

# **Personal Financial Wellness and Worker Job Productivity**

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## **(ABSTRACT)**

The problem that was examined in this research was to develop and test a conceptual model that describes the relationship between personal financial wellness and worker job productivity. The research questions were (1) what is the personal financial wellness profile?; (2) how does the personal financial wellness profile differ by the demographic characteristics?; (3) what is the relationship between financial stressors and personal financial wellness profile?; (4) what is the relationship between personal financial wellness and financial stress level?; (5) what is the worker job productivity profile?; (6) what is the relationship between personal financial wellness and worker job productivity?; (7) what is the relationship between financial stress and worker job productivity?; and (8) what financial education programs do employees want in the future?

In order to test a part of the conceptual model, a survey research design was undertaken. A questionnaire was developed and pre-tested. A mail survey (N=474) of white-collar clerical workers of a large employer located in mid-eastern state was conducted during January, February, and March of 1998. From a random sample of 447 (27 out of original 474 were undeliverable), 288 questionnaires were returned (64.4%). Seventeen questionnaires were determined unusable resulting in a 60.4% usable return rate (271/447).

In terms of subjective perception, as a group, the respondents were not financially well. In the behavioral assessment, the respondents reported above a mid-point score. On overall financial wellness scales, the respondents were not satisfied with their financial situation. Personal financial wellness was influenced by some of the demographic characteristics and financial stressors. The lower levels of personal financial wellness were related to the financial stress level.

Those who have high levels of personal financial wellness reported better performance ratings, less absenteeism, and less work time used for personal financial matters. Workers are interested in comprehensive financial education programs which include retirement education, better use of employee benefits, money management, credit management, and consumer protection.

Some workers are not financially well because they have financial problems. If employers can improve personal financial wellness of workers, such as through financial education, it may increase productivity, because personal financial wellness is related to worker productivity.

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