tick one relevant answer) [Strongly disagree-1, disagree-2, uncertain-3, agree- strongly agree-5]*

Circumstances	**1**	**2**	**3**	**4**	**5**
Over the past 2 years, due to shortage of money, I usually spend more money than I get					
Over the past 2 years, due to shortage of money, I usually depend on debt for self and family care					
Over the past 2 years due to shortage of money, I sought financial help from friends and family					
Over the past 2 years due to shortage of money, I frequently take loans from the bank					
Over the past 2 years due to shortage of money, I once pawned or sold my property e.g. my car to cover for inefficiencies					
Over the past 2 years due to shortage of money, I could not cover my budgeted expenses with my monthly income					
Over the past 2 years, due to shortage of money I, could not pay all of my bills on time					

(b) To what extent do you agree or disagree to each of the following conditions *(tick one relevant answer) [Strongly disagree-1, disagree-2, uncertain-3, agree-4 and strongly agree-5]*

Conditions	***1***	***2***	***3***	***4***	***5***
Presently, I can't afford to buy a house or a car					
Presently, I can't afford to buy brand new clothes for my family					
Presently, I can't afford to go out for a holiday with my family or friends					
Presently, I can't afford a special meal for my family once a week					

2. To what extent do you agree or disagree to each of the following statements in relation to financial issues or problems. *(Please tick one appropriate answer for each) [Strongly disagree-1, disagree-2, uncertain-3, agree-4 and strongly agree]*

Issue	***1***	***2***	***3***	***4***	***5***
You frequently save from your monthly income					
You have got part time work or employment elsewhere					
There is timeliness in the coming of salaries and wages					
Your salary is adequate for self and family care					
You frequently request for salary advances					
Your standards of living and lifestyle are good					
You are financially literate and your spending patterns are good					

3. **To what extent do you agree or disagree that you ever engage in the following activities?** *(Tick your answer for each activity) [Strongly disagree-1, disagree-2, uncertain-3, agree-4 and strongly agree-5]*

Activity	***1***	***2***	***3***	***4***	***5***
At times you don't come to work as a result of financial problems					
You sometimes arrive late at work dealing with personal financial problems					
You sometimes use working hours to deal with your personal financial issues					
Over the past 2years, you frequently apply for a loan or get credit from family or friends to cover for financial shortages and as a result your debt levels have increased					
You sometimes take long lunch or tea breaks to take care of financial problems					
You sometimes engage in informal discussions with colleagues about being broke.					

4. Of the following, tick what you would do when faced with financial difficulties.

(Please tick on the best tactics)

Tactic

Trying by all means to stick to plans	
Depending on debt and credit almost every month for self and family upkeep	
Depending on other menial jobs such as running tuck shops at home	
Investing, saving and lending money when the salary comes to cover up for future inefficiencies	

Please fill in the space below with any other strategies that you adopt to cope with financial stress

(i) ………………………………………………………………………………………

(ii) ……………………………………………………………………………………

5. In your view, indicate your agreement or disagreement to each of the following statements *(tick the appropriate answer for each)*

Statement	***Yes***	***No***
When working hours are used to deal with personal financial problems, the result is a decline in employee productivity		
Being late for work as a result of financial problems affects employee productivity		
Absenteeism is as a result of financial stress and ultimately impact on employee productivity at work		
When employees take long breaks as a result of financial problems, it affects productivity		
When employees normally engage in discussions about being broke during working hours, it affects productivity.		

……THANK YOU FOR YOUR CO-OPERATION……

APPENDIX C

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Interview Guide

1. **In your own opinion, is financial stress prevalent among Turnall employees?**

………………………………………………………………………………………………

………………………………………………………………………………………………

………………………………………………………………………………………………

2. **What do you think are the predictors of financial stress among?**

………………………………………………………………………………………………

………………………………………………………………………………………………

………………………………………………………………………………………………

3. **What are the consequences of financial problems among employees?**

………………………………………………………………………………………………

………………………………………………………………………………………………

………………………………………………………………………………………………

4. **Which strategies are being adopted by Turnall employees to cope with financial stress?**

………………………………………………………………………………………………

………………………………………………………………………………………………

………………………………………………………………………………………………

5. **What do you think is the effect of financial stress on employee's performance at work?**

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THANK YOU FOR YOUR INPUT

TURNITIN ORIGINALITY REPORT

DISSERTATION by R131830N

From BCOM Dissertation (HMAN Undergraduate Studies)

- Processed on 28-Sep-2016 11:39 AM SAST
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