



Analysing personal financial wellness amongst employees of a South African tertiary institution



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The financial health of employees is increasingly becoming important in many organisations. Personal financial wellness not only contributes to the overall well-being of employees but also affects their job productivity. Thus, employers need the necessary knowledge to evaluate and address employees' personal financial wellness levels effectively. The main objective of this study was to analyse the level of personal financial wellness amongst employees at a South African tertiary institution and gain insight which employers can use in addressing the needs of their staff with regard to personal finances. The study followed a cross-sectional design. Primary data were collected using a self-administered questionnaire from 60 attendees of a personal finance workshop, using the validated Personal Finance Well-being Scale. Practically visible to practically significant correlations were found between the number of years employed, income tax percentage paid on income earned, age, number of years being a homeowner and personal financial well-being, respectively. There were also practically non-significant correlations between general health levels, highest qualification, the number of children living in a household, number of children or other financially responsible adults and personal financial well-being. Employees' sources of advice also seemed to influence their financial well-being. Respondents indicated that they experienced high financial stress to overwhelming stress and were dissatisfied with their current financial situation. It is also the first study to determine the level of financial wellness amongst a group of employees in the higher education sector using the Personal Finance Well-being Scale and only the third study that was found to use this scale amongst employees. This should enable employers to better support their employees.

Keywords: personal finance well-being scale; personal financial well-being; tertiary education; university employees; employee financial wellness; personal finance.

Introduction

The financial health of employees is increasingly becoming important in many organisations. Financial concerns and the manner in which employers deal with these issues have changed over the last two decades (Garman et al. 1999). Previously, organisations expected their employees to leave their problems outside the workplace; however, employers are now required to assist their employees with a range of personal finance-related difficulties (Garman et al. 2005).

Seeing that financial distress adversely affects individuals and their families, an argument can be made for the evaluation of financial distress and financial well-being of large groups, for instance employees, to determine whether they are experiencing problems or doing well financially. If the extent of perceived financial distress and financial well-being amongst employees is known, focused intervention can be implemented to improve their personal financial wellness levels (Prawitz et al. 2006).

Previous studies have established an important relationship between financial education and financial behaviours. A number of international studies have been conducted over the years concerning financial matters and the impact they have on employees' personal and work life (Manyapelo 2017). Empirical testing of the levels of employees' personal financial wellness will emphasise the importance of workplace financial education.

The remainder of the article addresses the research objectives, past literature, research methodology and results. The results are followed by the discussion and conclusion.

Research objective

The main objective of the study was to analyse the level of personal financial wellness amongst employees at a tertiary institution to assist employers in addressing the needs of their staff with regard to personal finances.

Findings from the study would also enable financial counsellors, financial planners, tertiary institution employers and government to identify financial wellness levels of workers within the tertiary education sector.

Literature review

According to Kamaluddin et al. (2018), financial wellness is seen as one of the important parameters in measuring an individual's socio-economic status and financial situation (Joo 2008:21):

Derived from the definition of general wellness, financial wellness could mean a state of being financially healthy, happy and free from worry and this could be the concept that should be addressed.

Joo and Garman (1998) view personal financial wellness as a 'comprehensive, multidimensional concept incorporating financial satisfaction, objective status of financial situation, financial attitudes, and behaviour that cannot be assessed through a single measure'. Researchers have reported that a number of factors appear to affect financial satisfaction, of which the most common are demographic and socio-economic characteristics (Porter & Garman 1993). Joo and Garman (1998:174) concur by stating that an individual's level of personal financial wellness is, to a large extent, affected by various factors, which include demographic characteristics.

Delafrooz and Paim (2011:10096) investigated factors that affected financial wellness amongst 2000 Malaysian workers. The study indicated a low level of financial literacy. Similarly, Mokhtar et al. (2015:49) studied the determinants of financial well-being and described the extent of financial well-being of 30 Malaysian public employees. The study found moderate levels of financial literacy.

Joo (1998) suggests that the number of financially stressful events experienced by employees during the past year affects their level of financial wellness. Financially stressful events are also known as financial stressors and include life cycle events, job-related events, unexpected changes and unfavourable financial situations. Prior studies have examined the relationship between financial distress and workplace outcomes (Kim, Sorhaindo & Garman 2006:460). Researchers have established 'that financial distress spills over into the workplace, contributing to such work-related occurrences as personal finance-work conflict, lower commitment to the organisation, less satisfaction with pay, work time wasted dealing with personal finances, more absenteeism, and poorer health' (Prawitz & Garman 2009:4).

These occurrences can reduce job productivity, a condition of special interest to most employers (Prawitz &

Garman 2009:2). In response to the detrimental effects that employees' financial worries have had on firms' turnover and society at large, most countries have devised and implemented a variety of intervention measures (Bahri 2008:9). Bernheim and Garrett (1996) found that financial education strongly influences household financial behaviour. Financial literacy has a positive impact on an individual's personal and business life (Taft et al. 2013:64). Financial wellness programmes have proven to be a lucrative investment for organisations that have implemented them (Pillay 2008:21).

Mokhtar et al. (2015:53) reported that gender and marital status are not socio-economic predictors of a person's level of financial well-being. This was also supported by a study by Joo and Grable (2004:27). Sumarwan and Hira (1993:80) found a significant positive correlation between age and satisfaction with one's financial affairs whilst Ross and Huber (1985:313) showed that people with higher income and those who were property owners demonstrated higher levels of financial wellness. This was supported by Porter and Garman (1993) and Delafrooz and Paim (2011). The results of a study by Dickason-Koekemoer and Ferreira (2019) also show that a significant difference exists between the financial well-being of males and females. They also found a significant difference between the financial well-being amongst different age categories. The results of past literature are therefore inconclusive.

According to Joo and Grable (2004:41), the number of financial dependents and education had no direct effect on a person's level of financial satisfaction whilst O'Neill et al. (2005:81) found that health status is positively associated with financial satisfaction. Employment was also pointed out to be a factor that predicts overall well-being (Dolan, Peasgood & Dolan 2008:95; O'Neill et al. 2005:73).

Research methods and design

Research approach and sampling

A cross-sectional research design was undertaken in an attempt to gain greater insight on personal financial wellness amongst workers at a tertiary institution in South Africa. The empirical objectives of this study were achieved by applying quantitative research methods in the form of a self-administered questionnaire. This study applied both non-probability and purposive sampling. All staff members at the tertiary institution were invited to attend a personal finance workshop. All employees who attended the personal finance workshop were surveyed although not all forms were completed in full.

Instrument

The questionnaire comprised two sections. The first part, Section A, pertained to the demographic characteristics of the sample, whilst Section B constituted a validated questionnaire designed by Prawitz et al. (2006:50), the Personal Finance Well-being Scale, to measure the respondents' level of

financial well-being. Section B consisted of eight questions in the form of a 10-point Likert scale, the lowermost score indicating financial distress and the uppermost score indicating a higher level of financial well-being. This eight-item scale scored a Cronbach alpha of 0.920, indicating high reliability (Mouton 1996:216).

Data collection and analysis

The self-administrated questionnaire was completed by 58 respondents from a total of 60 employees who attended a personal finance workshop. The selected sample size is in the same range as previous studies conducted with similar research objectives, for example, a study conducted by Mokhtar et al. (2015) with a sample size of 70 respondents. The captured data in the current study were analysed using the Statistical Package for Social Sciences (SPSS), version 21 for Microsoft Windows. Descriptive analysis, significance tests, *t*-tests and correlation analysis were applied.

In calculating the effect size (*d*) for any comparison, the difference between the two group means is divided by their average standard deviation. An effect size of 0.25 indicates that there is one-quarter standard deviation between the two means (Cohen 1988; Valentine & Cooper 2003:4). The following guideline exists for the interpretation of effect sizes (*d*) (Boersema 2015:94; Cohen 1988:24; Steyn & Ellis 2009:113):

- 0.2 effect size = Small explanation
- 0.5 effect size = Medium explanation
- 0.8 effect size = Large explanation

Practical significant data is encountered where the variation has a large effect (Cohen 1988:24; Steyn & Ellis 2009:106–108, 113). These interpretations of the effect sizes are only guidelines.

Ethical consideration

Permission to conduct this study was obtained from the relevant ethics committee at the North-West University. Participants were briefly informed about the main objective of the study, and they voluntarily agreed to partake in it. To ensure confidentiality, participants were requested not to provide their names in the questionnaire. Ethical clearance was issued at the Faculty of Economic Sciences and IT on 29 July 2015 (Ethical Clearance Number: ECONIT-2015-017).

Results

Participant detail

Most participants (67.2%) belonged to the white ethnic group and the majority (82.8%) were female. The minimum age was 24 years and the maximum 74 years. All the respondents in the study had obtained their matric (Grade 12) and the highest qualification indicated was a doctoral degree.

Married and engaged respondents constituted 47.4% and 5.3%, respectively, whilst 47.4% indicated that they were either separated or divorced or never married. The majority (56.9%) indicated overall good health. A total of 45.5% had no children living in their household, whereas 54.5% had between one and five children living in their household. The majority (80.7%) were permanently employed. Employment years ranging between 1 and 10 years, constituted 42.1% of the participants. A total of 35.3% indicated an individual tax rate of 25% (income of R174 551 to R272 700). The greater number of participants (63.2%) were homeowners.

Frequencies and descriptive statistics

Table 1 depicts the level of financial stress experienced by the respondents according to the questionnaire. A total of 32.7% experienced high financial stress to overwhelming stress. A mean of 5.56 and a standard deviation of 1.78 were reported.

Table 2 indicates that 60.4% of the participants were dissatisfied (scoring 5 or below) with their current financial situation. A mean of 5.19 and a standard deviation of 2.08 were reported.

According to Table 3, 58.6% of the respondents indicated that they sometimes felt worried to overwhelmed about their current financial situation. A mean of 4.78 and a standard deviation of 1.87 were reported.

TABLE 1: What do you feel is the level of your financial stress today?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – Overwhelming stress	0	0.00	0.00
2	1	1.90	1.90
3	4	7.70	9.60
4 – High stress	12	23.10	32.70
5	10	19.20	51.90
6	9	17.30	69.20
7 – Low stress	10	19.20	88.50
8	2	3.80	92.30
9	3	5.80	98.10
10 – No stress at all	1	1.90	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark

Note: Mean = 5.56; Standard deviation = 1.78.

TABLE 2: How satisfied are you with your present financial situation?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – Dissatisfied	1	1.90	1.90
2	2	3.80	5.70
3	10	18.90	24.50
4	8	15.10	39.60
5	11	20.80	60.40
6	7	13.20	73.60
7	7	13.20	86.80
8	3	5.70	92.50
9	2	3.80	96.20
10 – Satisfied	2	3.80	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark

Note: Mean = 5.19; Standard deviation = 2.08.

Table 4 depicts how often participants worry about their ability to meet their normal monthly living expenses. Half (50%) of the respondents indicated that they were always worried about their normal living expenses. A mean of 5.5 and a standard deviation of 2.41 were reported.

Table 5 illustrates the respondents' confidence in their ability to find money to pay for a financial emergency that costs approximately \$1000 (or R12 000). A total of 47.4% indicated that they had little to no confidence in their ability to find money to pay for a financial emergency. A mean of 5.53 and a standard deviation of 2.73 were reported.

Table 6 illustrates that 50.9% of the respondents indicated that they often to regularly are unable to eat out or pay to

watch a movie because they could not afford it. A mean of 5.11 and a standard deviation of 2.40 were reported.

Table 7 depicts how frequently the respondents find themselves just getting by financially. A total of 66.7% indicated that they sometimes to always find themselves just getting by financially and living paycheck to paycheck. A mean of 4.23 and a standard deviation of 2.34 were reported.

Table 8 shows that 34.5% of the participants reported high stress to overwhelming stress about their personal finance in general, whilst 53.4% indicated low stress to no stress about their personal finance in general. A mean of 5.38 and a standard deviation of 1.76 were reported.

TABLE 3: How do you feel about your current financial condition?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – Feel overwhelmed	2	3.40	3.40
2	1	1.70	5.20
3	8	13.80	19.00
4 – Sometimes feel overwhelmed	23	39.70	58.60
5	6	10.30	69.00
6	8	13.80	82.80
7 – Not worried	6	10.30	93.10
8	1	1.70	94.80
9	1	1.70	96.60
10 – Feel comfortable	2	3.40	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 4.78; Standard deviation = 1.87.

TABLE 4: How often do you worry about being able to meet normal monthly living expenses?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – All the time	1	1.70	1.70
2	2	3.40	5.20
3	10	17.20	22.40
4 – Sometimes	16	27.60	50.00
5	1	1.70	51.70
6	6	10.30	62.10
7 – Rarely	10	17.20	79.30
8	4	6.90	86.20
9	3	5.20	91.40
10 – Never	5	8.60	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 5.50; Standard deviation = 2.41.

TABLE 5: How confident are you that you could find the money to pay for a financial emergency that costs approximately \$1000 (or R12 000)?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – No confidence	3	5.30	5.30
2	5	8.80	14.00
3	4	7.00	21.10
4 – Little confidence	15	26.30	47.40
5	4	7.00	54.40
6	4	7.00	61.40
7 – Some confidence	9	15.80	77.20
8	3	5.30	82.50
9	1	1.80	84.20
10 – High confidence	9	15.80	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 5.53; Standard deviation = 2.73.

Inferential statistics

The reported overall mean score for personal financial well-being and standard deviation score as calculated by the instrument were 5.17 and 1.78, respectively, indicating average financial distress amongst the participants. Independent *t*-tests were conducted to compare personal financial well-being scores between the demographic variables. The Mann-Whitney *U* test was used in some cases. According to Cohen (1988), $d = 0.2$ indicates a small effect, $d = 0.5$ a medium effect, and $d = 0.8$ a large effect. *P*-values are reported for completeness, but will not be

TABLE 6: How often does this happen to you? You want to go out to eat, go to a movie or do something else, and do not go because you cannot afford to.

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – All the time	1	1.80	1.80
2	6	10.50	12.30
3	5	8.80	21.10
4 – Sometimes	17	29.80	50.90
5	12	21.10	71.90
6	1	1.80	73.70
7 – Rarely	4	7.00	80.70
8	3	5.30	86.00
9	3	5.30	91.20
10 – Never	5	8.80	100.00

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 5.11; Standard deviation = 2.40.

TABLE 7: How frequently do you find yourself just getting by financially and living from paycheck to paycheck?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – All the time	4	7.00	7.00
2	12	21.10	28.10
3	9	15.80	43.90
4 – Sometimes	13	22.80	66.70
5	3	5.30	71.90
6	4	7.00	78.90
7 – Rarely	6	10.50	89.50
8	3	5.30	94.70
9	1	1.80	96.50
10 – Never	2	3.50	100.00
Mean	-	-	4.23
Standard deviation	-	-	2.34

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 4.23; Standard deviation = 2.34.

interpreted, as a purposive sample instead of a simple random sample was used.

A small practically non-significant difference in mean scores of the white ethnic group and other ethnic groups (effect size = 0.18) was indicated. The independent *t*-test showed a small practically non-significant difference in average scores of the males and females (effect size = 0.29), as well as a small practically non-significant difference in average scores on financial distress of the married and other groups (effect size = 0.22) and average financial distress of the homeowners and other groups (effect size = 0.26). There was also no practically significant difference in average scores on financial distress of permanent and temporary employed staff as reported by both the independent *t*-test and the Mann–Whitney *U* test (effect sizes = 0.16 and 0.04, respectively).

Table 9 shows that, with regard to the preferred source of personal financial advice, a practically significant difference (effect size = 0.71) was indicated.

From the table above, it is clear that the group that preferred books, magazines and newspapers as a source of personal financial advice leaned towards moderate well-being (mean = 5.69). The other group showed lower well-being (mean = 4.69). Therefore, the group that prefers to consult written sources was slightly less financially distressed.

Correlations with the personal finance well-being scale

Spearman's rho was calculated to determine whether relationships exist between demographic characteristics and a sense of the overall personal financial well-being scores (on a scale of 1 to 10) calculated by the instrument. The results are given in Table 10.

Table 10 indicates a positive practically significant correlation (Spearman's rho = 0.45) between age and personal financial well-being scores. This indicates that the higher a participant's age, the greater their personal financial well-being score and, therefore, the better their perceived financial well-being. Table 10 also indicates a practically visible positive correlation (Spearman's rho = 0.34) between the respondents' total number of years employed and their personal financial well-being. In other words, the longer the employment, the greater the personal financial well-being score. There is also a practically visible to practically significant correlation (Spearman's rho = 0.40) between income tax percentage levied on income earned (level of income) and personal financial well-being. This indicates that the higher the income level, the better the financial well-being. Table 10 further reveals a positive practically significant correlation (Spearman's rho = 0.48) between the number of years being a homeowner and personal financial well-being scores. Thus, the longer the respondents have been homeowners, the better their financial well-being. A practically non-significant positive correlation was found between respondents' highest

TABLE 8: How stressed do you feel about your personal finances in general?

Finance well-being scale	Frequency	Valid (%)	Cumulative (%)
1 – Overwhelming stress	1	1.70	1.70
2	0	0.00	0.00
3	8	13.80	15.50
4 – High stress	11	19.00	34.50
5	11	19.00	53.40
6	10	17.20	70.70
7 – Low stress	10	17.20	87.90
8	5	8.60	96.60
9	2	3.40	100.00
10 – No stress at all	0	0.00	0.0

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark
Note: Mean = 5.38; Standard deviation = 1.76.

TABLE 9: The preferred source of personal finance advice.

Preferred source of financial advice	<i>N</i>	Mean	Standard deviation	<i>p</i>	Effect size
Books, magazines and newspapers	20	5.6893	1.51232	0.19	0.71
Other (including parents, friends and internet [each no more than 10 responses])	27	4.5893	1.54948	-	-
Total sample (<i>N</i>)	47	-	-	-	-

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark

TABLE 10: Correlations with personal finance well-being scale.

Spearman's rho	Correlation coefficient	<i>p</i>
Age	0.45*	0.004
Highest qualification	0.21	0.110
General health	-0.02	0.880
Number of children living in a household	-0.07	0.610
Number of adults or other children responsible financially	0.08	0.590
Total number of years employed	0.34*	0.100
Income tax percentage on income earned	0.40*	0.030
Number of years being a homeowner	0.48*	0.010

Source: Manyapelo, J., 2017, 'Analysis of personal financial wellness among employees of South African tertiary institution', Master's dissertation, North-West University, Vanderbijlpark

*, Practically significant.

qualifications, general health, the number of children living in the respondents' households, the number of other dependants of the respondents and their personal financial well-being.

Discussion

This study sampled employees from the education sector and was conducted in a country (South Africa) different from those in previous studies, such as O'Neill et al. (2005) and Taft et al. (2013). The statistical techniques used to analyse the data also differed from those in previous studies. Based on the results, 32.7% of the respondents experienced high financial stress to overwhelming stress, and 60.4% indicated that they were dissatisfied with their current financial situation. A total of 58.6% reported that they sometimes felt worried to overwhelmed about their current financial condition. Half of the respondents were sometimes worried to regularly worried about their monthly living expenses. In addition, 47.4% indicated little to no confidence

in finding the money to pay for a financial emergency costing approximately R12 000 (according to the exchange rate at the time of the study). Approximately half (50.9%) of the respondents reported that they often to regularly were unable to eat out or pay to watch a movie because they could not afford to do so, and 66.7% indicated that they sometimes to always found themselves just getting by financially and living from pay check to pay check. A total of 34.5% reported high stress to overwhelming stress about their personal finance in general. However, 53.4% indicated that they experience low to no stress about their personal finance in general. These findings agree with those of a previous study that also found respondents were sometimes worried about their current personal finance (Mokhtar et al. 2015:51). This should be a matter of concern for employers, especially should they consider the overall well-being of their employees.

Independent *t*-tests were conducted to compare personal financial well-being scores and the demographic variables such as ethnicity, gender, marital status, home ownership, preferred source of financial advice and employment information. The Mann–Whitney *U* test was used in some cases. Based on the results of the independent *t*-test and Mann–Whitney *U* test, a practically non-significant difference was found in average scores of the males and females and financial distress between participants who are married and the other group (single, divorced or never married). This supports the assertion by Mokhtar et al. (2015:53) that gender and marital status are not socio-economic predictors of a person's level of financial well-being. A study by Joo and Grable (2004:27) was also unable to prove the effect that ethnicity and home ownership have on the extent of a person's financial satisfaction. The current study supports this notion, as a practically non-significant difference was found in average scores of the white ethnic group and other ethnic groups, as well as a practically non-significant difference in average financial distress of homeowners and the other group.

Based on the results of the study, practically non-significant differences in the average financial distress of the permanent and temporary employed groups were indicated by both an independent *t*-test and the Mann–Whitney *U* test. Spearman's rho was calculated to determine whether relationships exist between certain demographic characteristics and a sense of financial well-being scores (on a scale of 1 to 10). The findings are discussed in the remainder of this section.

A positive practically significant correlation was found between age and personal financial well-being scores – the older the respondents, the higher their personal financial well-being score, and the higher their financial wellness. This finding supports Sumarwan and Hira (1993:80) who reported a significant positive correlation between age and satisfaction with one's financial affairs. This indicates that younger employees are especially in need of financial advice and support.

A study by Ross and Huber (1985:313) indicated that household heads who earned higher income and were property owners demonstrated higher levels of financial wellness relative to others. Porter and Garman (1993) also confirmed that financial well-being is positively related to income. Therefore, those with higher income are more satisfied with their financial situation (Delafrooz & Paim 2011:10098). The current study agrees with the literature, as a practically visible to practically significant correlation was reported between income tax percentage levied on income earned and personal financial well-being. Previous studies indicate employment to be a factor that strongly predicts happiness and overall well-being in most cultures (O'Neill et al. 2005:73). Individuals who are economically secure are more financially well off.

A practically visible positive correlation between the respondents' total number of years employed and their personal financial well-being was reported. This was interpreted as, the longer individuals have been employed, the higher their personal financial wellness level. The study, therefore, concurs with Dolan et al. (2008:95) who stated that being employed contributes to greater personal well-being. Employees can therefore reduce their personal financial distress by not changing employment too frequently.

A positive practically significant correlation between the number of years being a homeowner and personal financial well-being scores was reported. The findings in this study support those by Delafrooz and Paim (2011:10098), namely that homeowners tend to be more satisfied with their financial situation compared with the group that rents or leases a property. Employees should therefore be motivated to own their own properties.

According to Joo and Grable (2004:41), the number of financial dependents and education had no direct effect on a person's level of financial satisfaction. The evidence found in this study is, to some extent, consistent with previous findings, as a practically non-significant correlation between the number of children or extended family members living in a household and their personal financial well-being was reported. A practically non-significant correlation between respondents' general health and their personal financial well-being was also reported. However, this is inconsistent with the finding by O'Neill et al. (2005:81) that health status is positively associated with financial satisfaction. It is therefore important to address health issues because of the impact it has on financial well-being.

Conclusion

This study is one of a few to address personal financial wellness, specifically amongst employees, within a South African context. It is also the first study to determine the level of financial wellness amongst a group of employees in the higher education sector using the Personal Finance Well-being Scale and only the third study that was found to use this scale amongst employees.

It is recommended that the institution should design bespoke financial literacy programmes specifically for the personal finance needs of its employees. Employee demographics should be taken into account in the design by, for example, focussing on the specific needs of married couples and home owners. The institution could also design its own website or annual magazine to make personal finance information readily accessible to its employees. Employees should be encouraged to engage in current initiatives that educate employees on personal finance. Assessment tools such as the Personal Finance Well-being Scale could be administered before and after a personal finance workshop in order to determine the effect of the intervention on the level of financial well-being or financial distress of employees.

Moreover, the institution should take note that employees are dissatisfied with their current financial situation and often worry about their current financial situation. This could be alleviated by means of providing financial education to employees to raise more awareness about the importance of financial well-being. The institution should also take note that most employees' salaries run out before the end of the month, which contributes to their financial stress. It would therefore benefit the institution to assist employees in this regard (Pillay 2008:21).

Lastly, the findings of the study also serve to motivate employees to take responsibility for their personal financial management by reading further on the topic, as this would improve their perceived financial well-being. As indicated in Table 9, those that read had less financial distress.

The research was conducted on a small sample of the population who attended a personal finance workshop at a tertiary institution. The participants of the workshop were probably also more susceptible to receiving financial advice, which could have influenced their perceptions as reported in the study. Therefore, the findings cannot be generalised. The study does, however, contribute to the literature, being the first study applying the Personal Finance Well-being Scale to employees from a tertiary institution in South Africa. Further studies are required to determine the extent of financial distress amongst tertiary institution employees and its impact on their health and job performance.

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Competing interests

The authors have declared that no competing interests exist.

Authors' contributions

All authors contributed equally to the work. J.M. was the Master's student. J.P.F. was the supervisor and wrote the article from the student's work.

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Data availability statement

The data that support the findings of this study are available on request from the corresponding author, J.M., upon reasonable request. The participants however did not give consent to share the data publicly.

Disclaimer

The views and opinions expressed in this article are those of the authors and do not necessarily reflect the official policy or position of any affiliated agency of the authors.

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