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**Salary dissatisfaction and personal debt in the
North West Local Government and Human
Settlements Department**

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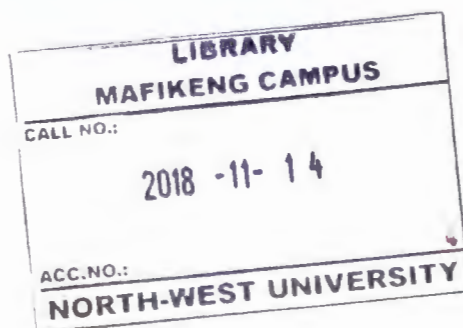
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**SCHOOL OF BUSINESS AND GOVERNANCE
FACULTY OF ECONOMICS AND MANAGEMENT SCIENCES**

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ABSTRACT

The aim of this study was to establish the impact of salary dissatisfaction and personal debt on work performance in the North West Provincial Department of Local Government and Human Settlements. This is because work performance declined when employees applied the Equity Equation theories to determine their input, due to high workloads that were not comparative to income levels. The decline in work performance within the department is also attributed to personal debt which affects the psyche and social state of employees and distract them from optimal service delivery. A quantitative approach has been used to conduct the survey through the Likert scale method. Questionnaires were administered to a conveniently selected sample size of 250 respondents. The Cronbach's alpha coefficients was used to test Reliability or internal consistency of the questionnaire. Spearman's correlation test results shows that salary dissatisfaction affects younger employees the most. The Chi-Square Test of Independence was used to determine the relationship between gender and other factors that influence personal debt; namely, financial illiteracy, societal expectations and irresistible credit offers. It was found that women are affected by debt factors than men. Positive correlations were observed between salary dissatisfaction and personal debt as 56% of the respondents agree that their level of income determines both their credit viability and salary dissatisfaction. It was also found that anxiety and presentism due to personal debt were prevalent among the employees, even though absenteeism is not an issue within the department. It has been established that salary dissatisfaction and personal debt have a substantial impact on the employees work performance in the Department of Local Government and Human Settlements. More than 70% of the respondents agree that fruition in optimising work performance can be achieved through the suggested Programmes including debt counselling and employee financial wellness programmes, to help them to better manage personal finances. The Department can further use the study to redefine job evaluation procedures and retention strategies that enhance work satisfaction and positively impact on work performance.

Keywords

Personal debt, salary dissatisfaction, work performance, indebtedness, credit, savings

TABLE OF CONTENTS

DECLARATION.....I

ACKNOWLEDGEMENTS II

ABSTRACT III

TABLE OF CONTENTS IV

LIST OF TABLES..... VIII

LIST OF FIGURES IX

DEFINITIONS X

ABBREVIATIONS XI

CHAPTER1 1

INTRODUCTION AND BACKGROUND 1

1.1 INTRODUCTION 1

1.2 BACKGROUND 2

1.3 PROBLEM STATEMENT 4

1.4 RESEARCH QUESTIONS.....6

1.4.1 Primary Research Question 6

1.4.2 Sub-questions 6

1.5 OBJECTIVES OF THE STUDY 7

1.5.1 Primary Research Objective.....7

1.5.2 Research Sub-objectives.....7

1.6 SCOPE OF THE STUDY 7

1.7 SIGNIFICANCE OF THE STUDY 7

1.8 OUTLINE OF THE STUDY 8

CHAPTER 2 10

LITERATURE REVIEW 10

2.1	INTRODUCTION	10
2.2	HISTORY OF DEBT	10
2.3	DEFINITION AND ATTRIBUTES OF DEBT	10
2.3.1	Good debt.....	11
2.3.2	Bad debt.....	13
2.4	FACTORS INFLUENCING INDEBTEDNESS	15
2.4.1	Improved standard of life	15
2.4.2	Limited Financial literacy	17
2.4.3	Societal expectations	19
2.4.4	Irresistible credit offers	21
2.4.5	Festive seasons spending spree	23
2.5	THE RELATIONSHIP BETWEEN PERSONAL DEBT AND SALARY DISSATISFACTION	26
2.5.1	Personal debt as a factor influencing salary dissatisfaction.....	26
2.5.2	Salary dissatisfaction as a factor influencing personal debt	26
2.6	SALARY DISSATISFACTION EFFECTS ON WORK PERFORMANCE	27
2.7	DEBT EFFECTS ON WORK PERFORMANCE	29
2.7.1	Psychological effect.....	29
2.7.2	Social strain.....	31
2.7.3	Financial Vulnerability	33
2.8	IMPROVEMENT OF WORK PERFORMANCE	34
2.8.1	Psychological empowerment.....	35
2.8.2	Financial wellness programmes	35
2.8.3	Review of the reward systems.....	36
2.8.4	Money management style	37
2.9	CONCLUSION.....	37
CHAPTER 3		38
RESEARCH METHODOLOGY		38

3.1 INTRODUCTION..... 38

3.2 RESEARCH DESIGN 38

3.3 RESEARCH METHOD..... 39

3.4 POPULATION 39

3.5 SAMPLING..... 40

3.6 DATA COLLECTION..... 41

 3.6.1 Consistency and reliability..... 43

 3.6.2 Ethical consideration..... 44

3.7 DATA ANALYSIS 44

3.8 CONCLUSION 45

CHAPTER 4 46

RESULTS..... 46

 4.1 INTRODUCTION..... 46

 4.2 DEMOGRAPHICS..... 47

 4.3 RESEARCH RESULTS..... 57

 4.4 CONCLUSION 78

CHAPTER 5 79

CONCLUSION AND RECOMMENDATION..... 79

 5.1 INTRODUCTION..... 79

 5.2 SALARY DISSATISFACTION AND PERSONAL DEBT 79

 5.3 RESEARCH DESIGN AND METHODOLOGY 80

 5.4 SUMMARY OF FINDINGS..... 80

 5.4.1 Objective 1 80

 5.4.2 Objective 2 81

 5.4.3 Objective 3 81

 5.4.4 Objective 4 82

5.4.5 Objective 5 83

5.5 LIMITATIONS..... 83

5.6 RECOMMENDATIONS..... 85

5.7 CONCLUSION 87

6 LIST OF REFERENCES..... 89

7 LIST OF APPENDICES..... 106

7.1 APPENDIX A: PERMISSION TO CONDUCT A RESEARCH 107

7.2 APPENDIX B: QUESTIONNAIRE 110

LIST OF TABLES



Table 4.1: Gender-----47

Table 4.2: Age category -----48

Table 4.3: Marital status -----49

Table 4.4: Number of dependants -----50

Table 4.5: Job appointment level-----51

Table 4.6: Job experience (in years) -----52

Table 4.7: Highest educational qualification attained -----53

Table 4.8: Housing Tenure-----54

Table 4.9: Gross salary per Annum -----56

Table 4.10: The difference between good debt and bad debt -----57

Table 4.11: Perception of good debt and bad debt-----58

Table 4.12: The views of employees regarding debt-----58

Table 4.13: Deviation from monthly budgets-----59

Table 4.14: Factors contributing towards indebtedness -----60

Table 4.15: The relationship between salary dissatisfaction and personal debt -----64

Table 4.16: The effects of salary dissatisfaction and personal debt -----66

Table 4.17: Ways to improve perceptions -----68

Table 4.18: Reliability Analysis -----69

Table 4.19: Cross-tabulation of views of respondents about lack of financial literacy -----69

Table 4.20: Cross-tabulation of views of respondents about debt incurred due to status- 70

Table 4.21: Cross-tabulation of views of respondents about the use of micro loans----- 72

Table 4.22: Spearman’s rank correlation between age and views of respondents about the effects ----- 74

Table 4.23: Spearman’s rank correlation between job experience and views of respondents----- 75

Table 4.24: Using the ANOVA test to compare the views against housing tenure ----- 77

LIST OF FIGURES

Figure 4.1: Gender 47

Figure 4.2: Age category 49

Figure 4.3: Marital status 50

Figure 4.4: Number of dependants..... 51

Figure 4.5: Job appointment level 52

Figure 4.6: Job experience (in years) 53

Figure 4.7: Highest educational qualification attained 54

Figure 4.8: Housing Tenure..... 55

Figure 4.9: Gross Salary per Annum..... 56

Figure 4.10: Cross-tabulation of views of respondents about lack of financial literacy 70

Figure 4.11: Cross-tabulation of views of respondents about debt incurred due to status 71

Figure 4.12: Cross-tabulation of views of respondents about the use of micro loans..... 73

Figure 4.13 (a): Views of respondents versus age 74

Figure 4.13 (b): Age versus Views of respondents..... 75

Figure 4.14 (a): Views of respondents versus job experience 76

Figure 4.14 (b): Views of respondents versus job experience..... 77

Figure 5.1: Limitations of salary as a motivation for work performance..... 84

DEFINITIONS

Personal debt

In financial matters, personal debt is money owed by a household or individual and is used to pay for services and commodities that do not yield long term investments (Daniels, 2004).

Or

Cash borrowed or credit acquired from an individual or institution, which will be returned as per agreed terms of charges and within the set repayment period (Finn, 2003).

Salary dissatisfaction

The degree to which employees are dissatisfied with their current salary (Lee and Lin, 2014).

Work performance

Utilisation of capacity, willingness, and opportunity to perform duties and produce outcomes as per the predetermined objectives (Blumberg and Pringle, 1982).

Or

Behaviors that are relevant to organizational goals and that are under the control of individual employees (Campbell, McCloy, Oppler, and Sager, 1993).

ABBREVIATIONS

Table 1.1: Abbreviations used in this document

Abbreviation	Meaning
LG and HS	Local Government and Human Settlements
CMD	Common Mental Disorder
KK	Kenneth Kaunda
NMM	Ngaka Modiri Molema
RSM	Ruth Segomotsi Mompati
NW	North West
SARS	South African Revenue Services
DPSA	Department of Public Service Administration
PMDS	Performance Management Development System
EHW	Employee Health and Wellness
CoGTA	Cooperative Governance Traditional Affairs
NHS	National Human Settlements

CHAPTER1

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

The purpose of this study was to establish the impact of salary dissatisfaction and personal debt on work performance in the North West Department of Local Government and Human Settlements. This is because the respective department, which is part of the South African public sector, has been characterised by inefficiency and ineffectiveness in terms of meeting its mandate to provide service delivery (Luddy, 2005; Gao, 2015). Among others, salary dissatisfaction and personal debt have been found to be constituents of underperformance by employees of the department (Annual Report, 2015/16 and 2016/17). Researchers have discovered that there are various factors that contribute to underperformance by public sector institutions in South Africa, of which salary dissatisfaction has been generally perceived as an indicator of underperformance and low levels of productivity (Mafini and Pooe, 2013; Silvestro, 2002; Lee, 2016; Dawal, Taha and Ismail, 2009). This implies that salary dissatisfaction impedes productivity and diminishes work performance.

Salary dissatisfaction emerges when employees are not content with compensation, rewards, benefits and incentives in relation to tasks and working conditions (Lee and Lin, 2014; Card, Mas, Moretti and Saez, 2012). The employees become satisfied when their income matches their contribution to the department, and when they perceive it as fair in comparison to that of their colleagues. Employees derive salary satisfaction from income that enables them to live enjoyable lifestyle and gain general well-being that money can buy (Sudha, 2017; Tomaževič, Seljak, and Aristovnik, 2014). When employees are not able to afford desired lifestyles, this leads to the use of credit to satisfy the sense of inadequacy that they experience due to what they perceive as limited salaries. Credit is an appealing approach to purchase now instead of purchasing subsequent to savings (Soman, 2001).

The employees of LG and HS department earn salaries which qualify them to methods of household spending, including paying with cash, check, debit card, credit card, and even cell phone or internet banking (Van der Waldt, 2004). The drawback of credit is

that employees may end up over indebted given the increased opportunities to use its facilities in the recent years. Chien and DeVaney (2001) describe modern-day society as a “culture of indebtedness.” The employees of the Department have easy access to credit as they have payslips which are a validation of income as required by the creditors in terms of the National Credit Act 34 of 2005 and the Consumer Protection Act 68 of 2008. Overdraft, personal loans, pay day, and credit card are the most common short term credit facilities that misrepresent debt as “affordability” to consumers (Van der Walddt, 2004: 219). When employees are unaware of the downwards side of debt, a risk arises that they would face consequential financial problems and psychological disorder that leads to low levels of work performance (Meltzer, Bebbington, Brugha, Farrell and Jenkins, 2012).

In view of the above, although there are various factors that cause underperformance in the public sector, it is appropriate to examine salary dissatisfaction and personal debt as the causals of underperformance by employees in the LG and HS department. This will enable the department to neutralise and/or eliminate the factors causing employee indebtedness and salary dissatisfaction through appropriate remedies (Rubaszek and Serwa, 2014). Such remedies could be directed at improving the overall well-being of employees and optimisation of work performance. Therefore, this can be realised by undertaking a progressive research study.

1.2 BACKGROUND

The North West Department of Local Government and Human Settlement is a provincial government institute. The Department is a combination of 2 sectors which are:

- 🚧 The National Department of Human Settlements; and
- 🚧 Department of Cooperative Governance Traditional Affairs.

A synopsis of its mandate for delivery of services to the society entail:

- 🚧 building houses for the poor;
- 🚧 subsidising housing bonds for the low-income earners;

- ✚ building low cost social rental units;
- ✚ building water and sanitation facilities;
- ✚ management of the disaster centre; and
- ✚ provision of oversight on municipalities' administration and performance.

The traditional affairs within the Province has been detached from the local government sector. The human settlements sector has set for itself the target of making a positive impact on the quality of life of 750 000 households by upgrading informal settlements (Annual Performance Plan, 2016/17). The upgrade provides households with security of tenure and access to essential services in sites that are close to economic and other social amenities (Annual Report, 2015/16). The province is 70% rural and has a lot of infrastructure backlogs and underdevelopment. The National Human Settlements Annual Report (2015/16) states that, the issue of underperformance by some of the provinces was of concern and there is a need for a strategy to deal with this matter.

CoGTA aims for a functional and developmental local government system that delivers on its Constitutional and legislative mandates within a system of cooperative governance (Annual Performance Plan, 2016/17). In 2014/15 the North West human settlements sector had committed to deliver 14 650 housing opportunities across all human settlements programmes and managed to only deliver 13 770 housing opportunities. The housing backlog in the North West Province is estimated at 238 000 households which is inclusive of all various housing needs and typologies (Annual Performance Plan, 2016/17). Furthermore the Plan indicates that there is approximately 14 800 households that still require access to basic sanitation services and the total backlog of households with inadequate water is 1 096 590. The Department committed itself to intervene in order to improve performance in the North West Provincial municipalities (Annual Performance Plan, 2014/15 and 2015/16). To this point the impact made is below satisfactory as Municipalities remain the North West province area of underperformance.

Prior to the 2014/15 financial year, the local government sector and the human settlements sector were separate departments within the NW Province. The fifth administration brought about reviewed sector mandates affecting various government departments, in terms of section 137 of the Constitution of the Republic of South Africa, 1996 read with Section 3A(b) of the Public Service Act, 1994 (Proclamation No. 103 of 1994). Merging of the two departments to form the Department of Local Government and Human Settlement directly affected the personnel tasks and segregation of duties (Annual Report 2014/15). Consequently, employees were frustrated by the unnegotiable movement of some of the staff to the newly born Department(s) and retention of others to remain within the Department of Local Government and Human Settlements. The criteria used was not clarified to the employees.

Issues arose when various directorates' employees complained of exploitation, comparing themselves to those who were overstaffed. The latter developed leisure time for idling (sometimes even for shopping around); whereas the understaffed employees developed salary dissatisfaction as they felt that the unfair treatment could only be remedied through higher compensation. Employees in under staffed units hoped that their job description and performance would be evaluated for justification to put them on higher salary levels or notches (Human Resource Plan, 2015/16), which never materialised.

According to van Raaij (2016), in a human resource context, performance evaluation is done through appraisals. The purpose of such appraisals include:

- 🚦 Motivating employees in order to improve their performance;
- 🚦 Distributing organisational rewards such as salary increases and promotions;
- 🚦 Conducting personnel management research.

1.3 PROBLEM STATEMENT

As noted above, this study examines the problem of the impact of salary dissatisfaction and personal debt on work performance within LG and HS Department. This is because since its inception in 2014/15, the Department's management received complaints of salary dissatisfaction from the employees who felt overworked (Annual Report, 2014/15). The issue of personal debt is also substantiated by the rise in

garnishes and admission of some of the employees at medical centres due to work stress (Annual Report, 2014/15; 15/16 and 16/17). As a result, work performance can also be affected (Lee and Lin, 2014; Card et al., 2012; Meltzer et al., 2012).

The Department has the Employee Health and Wellness division under the Human Resource Management directorate (Annual Performance Plan, 2014/15). The Annual Report 2014/15, presents the work of the EHW Programme by stating that:

- ✚ referrals of dissatisfied employees were attended to;
- ✚ counselling sessions were conducted; and
- ✚ consultations were made with supervisors in response to the complaints.

Even so, the fruition of all these efforts to resuscitate the employees' morale has not been realised. Instead, work performance declined year on year, and employees left the Department at the first chance they got (Annual Performance Plan, 2016/17). This is further evidenced by information recorded in the 2016/17 Annual Report, which states that although the staff retention policy is in place, the Department finds it difficult to retain skilled employees. The mandate of the Department which relates to infrastructure projects, development of integrated habitable environment, and provision of oversight on the Municipalities administration require scarce skills employees. These are costly posts comprised of engineers, project managers, town planners and quantity surveyors; who are required for the achievement of an integrated human settlements in safe and dignified communities. The reason given for lack of control on employee turnover is that the Department cannot compete with private sectors in terms of salary packages and benefits (Annual Report, 2016/17). Salary dissatisfaction is therefore the core reason the Department is not able to retain human resource talents and optimise work performance.

The Corporate Support sub Programme also moved a considerable number of employees to other Departments, due to the reconfiguration (Annual Report, 2014/15). Due to budgetary constraints, it was not practical to fill in vacant posts with the aim to deal with salary dissatisfaction among the overworked staff and improve segregation of duties (Risk Plan, 2015/16). When the employees do not perceive compensation as directly proportional to the work efforts, they become demoralised (Saari and Judge,

2004). Hence, the employees of the LG and HS Department can face a problem of declined dedication to their work task activities and lower performance rate.

Personal debt is the second problem highlighted by the Departmental EHWP of late. In the 2016/17 Annual Report, the Department raised a concern that 10% of employees were garnished, which required the Employee Health and Wellness to come up with Financial Management Programmes to address this issue. Also the Annual Report of 2016/17 states that around 1% of employees were admitted in hospital due to work related stress. The rate of garnished employees is only a symbol of the hardships that employees face when repaying debt owed to some of the institutions. These can be a consequence of salary dissatisfaction and employees' personal debt.

In light of the above, public managers in the Department of LG & HS are faced with a challenge to accomplish institutional goals with underperforming employees. The issue of salary dissatisfaction and personal debt may be contributing to underperformance of employees within the department. Hence, this study is important to establish the effect of the two issues on work performance.

1.4 RESEARCH QUESTIONS

The main research questions and the sub questions are as indicated below:

1.4.1 Primary Research Question

What is the impact of employees' salary dissatisfaction and personal debt on work performance in the North West Department of Local Government and Human Settlements?

1.4.2 Sub-questions

- ✚ What are the employees' perceptions about debt in the Department of LG and HS?
- ✚ What factors influence over commitment to financial debt in the Department of LG and HS?
- ✚ What is the relationship between personal debts and salary dissatisfaction?

✚What is the effect of salary dissatisfaction and personal debt on work performance in the Department of LG and HS?

✚What ways can be used to improve the perception of the employees about their salaries and debt in the Department of LG and HS?

1.5 OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

1.5.1 Primary Research Objective

To establish the impact of salary dissatisfaction and personal debt on work performance in the North West Department of Local Government and Human Settlements.

1.5.2 Research Sub-objectives

✚To establish employees' perceptions about debt in the Department of LG and HS;

✚To establish factors that influence personal debt in the Department of LG and HS;

✚To establish the relationship between salary dissatisfaction and personal debt;

✚To establish the effect of salary dissatisfaction and personal debt on work performance in the Department of LG and HS; and

✚To determine ways through which employees' perception about their salaries and personal debt can be improved in the Department of LG and HS.

1.6 SCOPE OF THE STUDY

The research study focal area is the LG and HS Department. The departmental office space is located across five areas within the capital city of North West, Mahikeng. Although the Departmental offices are all situated in Mahikeng, the services are provided to all 4 districts of the North West Province: RSM, Bojanala, KK and NMM.

1.7 SIGNIFICANCE OF THE STUDY

The study is important because it will help the Department, hopefully, to restore the level of work performance among employees by addressing the issues of salary

dissatisfaction and personal debt. Employees' financial wellness programmes to be suggested through this study can be adopted to weaken factors that cause the employees to enter into burdensome debts. The study will hopefully be useful for psychological and social empowerment that will enhance sound management of personal finances by employees. This will also help ensure that employees are in a better financial position at the time of retirement. In cases whereby the employees use the departmental resources to make additional income, addressing salary dissatisfaction and employee indebtedness will save the department's resources. Employees' skills, knowledge and competencies will be refocused on work performance. Potential vulnerability to scams and blacklisting among the employees will be eliminated as they are guided to save for rainy days, so as to avoid unnecessary debt.

The study will also describe work dynamics that influence salary dissatisfaction and work performance, such as the perceptions of the reward system and relative income that employees apply when determining their work inputs. The department will be able to retain staff by redefining the job evaluation procedures and retention strategies that will enhance employee satisfaction and positively impact on work performance. The study will reinstate efficiency and effectiveness in striving to achieve the objectives of the department, for both management and the employees.

1.8 OUTLINE OF THE STUDY

The study is structured into 5 chapters, which are:

CHAPTER 1: Introduction

Chapter 1 introduces the research study. It covered identification of the research problem and linked it to the background, objectives, the research questions, as well as significance of the study.

CHAPTER 2: Literature Review

Chapter 2 scrutinises information relating to arguments through existing studies. Recognition and acknowledgement of information taken from previous authors and researchers is done through citation and referencing.

CHAPTER 3: Research Methodology

The research methodology chosen is justified under Chapter 3. This includes explanation of the processes, data collection methods, sampling techniques, data gathering process and the method of analysis.

CHAPTER 4: Results Presentation, Analysis and Discussion

Discussion analysis under Chapter 4 presents the research results as captured from the data collection instruments filled in by the participants. Statistical presentation of tables, graphs and diagrams is used to express the outcome.

CHAPTER 5: Summary, Recommendations and Conclusion

Under Chapter 5 a synopsis of the findings is discussed, followed by conclusion and recommendations. Lastly, the limitations of the research are explained to give way to the potential gaps for future studies.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

In this Chapter, contrasts and agreement of the writers' views are discussed based on the subject of indebtedness, salary dissatisfaction and work performance. Peoples' perception on debt is scrutinised in terms of the types and attributes of consumer debt. Factors that influence employees to use debt as a means of payment are also discussed. A scrutiny of the relationship between debt and salary dissatisfaction is used to determine their effect on work performance. Lastly, suggestive ways to improve work performance by reducing salary dissatisfaction and personal debt among employees are discussed.

2.2 HISTORY OF DEBT

According to Finn (2003: 2), English novelists of the eighteenth and nineteenth century grew interest in credit scripts. Although the writings were at times fictional, they paved a way for the realistic status quo in the twentieth century, wherein economically advanced societies earned higher income and wished to secure the volatility attached to it (Evans, 2016). It was through these stories that investors realised the rising opportunities in the financial markets when the writers' ingenuities materialised. According to Krueger and Perri (2006: 168), a steady rise in household debt was documented in most economically advanced societies. This rise is closely linked to the changing patterns of consumption and the institutional reforms that made financial credit accessible to growing segments of the population. South Africa took the lead against the globe in the credit crux as over-indebtedness became an emergent issue in the twentieth century, as was indicated when the media took a toll in expressing the evident debt inflicted moral panic through newspapers and radio (Jaimes, 2012: 21).

2.3 DEFINITION AND ATTRIBUTES OF DEBT

The preference and opportunity to use debt as a method of payment ranges from investments to consumable goods or services - including cars, holidays, furniture, and groceries (Kamleitner and Kirchler, 2007). Activities involved in purchasing these

commodities on credit are more eminent in the current generation. There is further evidence that household debt also includes industrial, commercial, or agricultural undertakings; mortgages on real estate debt, credit card, education loans, etc (Gan, Yin, Jia, Xu, Ma and Zheng, 2012:133).

Debt is nothing more than money owed (Hagler, 2016:1) to a person or an institution. The former normally occurs within an informal setting, and the latter a more formal setting that can be regulated by the National Credit Law (Guérin, Morvant-Roux and Villarreal, 2013). Debt is further classified into good debt and bad debt. What distinguishes the two is how a person repays the borrowed money; and whether what was acquired using that money is a worthwhile investment that will yield returns in the future (Holmstrom, 2015). Arguably, consumers with high income can enter debt to enjoy and not to get monetary returns because they have more than enough to meet their needs. The desire to gratify wants becomes as much important as satisfying their necessities (Sudha, 2017). The line between good debt and bad debt becomes more invisible to those with higher income and more viability to debt.

2.3.1 Good debt

Debt can be constructive when it is intended, administered and controlled within means. According to Huston (2012: 567), students' education debt enables those who cannot afford higher education tuition and related expenses, to study and pay later. Common options applicable would be to settle the debt after studies when they are financially well-off or to have parents pay it back in instalments during the studies. Usually, student loans are at a lower interest rate than personal loans offered by the banks (Norvilitis and Batt, 2016). This justifies the classification of student loans as a good debt to pay for study tuition, as opposed to the use of personal loan (bad debt) to finance the same. Hence, the type of credit facility used to acquire debt is also a basis to differentiate good debt and bad debt as suggested by Holmstrom (2015). Furthermore, another factor that proves education to be a good debt is that it also lays foundation for exposure to financial literacy that will help an individual to encompass more favourable borrowing terms which could lessen stress (Jette, 2016).

According to Moss, Dincer, and Hacıoglu (2016), property is regarded as an investment asset (good debt) due to its continued value appreciation. Debt can be used to buy a residential home and repaid over a reasonable period i.e. between 20 and 30 years while living in that house. This entails that, a property bond loan is paid over the longest period of time comparative to other types of household debt. Holmstrom's (2015) definition of what differentiates good debt and bad debt is questionable when it comes to property bond. The long period of repayment (how) translates it to bad debt whereas the output (yields return in the future) classifies it as good debt. This shows that the classification can also consider the ratio of the cost of debt and/or the period of instalments against the returns. If the cost and period exceed the returns, then it is bad debt and the inverse is applicable to good debt (Baudrillard, 2016).

Assume that a person earning average income can afford a monthly savings of R4 000 to acquire a R600 000 residential property. In the absence of debt it can take a person an average of 13 years to purchase a primary residential property. However, due to the appreciation nature of property, the price of that house would have increased exponentially at the end of the savings period. For the sake of argument, say the price has doubled to R1 200 000 at the end of 13 years, the person would need to borrow the difference of R600 000 and pay it in 25 years including interests of more or less the same amount. It would therefore take an average person roughly 38 years to acquire a residential property given the circumstance. Heystek (2016) argues that the rising rates and taxes coupled with fat sums of maintenance make the buy-to-rent a less lucrative property business. This is despite arguments made by other researchers that the use of debt is convenient when acquiring an investment property that produces income in excess of the monthly dues (Kamleitner and Kirchler, 2007; Gan, Yin, Jia, Xu, Ma and Zheng, 2012).

Evidently, there is good in bad debt and bad in good debt. According to Lewin-Epstein and Semyonov (2016: 3), while homeownership has advantage in many ways, mortgage debt payments may pose a substantial burden, especially when unexpected events reduce household income or economic shock escalates interest rates. For instance, if income is reduced, a person owing R10 000 with a 1 year maturity bears less long term risk of default risk and the possibility of repossession than the one with a

R100 000, 20 year bond. Some people settle for rental than commitment to multi-years of bond payment (Rethel, Hardie, Elgar and Reinert, 2017). However, at times it may be because a person's commitments do not allow for mortgage credit, meanwhile it can also be out of deferring procurement of a house due to the perception that it is more comfortable and cheaper to rent. Such decisions later catch up when retirement days draw nearer and a person realises the need to own a permanent home (James, 2012). The mortgage bond is therefore good due to the appreciating value of the property, but somewhat bad as it takes a multiple number of years to settle its repayments.

Sometimes debt is inevitable, such as when an unforeseen medical necessity costs more money than a person has reserved for emergencies (Hagler, 2016: 1). In the absence of debt, consumers would be enclosed to disposable income and savings, thus limiting access to wealth building facilities that could accumulate tax and interest off set, dividend payments and capital growth (Dellande, Gilly and Graham, 2016). Good debt such as investment debt can be worthwhile. However, no debt is protected from the cost of debt - referred to as interests. Debt factored interest charges are absolutely unavoidable and may have a negative effect on household finances in the long run (Dunn and Mirzaie, 2016).

2.3.2 Bad debt

Debt can also be a cause of anxiety, depending on the amount owed and the means within which the individual can afford repayment within the agreed period (Hagler, 2016:1). The use of credit card to purchase products and services that provide no residual asset in value such as holidays, clothing, and groceries is vastly discouraged by financial experts. Credit card facilities are deemed ineffective (bad debt) for consumers as they usually prompt overspending and deviation from personal budget plans (Ajzerle, Brimble, and Freudenberg, 2015:64).

The classification of good or bad debt may differ from person to person, as well as between individuals and institutions. The Individuals' perspective on over-indebtedness differs from that of bankers, activists and development scholars, who only take cognisance of the financial implications (Guérin, Morvant-Roux and Villarreal, 2013:28). These institutions classify cars and furniture debt under bad debt on the

basis that they do not grow wealth but rather depreciate value over time. Conversely, individuals further measure the weight of debt based on how it adds to their wellbeing, reputation, honour, dignity, status, convenience and independence (Baudrillard, 2016). People's views on what constitutes over-indebtedness vary dimensionally. Some individuals find the level of satisfaction or utility attached to the commodities acquired through debt, as more important than financial figures. Generally, consumers would prefer to drive fancy cars and wear the latest fashion clothes, than to worry about the costs incurred (Kamleitner and Kirchler, 2007). Contrastingly, others esteem the liberty of spending their money outside the obligation of debt as something that guarantees their contentment (Mogaji, Czarnecka, Danbury and Farquhar, 2017).

Nowadays, people work to achieve a wide range of benefits beyond their basic needs of shelter, food, and clothing (Sebagala, 2015). Those with income appear to hope to get whatever rings a bell regardless of the possibility that it implies getting into bad debt. The tendency is towards acquiring luxurious cars, mansions, exclusive brand and fashionable clothing, and expensive vacations to maintain a "coconut" lifestyle (James, 2017). Even children's education appears to have a lavish fragrance put on it. It is as though if it does not smell rich (has no elegant value) then it is not great quality. Marriages, funerals and birthday parties now cost a fortune. For instance, multiple celebrations precede the actual wedding day (White, 2017: 300). Each occasion draws deeper into the pockets of the couple and their families, sometimes even friends. There are lobola negotiation day, engagement celebration, bridal shower, bachelor party, traditional wedding, white wedding and then groom's home wedding (James, 2017: 309). The use of credit for such events because salaries cannot afford them, turns into an unending commitment unless critically managed.

According to Maki (2002: 3), the households' debt payment relative to their personal disposable income can be used to determine the resources that should be committed to service that debt on a monthly basis. This implies that the household service "debt burden" can be derived from this ratio proportion, with a low ratio being more favourable than a higher one. Financial institutions allocate the home bond a 30 per cent ratio of the gross income (Bressan and Jiang, 2017). This justifies the denotation that household debt which is way higher than disposable income may lead to financial

problems, hence it is necessary to curb it within means. The concern is the extent to which such would lay foundation for other problems to the point that work performance is affected. Using savings for short term commitments may seem recommendable, but savings in itself is an easier said than done concept. According to Zakaria, Nor and Ismail (2017: 508), consumers remain reluctant to fully utilise savings and investment facilities, despite the increase in access to information about the respective facilities. They find difficulty in identifying options that are pertinent to their necessities and deriving the courage and patience to act on it. Hence, perception plays a vital role in how a person will be affected by debt.

2.4 FACTORS INFLUENCING INDEBTEDNESS

The literature review under this heading scrutinises various factors that influence people to enter into debt. Factors of improved standard of life; limited financial literacy; societal expectations; irresistible credit offers; and festive season spending spree are discussed hereunder.

2.4.1 Improved standard of life

In practice, consumers have multiple motives for holding debt. These include borrowing to invest in human capital or personal development through education or training; covering for economic downturn and unexpected inflation effect on commodity prices; investment in financial assets that will yield favourable returns; and anticipation of higher income (Aron and Muellbauer, 2013: 168). Those who are indebted in loans in the name of improved standards of life or anticipation of higher income bear a heavy debt burden during recessions and the overall economic down turn.

Generally, the 1994 democratic transition of South Africa came with work opportunities and broadened the workers economic involvement spectrum (Sherer, 2000). As a result, the financial market yielded more opportunities for the lenders to expand and grow their business (Hawkins, 2002: 4). The microfinance industry also embraced the emergent business opportunities and expanded services comprising savings, insurance and credit institutions (Daniels, 2004: 831). In 2012 the SA Human Rights Commission (SAHRC) stated that over half of South Africa's credit-active consumers are over-indebted. Of the 19 million credit-active consumers in South Africa, 50% had

impaired credit records, three months plus in arrears (Western Cape provincial manager Karam Singh). Fifteen percent are described as debt stressed, one to two months in arrears. As a result, more than 11 million of South Africa's credit active consumers were described as over-indebted.

Meniago, Mukuddem-Petersen, Petersen and Mongale's (2013: 485) findings demonstrate that prime rate and household income are the negative influences that caused consumer debt to increase for South Africans. This infers that when the prime rate and households' income diminish, households in South Africa incline to further borrowings to meet their established living standards. This poses a risk of becoming over-indebted in future since the prime rate is likely to increase over time. According to Shepard (1984: 13), the incidence of bankruptcy is hypothesized to move directly with interest rates since higher rates raise the costs of servicing debt, making it more difficult for consumers to meet their obligations.

In 2008, over commitment, retrenchment, low income and sickness were reported as the four most frequently identified causes of debt by Citizens Advice Bureaux clients (Meltzer et al., 2012: 33). The extent to which one becomes indebted may be based on various factors such as the amount they earn and commodities they consider rationally worth the debt. The moment a person has income, the likelihood to get into debt arises, as credit worthiness is directly linked to household income (Thomas, Crook and Edelman, 2017). The perception of achieving improved standard of life through credit ranges from person to person. Some go to an extent of shifting to the use of private hospitals, private schools and migrating to the urban areas to stay close to the workplace (Lea, Webley and Levine, 1993).

Therefore, the people who are more indebted are not necessarily the poorest of them all but the upward trajectory growing African middle class, popularly referred to as the "black diamonds" (Jappelli, Pagano and Maggio, 2013: 27). In 2007, this category was reported to have grown by 30 per cent in just over a year (Southall, 2016). It turns out that improved standard of living can become a binding factor rather than a privilege. Once a person is used to improved lifestyle, occurrence of income fluctuations will lead to further borrowing with the aim to smoothen the transitory (Johnson, 2016). The aim to realise improved standard of life imposes both good debt and bad debt on the

household finances. Expensive education enhance indebtedness as households commensurate their costs to their level of income (James, 2017). Higher education is now reckoned as a necessity as the world is advancing in all aspects, and with higher income a more costly option seems like a good choice of selection. Since government funding for tertiary education is limited, the cost thereof falls heavily on the household and yields an enormous constraint on the household fiscal strength (James, 2012: 20).

In government, it is expected that Deputy Director level up to senior managers should be in possession of a car as they are barred from the use of state vehicles. This is in line with the DPSA policies which appoint Deputy Directors on either level 11 or 12 with a package inclusive of car allowance. Improved lifestyle commodities such as car, home, cell phone contracts and jewellery accessories are also accompanied by the insurance security which requires monthly payments, further exacerbating the commitment of resources (Meltzer, Bebbington, Brugha, Farrell and Jenkins, 2012:33).

2.4.2 Limited Financial literacy

According to the National Credit Regulator, access to credit, pricing levels and credit risks are inextricably linked (Farinha and Lacerda, 2010). For example, unsecured personal loans are often offered to consumers that do not qualify for other forms of finance due to their risk profiles (Rubaszek, and Serwa, 2014). Consumers that represent higher risks will be charged higher interest rates and it will be anticipated that there will be a relatively high level of overdue accounts and defaults in respect of such clients. It is, accordingly, not surprising that these consumers are reported to have a significant level of impaired accounts with credit bureaus (Gathergood, 2012). Even so, these are consumers who may not even know what their credit status and proficiency imply.

Not all consumers are familiar with the impact of their credit activities on the credit worthiness. The South African Credit Bureau offers one free credit report per annum with the option for a pay-out if you wish for more frequent notifications and alerts, but still people are either not aware or uninterested to request it (James, 2012; Thorne, 2008). This implies that they are not even able to make informed borrowing decisions.

Such ignorance emerges a risk to the use of the individual's information in fraudulent undertakings since they are not alert (Disney and Gathergood, 2013: 2).

It is found that people involved in the credit market display poorer financial literacy than those participating in lucrative dealings such as the stock market, retirement savings, or investments (Arora, 2015). Furthermore, individuals holding higher debt-to-income ratios show yet poorer levels of financial literacy (Farinha and Lacerda, 2010). Hence participation in credit facilities does not appear to translate to greater knowledge of the mechanisms of the consumer credit market. This is of no exception to the educated and high income earners even though it is idealistically expected that an educated person should be in control of their financial circumstances and easily comprehend principles underpinning effective personal financial management (Disney and Gathergood, 2013: 2).

Thus Guérin, Morvant-Roux, and Villarreal (2013:23) state that financial literacy is complex and cannot be easily comprehended by a lame man who holds no form of expertise in the field. The concept that financial illiteracy causes over-indebtedness does hold ground on the basis that the calculation frameworks should be learned and correctly applied before they can be utilised for decision making (Atkinson and Messy, 2012). Instead of placing the weight of over-indebtedness on financial literacy, important also to note is that debt is fortified by previous disparities in classes, for example - gender, rank, religion and ethnicity – which contribute a great deal to over commitment (Sebagala, 2015; James, 2014).

Democratic liberation came with increased involvement in economic activities. Having undergone the pain of oppression and the exhilaration of freedom, people find that the democracy they value most is also what has caused their considerable indebtedness, with all the attendant unsustainability, uneasiness and even disgrace that this entails (James, 2012: 20). In fear of the past struggles of impoverished lives, people take up policies, life covers, funeral covers, etc. to ensure security during difficult times. For those who take up policies, insurances, the extreme thereof can lead to over commitment and bankruptcy (James, 2013). Since democracy came with both

educational and economic opportunities, illiteracy has become a thing of the past and deemed irrelevant for indebtedness of the educated employed.

It is not easy to make rational sense from this as knowledge and education are a renowned eye openers to anyone exposed to them. Robb, Babiarz and Woodyard (2012: 291) express a valid argument when stating that, "In general, people with financial knowledge adopt financial advices relating to savings, investments, mortgage, tax planning and insurance. Hence, those who possess knowledge and satisfaction do not need to make use of debt counselling." This imply that indebtedness may not be caused by financial illiteracy but rather by the choice to ignore financial experts and activists who express principles based on figures only without regard for the value that debtors attach to satisfaction, actualisation and status (Guérin et al., 2013:28). A choice to ignore or disregard the financial knowledge conveyed and act otherwise, depends solely on the individual's preferences and rationale. For the sake of argument, someone who has kids may argue that a car is a necessity that qualifies as good debt, since they use it to take their children to school. Moreover, it is a convenient mode of transport during emergencies such as if one of the family members gets sick at night they can urgently take them to a doctor.

2.4.3 Societal expectations

Availability, use, and managing credit has become "normal" for consumers (van Raaij, 2016). From a relative study, Lea, Webley and Levine (1993:88) indicated that people inherit spending habits from the people they grew up with. It can be family, associates or a community at large. An important way in which such cultural norms are created and sustained is the early experiences of people within their families. Tokunaga (1993) states that people's information of their parents' participation in and views on credit commensurate with their own capability to use credit successfully. The same goes for those whose parents were averse towards debt, they will also abhor credit as it is seemingly a reasonable thing for them to do. Charity begins at home.

The twentieth century ushered in a more striking attitude towards acceptance of debt in societies than there had been general abhorrence of credit previously. Over time the norm developed into "culture of indebtedness" demeaned the habit to save and buy

staff that one affords (Sebagala, 2015). The continued pattern of either tolerance or abhorrence of debt is mainly due to the unconscious desire to impress the people who have modelled a way for them when they grew up, by acting on what they learnt from them. Debtors mostly describe themselves as being in a community where debt was more common and more tolerated than non-debtors (Brown, Taylor and Price, 2005).

People who compare themselves with those who have greater financial muscle, are likely to fall into the trap of spending beyond their income boundaries. Particularly, this may be the way in which debt-tolerant, or debt-inducing norms are generated as the consumer is connected to an inappropriate reference group whose habits they would easily adopt (Newcomb, 1943). Credit habits by association are inevitable when a person feels entitled to the same goods and services as others enjoy. The social comparison idea versions are derived from hypothesis about status-driven expenditure and "keeping up with the Joneses" (Lunt and Livingstone, 1991).

Relational demographic factors can also support credit by the educated, recently divorced, age categories from the mid-twenties to mid-thirties who are found to be less exposed to bankruptcy (Shepard, 1984: 13, 20). Accounting for demographic factors expresses common prevalence in terms of either failure or success in the management of personal finances. Zhu and Meeks (1994: 406) emphasise further by stating that, a consumer's crucial indicators of credit qualification are items such as individuals' employment status and gender. Gender may be connected indirectly and may be meaningful to credit information, credit markets, and retailers who extend credit. According to Joo (1998:126), a research conducted on personal financial wellness and worker job productivity indicated that there was an evident relationship between marital status and the loan's monthly instalments. Age showed a positive relationship with savings and a negative relationship with the monthly instalment payments. The older respondents had more savings and fewer monthly loan instalments. Birds of the same feather flock together.

Expectation from associates can push an individual to go into debt. Shi and Handfield (2012) argue that in China, expectations of higher living costs is raised by salary levels for employees, especially the scarce skilled personnel whose market value is

comparatively high. This is because children of the executive senior managers in esteemed fields are denied the permission to register at government schools, which casts an obligation to pay a private school educational cost. Standard of life usually corresponds to the salary class and poses a risk of over commitment for employees with fat pay checks. The same goes in South Africa wherein, the housing subsidy is only limited to the low income family earners of no more than R12 500 aggregate per month (Marais and Cloete, 2017: 24).

Societal expectations even inspire decisions on the life-course events like marriage (and bride wealth), in death (and funerals) which were long considered essential, but have become more costly (James, 2012: 20). There is a growing culture of acceptance of debt. One might also expect to find that debtors came from families where the shift from abhorrence to tolerance due to improved economic opportunities was more advanced.

2.4.4 Irresistible credit offers

Rising debt is not only a matter of consumer preferences but also depends on the availability of credit (Lewin-Epstein and Semyonov, 2016: 3). Consumers are likely to take on whatever is made available to them even if it is means deviation from their budgets, without comparing options or/and negotiating interest rate offers available (Downs and Woolrych, 2010). Besides the large banks, vehicle finance companies, and clothing and food stores, 'microfinance' entrepreneurs stepped in to offer a new source of credit through businesses that extended small loans to poorer people (Sebagala, 2015). This has increased qualification for credit that may be difficult to resist. State money flowing into the bank accounts of black civil servants and the amended Usury Act were not able to regulate activities of informal loan sharks or "mashonisas", who became even more ubiquitous, charging higher rates of interest than previously (James, 2012: 24). Nowadays, the micro lenders offer credit to blacklisted individuals and ensure that they make enticing offers.

Debt is usually justifiable as some of the necessities such as a house or a car may not be attainable through a salary income, unless a person attempts the impracticality of

saving for 30 years in order to buy the respective commodities in cash (Abu, Karim and Aziz, 2015). Even bad debt has found justification as consumers regard the idiom of “enjoy it while it lasts”, which promotes failure to delay gratification. Generally, consumers are found lacking in their ability to delay gratification. By facilitating the temptation to “buy now – pay later,” banks make it easier for such people to overwhelm themselves though reckless financial decisions (Campero and Kaiser, 2013). Instant credit enables impulse purchases and spending sprees that are later regretted. Others may not comprehend the nature of their loan contracts and find themselves trapped with a product they did not understand (Angel, 2016: 168). Low teaser rates tempt people to take on debt that later becomes crushing as interest rates are later increased or terms of repayments are extended.

The interview study by Walker and Garman (1992) concluded that serious debtors often referred to themselves as having weak money management styles. Lunt and Livingstone (1991) report that non-debtors identify careless budgeting and a lack of knowledge and understanding of financial matters as among the reasons why other people get into debt. There has been little general research on money management, and it is not clear whether weakness in this area would reflect specific problems with financial matters, or a generally disorganized lifestyle (Downs et al., 2010).

The emergent increase in credit advertisements increases the prospective chances to acquire credit for short term loans, clothing markets and furniture purchases (Mogaji, Czarnecka, Danbury and Farquhar, 2017). These advertisements may seem convenient at first because they offer credit to people who are blacklisted operating against the law of the Credit Act. Consumers who are already drowning in debt take whatever is given, as they know that they are unlikely to come across another credit offer due to adverse credit status (Ru and Schoar, 2016). Limited credit offers can lead to taking on irrational credit offers. Companies perceive such a consumer as a high risk debtor, hence they charge them interests that will cover for instances when they fail to pay back money owed (Ahmad and Omar, 2016; Odom, 2017). The unfortunate part is that even if the goods bought e.g. a car or furniture could be repossessed during the repayment period, the company would have already made their profits from the contract.

Children and spouses/partners tend to be demanding and welcoming to advertise credit offers when they do not know how much income is available, meanwhile parents wish to sacrifice everything to make their children happy and acceptable to their peers (Kamleitner and Kirchler, 2007). Families that are not inclusive in the budgets can be easily exposed to over-indebtedness. Sitting down as a family to draw budgets can help elude impractical expectations (Dwyer, McCloud, and Hodson, 2011: 734). Family members find it hard to believe that their beloved cannot afford certain staff, when they have no idea of the amount of income they earn in relation to monthly expense commitments.

Debt subsequently does not only weight down on the low income earners, just because they earn less. Over indebtedness emerges from personal financial mismanagement. Low pay people's applications for credit are more likely to be turned down by most legitimate institutions than other income classes because of credit qualification policies (Zhu and Meeks, 1994: 404). Managing the credit report by not giving in to every credit offer that comes one's way can eliminate the risk of being charged high interests on credit (Farinha and Lacerda, 2010). The more a person takes on credit, the more they are exposed to judgement and high costs of debt (Benson and Eisenach, 2013). The risk and loss lies largely with the debtor.

2.4.5 Festive seasons spending spree

At the most basic level, feasts can be identified on the basis of two criteria - the consumption of food and drink, and in a communal context (Dietler and Hayden, 2001: 3). During festive season it is a norm that the household expenditure goes up. This provides a tangible distinction from everyday meals, and also places more emphasis on the role of feasting in the creation and maintenance of networks of social power.

Other potential characteristics distinguishing feasting from more routine consumption practices and meals include:

- ✚ the consumption of special or unusual foods, which may require specific practices of preparation or cooking,
- ✚ the consumption of unusually large quantities of food and drink, and
- ✚ an unusual context or spatial setting for consumption to take place (Pitts, 2005).

The clothing, furniture, food, appliances, cars, vacation discounts sales lure people to spend needlessly during festive seasons, as though there will never be another day. The existence of a temptation to exploit customer vulnerabilities exists in all industries (Angel, 2016: 169). People fall into the same trap each time because everyone wants to meet limitless number of needs or wishes with limited income (Downs and Woolrych, 2010). Sales such as “buy now pay later”, “buy 3 and pay for 2” and “buy one get one free” are galore during festive seasons and the customers fall for it, even though it might only mean spending on unbudgeted items. Lately, Black Friday is gaining popularity in South Africa, pushing people to spend more in preparation of the festive season (Perry, 2016: 76). The excitement of these sales can cause the households to buy goods that they do not need, on the basis that there is a price cut (Swilley and Goldsmith, 2013: 44, 47). Even worse, the retailers' condition that items bought on sale cannot be returned, denies consumers the liberty to return the unneeded goods upon realisation of their irrational purchases.

Sales can only be convenient for consumers who are using money they already have, to acquire commodities they always intended to buy. Deeply indebted consumers are incredibly vulnerable to any price increases and the escalation in the cost of borrowed money, such that goods bought on credit have a substantial impact on them when the Reserve Bank escalates the prime rate (Roets, 2015). It is only later that the reality of debt comes with incurred interests or no money for important things such as children's school fees (Sebagala, 2015). What is important to note is that nothing is for free. Businesses do not run for charity.

According to Pitts, Dorling and Pattie (2007: 422) results, in a period when all social classes spend proportionately more money on food and drink per week than they would for the rest of the year, December represents the unhealthiest month of the year in terms of the consumption of fresh fruit and vegetables for most people, as well as a period of excessive alcohol intake for the working classes. Most private companies pay employees bonuses in December and the government departments such as LG and HS have also adopted payment of performance bonuses in December. In reality, despite the additional income that households earn during the festive season, the expenditure would at a larger proportion sky rocket and leave families broke in January

(Sithole and Dinbabo, 2016: 527). By paying bonuses in December the department may be indirectly and unintentionally encouraging unnecessary spending during December holidays.

Failure to differentiate between needs and wants during the festive season usually leads to spending on wants and being faced up with real needs in January (Atkinson and Messy, 2012). Although one would have spent real money during the festive season the sequential months would require going for credit in order for to be meet the needs. The Easter festive season is of no exception as it comes with a lot of travelling, be it social or religious related (Lin and Lee, 2017: 74). Such expenses wear down ones budget and then leave a hole that should be patched by lending money from friends, family, colleagues, or financial institutions. The principle of pay yourself first is now being introduced, which means that before spending or paying accounts a person has to consider savings (Zwane, Greyling and Maleka, 2016). The intention is to have enough money for rainy days.

Nowadays people do not only skip payments out of deliberate intent but financial institutions and retail stores also offer such provisions (Atkinson and Messy, 2012). During holidays banks and car dealers usually offer skip a payment with claims to allow the debtor to have more money to enjoy on other things. The truth is skip a payment favours the lender rather than the borrower. If it seems only favourable to the customer, it only means there are hidden costs. Depending on the loan amount and the interest rate, the amount incurred by skip a payment can make major impact on the overall debt and further tangle a person through incessant credit (Shafir, 2017: 132). First because there is a fee for processing the skip a payment offer and secondly, there are further interests incurred on the "loan balance" which could have been reduced by the payment. Financial loan providers deny people a developmental skill to tighten the belt a little and still enjoy the good holidays.

Among other things the financial advisors recommend that by adopting family budgeting, especially during festive seasons, expectations can be steered within the practical financial muscle (Snow and Vyas, 2015). In the past, the elderly among black communities deemed it inappropriate to discuss certain matters such as finances with

children (Weisner, 2014). However, not making children aware of the financial limitations, can cause unnecessary debts as they will not expect to be denied the luxurious seasonal material stuff they want. Children can influence the level of household indebtedness in a family setting as was seen under the irresistible credit offers and societal expectation discussions (Kamleitner and Kirchler, 2007).

2.5 THE RELATIONSHIP BETWEEN PERSONAL DEBT AND SALARY DISSATISFACTION

This section explores whether there is a connection between an individual's personal debts and their contentment in relation to their salary. From this it will be established whether the latter variable causes the other and vice versa.

2.5.1 Personal debt as a factor influencing salary dissatisfaction

James (2012: 20) states that indebtedness can be curbed by teaching budgeting skills - implying that if people tightened their belts, stopped spending money on unnecessary commodities, and learned to live within their means, they would be satisfied with their salaries. However, leaving within one's means also implies that as income increases the spending is suggested to increase with the same proportion. The risk that can emerge is that there will not be preparation for unforeseen circumstances and inadequate savings that match an improved lifestyle (Syden, 2014). It is difficult for employees to get to the point of salary satisfaction while in debt. Hence, it is justifiable that with greater income, comes greater commitments (debt) and unintended salary dissatisfaction (Tomažević, et al., 2014). In a nutshell, debt influences salary dissatisfaction as it causes household income to constantly seem inadequate.

2.5.2 Salary dissatisfaction as a factor influencing personal debt

When employees compare their income and possessions to those of colleagues and associates salary dissatisfaction is likely to emerge (Newcomb, 1943). Employees may enter into debt with the aim to acquire the same possessions that their counterparts have. The most unambiguous intention to attract and retain staff through the reward system, has generally been perceived as straight (Rusu and Avasilcai, 2014). This is based on the assumption that the greater the reward, the higher the chances to attract

individuals. However, what is not taken into consideration is the complex nature of the individual and the reward. Compensation is usually multidimensional and both fiscal and non-fiscal related (Roy and Bussin, 2014:1). When a person runs a deficit on the monthly financial deficit, the first aspect to blame can be “salary insufficiency”. In order to meet and gratify the unlimited needs, entering into a debt would seem like the solution at hand to make up for the monthly deficit (Bussin, Shaw and Smit, 2013).

2.6 SALARY DISSATISFACTION EFFECTS ON WORK PERFORMANCE

Once a problem of salary dissatisfaction has emerged within the organisation, its effects can be noticeable in the level of employee productivity. Poor working conditions also make employees uncomfortable and unwilling to put in effort to their work (Mafini and Poee (2013). Productivity in work performance cannot be measured by mere attendance. Presentism as a result of employees’ salary dissatisfaction and indebtedness has been found to be more costly than absenteeism (de Vries, Reneman, Groothoff, Geertzen and Brouwer, 2013: 2). Apart from unproductiveness, intrinsic costs of presentism may include the misuse of Departmental resources. Such gives rise to high printing and photocopy expenses; telephone bills; data network usage; or officials staying out of office for extended hours to make extra cash, at a cost of the department’s contracted time (AlBattat and Som, 2013).

Some officials in the Department of LG and HS engage in other businesses during office hours to earn extra cash. The most popular are Tupperware, Avon, Presles, Justine, Avroy Shlain, and Aloe Vera Life which employees sell to their colleagues at work using the Department’s resources and time (Davis, 2011: 56). This leads to a compromise of work performance while they try to earn an extra Rand through the side businesses.

According to the existing literature the effects of salary dissatisfaction on work performance include the following:

2.6.1. Relative Income

Economists have long been interested in the possibility that individuals care about both their absolute income and their income relative to others (Card et al., 2012: 2981). Consider a worker whose own wage is w and who compares her wage to a reference level, denoted m , which is a function of the wages of co-workers in her reference group. With additive preferences, the change in the information set from I^0 to I^1 leads to a change in job satisfaction that depends directly on $v(w-m)$. The workers with $w < m$ will experience relatively large reductions in satisfaction, while those with $w > m$ will experience only modest increases (Card et al., 2012: 2983).

According to Lee and Lin (2014), employees compare their contribution against their salaries and those of others to determine the efforts they ought to bring into the organisation. Upon perception that their compensation is lower than what others are earning for the same work they decline their levels of dedication to elude salary dissatisfaction. A decent pay approach attracts and retains talents, while deterring exits due to salary dissatisfaction. Agreeably, West and Woods (2015:134) Equity Theory of Motivation states that to determine fair treatment, employees examine their inputs outcomes/outputs in contrast to those of their colleagues and counterparts.

2.6.2. The Equity Equation

The following illustrates the equity equation as expressed by Woods and West (2015:134):

Outcomes (self) = Outcomes (Others) perceived as Equity

Inputs (self) Inputs (others)

Outcomes (self) < Outcomes (Others) perceived as Inequity due do under-reward

Inputs (self) Inputs (others)

Outcomes (self) > Outcomes (Others) perceived as Inequity due do over-reward

Inputs (self) Inputs (others)

The equation is indicative of the employees' perception of the relation between outputs (salaries) and inputs (work performance). When the ratio of Outcome/Inputs of self is equivalent to the Outcome/Inputs of others, the employee would maintain their dedication and work performance. A higher ratio when comparing the two leads to adjustments by increasing the level of efforts to come to the level of fairness. Lastly, a low ratio would negatively affect work performance as they perceive that they are being under paid. It is assumed that the employees of the Department of LG and HS who experienced exploitation post the reconfiguration likewise lowered their dedication and efforts in meeting the organisation's objectives.

2.6.3. Perception of the Reward System

According to Amundson (2007: 10), employee attraction has been referred to as incorporation of distinguished aspects. These elements differ from person to person, in accordance with their life situations self-awareness, and environmental changes. In agreement with Amundson's view, Schlechter, Thompson and Bussin (2015: 278) state that the aim of the overall total compensation is to proficiently broaden the reward system so that it is found worthwhile by the employees, despite their positions within the organisation. It is the employee who decides whether the compensation is significant and in most instances they compare it to their expense commitments (AlBattat and Som, 2013). Salary dissatisfaction due to erroneous perception of the reward system, therefore, deters optimum work performance.

2.7 DEBT EFFECTS ON WORK PERFORMANCE

The following are the various forms of expression through which the effects of over-indebtedness on work performance can emanate:

2.7.1 Psychological effect

If an organisation's employees are under stress, factors such as productivity, job satisfaction, work performance and staff retention may also suffer (Jepson and Forrest, 2006: 184), affecting employees' morale and commitment and adding further costs to the organisations. Ill health created by stress related issues can be experienced by an individual physically, psychologically and behaviourally. Stress has been associated

with various illnesses such as headache, back pain, stomach complaints, chest pains, nausea, depression and even stroke (Guthrie, 2006; Rebore, 2007).

Depression has become the focus of special interest in this regard for two reasons. First, epidemiologic studies show that depression not only is a common occurrence among employed people but also is associated with substantial work impairment. Second, experimental studies show that adequate depression treatment can substantially reduce work impairment (Wang, Beck, Berglund, McKenas, Pronk, Simon, and Kessler 2014: 1885). Financial problems may lead to depression which may in turn affect work performance. Notwithstanding, some employees may find work as something that can distract them from their personal problems and perform better in the mist of controversial circumstances. Stress affects each person in different ways and what stresses one individual may not stress another (Guthrie, 2006: 8).

In expressing a view that bankruptcy is personal, not merely the financial, and denotes in consequences of financial distress, Thorne (2008: 13) states that “bankruptcy is a profound financial event that has the potential to rewrite a family’s balance sheet, eliminating some debts and forcing the surrender of some assets. These financial changes should not undercut the ways in which bankruptcy is also a social and emotional phenomenon”.

Debt obligation can inconvenience an individual, suggesting that it is fit for influencing an employee’s welfare, efficiency and work routine. At the point when an employee is not liberated, particularly emotionally, then they cannot yield outstanding results in their work. According to King Solomon, just as the rich rule the poor, so the borrower is servant to the lender (Proverbs, 22:7). According to a study by Meltzer, Bebbington, Brugha, Farrell and Jenkins (2012:33), 38% of the adults reported to be in debt were diagnosed with common mental disorder (CMD). The risk to attain such condition was three times higher for those who were over indebted than those without debt.

Archuleta et al. (2013), also attest to a direct relationship between debt obligation and emotional wellness issues, e.g. tension. Debt can create stress or worsen it if the employee already has other issues. As compared with literacy, career, status or

individual salary debt problems yielded more severe money problems than other variables (Aaltonen, Oksanen and Kivivuori, 2016:309). Debt anxiety is higher among the married consumers and higher when youngsters younger than 18 are available in the family unit (Dunn and Mirzaie, 2016: 209). Relationships contribute to the effect level of households' debt.

The presenteeism concept, which means being at the workplace but not working at full capacity, is often directly associated with employees' health. Researchers have reported recently that there are indirect reasons for presenteeism other than illnesses, such as working-time arrangements, personal and work-related demands, heavy workload and precarious employment status, efficiency demands and psychosocial workplace factors (Vänni, Neupane and Nygård, 2016: 3). The latter may include personal financial burdens that come as a result of living beyond one's means. An employee who perceives salary dissatisfaction can attribute such insufficiency to the salary levels predetermined by the employer even when it emanates from personal financial over commitment. Such perception may cause anxiety or depression that distracts employees from optimally performing their duties (Shah, Mullainathan and Shafir, 2012: 16).

2.7.2 Social strain

People who are over indebted are at a risk of having to borrow money from family, friends and colleagues to cover for unlimited commitments. Failure to repay such borrowings on agreed terms and in time can cause major harm to relationships that are necessary to provide an individual with the much needed support system (Valenze, 2006). Psychological experts discourage lending money to social associates for obvious reasons that it may result in conflicts that can be stressful (French and McKillop, 2016). Strain on relationships that is caused by financial disputes can make one start to think that if they could earn more, they would then be able to pay up their debt and live better. A negative attitude can develop towards the personal income and cause salary dissatisfaction. Over indebted parents may also experience hardships in their relations with their children (Kamleitner and Kirchler, 2007). Depending on age and the level of maturity some children may not take it well when their needs are sacrificed due to mismanagement of households' finances by their parents.

Since authentic financial institutions would normally not allow a person credit if they are over committed, the next option would be to borrow money from social associations, loan sharks or unauthentic micro financing institutions. The stress that comes with the threats and intimidations from loan shark can adversely affect a person's drive to perform at work (Steinert, Cluver, Meinck, and Vollmer, 2017). The negative emotions can be exacerbated by the rate of interest paid by the individual which moderates the desirable impact made through instalments.

For an otherwise average individual a 10% increase in the level of individual outstanding credit would need a 7% increase in monthly income, or an 18% increase in annual savings, to offset the negative impact on their psychological well-being (Brown, Taylor and Price, 2005: 659). Since financial institutions incur interest when the account holder skips payments, the seemingly best option is to side-line paying the colleague and rather settle the formal obligations. Resorting to borrowing money from colleagues can do more harm than good (Valenze, 2006). Workplace conflicts that would be a deterrent to productivity arise from financial borrowings among colleagues.

Social commitments are financial obligations that are likely to be compromised when a person is over indebted. Churches and schools like any other institution need money to function properly and adequately. A person who is drowning in debt is likely to develop a grudge against such social and spiritual organisations that help them sustain a balanced lifestyle and ultimately maintain the necessary drive to achieve the set performance standards at work (Hoge, 1996). The most common thing for a person to do when feeling the financial burden is to cut oneself from respective support structures and end up becoming more miserable. An employee who is troubled spiritually and emotionally drained cannot yield optimum results at work (Vänni, Neupane and Nygård, 2016: 3). Presumably, debtors who are confident about their ability to cope might be less affected by their perceived financial strain. A strong belief in one's own capacity to cope with debt might buffer the negative effect of perceived financial strain on mental health (Selenko and Batinic, 2011:1726).

2.7.3 Financial Vulnerability

Both people who are over-indebted and dissatisfied with their salaries may engage in gambling with the hope to win and get liberated from the burdensome debt (Skaal, Sinclair, Stein and Myers, 2016: 219, 222). The more a person gambles without luck is the more they are likely to enter into debt and fall prey to scammers. Most scamming is done through email, sms, or calls (Jakobsson and Leddy, 2016). The work emails are of no exception in this regard. An uninformed elderly employee may think that just because the message came through the work email then it is legitimate and authentic (Hsu and Wei, 2017).

According to Jorna (2016:2), many scammers see peoples' financial troubles as an opportunity to rob them of the little that they have. It is easy to fall prey to financial criminals when one is over indebted. Scammers always make an offer that a person with financial constraints cannot resist (Jakobsson, 2017). Some of such scams have left people deeper into debt and negatively affected their relationships with friends and families; leaving them emotionally drained. It is easy to assume that people know how to differentiate scams and reality. However, that is not always the case.

Individuals attach more value when the object or opportunity in question is perceived to be difficult to obtain or limited in supply. The principle of scarcity is that scarce objects or opportunities are valuable (Archer, 2017). For example, in one study, buyers for supermarkets doubled their beef orders when they were told that that particular beef was scarce (Knishinsky, 1982). Furthermore, when the buyers were told that the information itself was scarce, they ordered six times more beef. In some cases, this heuristic is valid because scarce resources can indeed be more valuable (e.g., high quality products sell quickly and become scarce). The retail stores use the scarcity marketing strategy to lure people into impulsive spending. Consumers who are financially vulnerable due to indebtedness and salary dissatisfaction react promptly to statement such as "while stock lasts", "offer valid only for today" and "limited edition" (Turban, Strauss and Lai: 2016). They hope to acquire more and save for more spending, since they already have tight budgets.

Home and car insurances are deemed an important form of security to ensure that on the day of disaster, commodities can be recovered from the insurance (Walker and Garman, 1992). However, the worrying factor is that large excess amounts required forces people to further apply for loans when they do not have reserve funds available for insurance excess. When an individual is not able to save for unforeseen circumstances, they tend to fall for insurance adverts which exacerbates financial the risk of falling into debt when having to borrow excess for a policy claim (Madhavan, Willis, Gomez-Olive and Collinson, 2016). At that point it would seem reasonable for a claimant to get a loan for excess, than to forfeit the insurance claim.

2.8 IMPROVEMENT OF WORK PERFORMANCE

The Wellness Programmes should be designed to meet the needs of the employees through relevance (Deming, 1981). Wellness activities within LG and HS Department should include promotion of financial wellness in line with the 3.2 key policy measure of the Wellness Management Policy of 2013. Contrastingly, the activities of employee wellness management carried out by the Department during the 2016/17 financial year were limited to:

-  Psychosocial support during bereavement of employees;
-  Counselling therapy; and
-  Physical activities programmes.

The employees counselling therapy reported was for issues other than personal financial problems. Currently, there is no system established by the Department of LG and HS to aid employees on improvement of their financial welfare. Channeling the resources and time into physical activities such as sports, leaves no room for financial wellness campaigns and awareness programmes that employees are in dire need of. Every organisation requires value from the employees and this can be sustained through high spirits of personal financial freedom among employees (Archuleta, Dale and Spann, 2013). Below are the suggestive programmes for enhancement and improvement of employees' personal financial management.

2.8.1 Psychological empowerment

It is imperative to consider in the present times that psychological empowerment may alter an employees' source of internal motivation; this feeling may boost one's personal motivation (Yen, 2004). A person's overall wellbeing involves spiritual, physical, emotional, psychological and financial wellness. The departmental EHWP offered at the workplace could consider all these aspects. Psychological empowerment programme propels employees' awareness of their financial habits and decisions (Rebore, 2007).

Motivating employees to go beyond their job role has increasingly attracted scholarly attention (Chiang and Hsieh, 2012: 180). Psychological therapy through the employee health and wellness unit could help employees perceive care and consideration from the employer and affirm responsibility for management of their finances. In work addressing organizational factors, a common theme is that if an organization values service and establishes practices that facilitate and reward excellent service, a "climate for service" is likely to emerge (Schneider, 1990: 393). This influences a culture of optimum work performance.

2.8.2 Financial wellness programmes

One can reward people and offer incentives to perform better, but it does not give them the authority or tools to change systems that lie behind their performance problems. Deming (1981) suggests that data should be used to pin point problems, then give employees tools they can use to analyse these problems, isolate their root causes, develop solutions, and implement the solutions. Deming also points out that organisations can remedy their performance problems most effectively if the employees get involved in crafting the solutions.

The wellness management policy 2013 entails amongst others, the psycho-social dimension of wellness which aims to promote the ability of employees to interact successfully and to live up to the expectations and demands of personal roles; to promote emotional intelligence, self-esteem, optimism, sense of coherence, and resilience of employees. It also aims to promote a set of guiding beliefs, principles or values that help give direction to life; the ability to make sound decisions; and to

promote financial fitness. The 3.2 key policy measure is the management of economic stress through workplace Financial Wellness Programmes. According to Bolton, Bloom and Cohen (2011), debt consolidation and debt counselling programmes are the most common purposed to help debtors regain control over their debts and overall finances. Debt counselling facilities programmes have been vastly recommended for over indebted individuals. Some programmes involve several if not all members of the family (Du Plessis, 2007).

2.8.3 Review of the reward systems

Smit and Bussin (2014: 23) allude to employee loans as one of the popular compensation alternatives utilized by business organisations, to attract employees when other strategies have failed. For instance, advances can be given to employees and with the option to write-off the debt if the respective employee remains with the department for a predetermined period of time, e.g. 3 years. The strategy is intended to curb indebtedness due to over commitment to the financial institutions when they have an alternative at work. Furthermore, they will evade having to pay high interest rates.

According to Theron, Barkhuizen and DuPlessis (2014:10), the results in a South African investigation of academic turnover and maintenance presumed that being dissatisfied about remuneration was distinguished as a core factor that the sample respondents would regard exiting the organisation. The fourth reason interconnected to the first one was leaving for higher income. Paying performance bonuses in any other month but December can help employees make sober decisions about what they would spend those rewards on.

Relative Income and Equity Equation negative effects can be neutralised through job evaluations. In cases whereby employees perceive unfairness in the reward system, job evaluation will lay foundation for proper segregation of duties (Spyridakos, Siskos, Yannacopoulos and Skouris, 2001). Multicriteri. Since the perception of the reward system is misunderstood by the employees, it is the responsibility of the employer to also address the relative issues through informative engagements such as workshops, seminars and campaigns.

2.8.4 Money management style

Employees' financial literacy is of dire importance when aiming for an overall climate for service that will not be daunted by personal financial struggles (Arora, 2015). Satisfied workers are esteemed to be a successful work drive and turn into a critical resource for the institution's viability (AlBattat and Som, 2013: 5). Over-indebtedness and difficulty in meeting payments may impinge on one's sense of moral integrity, wellbeing, and in extreme cases may even lead to economic ruin (Lewin-Epstein and Semyonov, 2016: 2). A sense of personal financial insufficiency demoralises employees. Family budgeting skills, investments and savings information can help the employees to make more conscious financial decision (Farinha, et al., 2010).

2.9 CONCLUSION

This chapter presented the literature on personal debt, salary dissatisfaction and work performance. The most prominent issues were the types and attributes of debt. Disposable income determines the debt level threshold in conjunction with an indebtedness threshold based on an individual's aversion or acceptance to debt. The 5 factors influencing debt which are improved standard of life, limited financial literacy, societal expectations, irresistible credit offers and festive season spending spree were discussed in detail. It is evident that what anti debt people may regard as bad debt, a pro-debt person may consider a good debt. People do not only commit to debt due to luxurious cars, branded clothes, or flashy goods but also investments, financial securities and quality education which have greater value and long term worth. The effects of salary dissatisfaction and personal debt on work performance were looked into along with suggestive improvements. The next chapter scrutinizes the research methods and processes selected for this study.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter describes the research methodology used for data collection, organization, analysis, and presentation. Appropriate research methods, design and techniques are determined for management of the research data, including collection of relevant data for responses to the research questions, as well as interpretation of the analysis to achieve the research objectives. The research methods and design subdivisions helped to motivate for the selected methodology used in this study. Furthermore, shortcomings in the research methodology techniques that may yield bias results are highlighted. A detailed explanation of the research design, population selection criteria, sampling method, data collection method, and data analysis techniques are discussed hereunder.

3.2 RESEARCH DESIGN

A research design is a set of methods and procedures used in gathering and examining measures of the variables (Creswell 2014) i.e. salary dissatisfaction, personal debt and work performance, as specified in the research problem. Descriptive design was used for this study wherein cross-sectional sub-type was found appropriate for the survey as described by Bryman and Bell (2014). It follows from the fact that this research used information available to the respondents at a particular time when they filled-in the questionnaires as demonstrated by Yin (2013). Hence, there was no follow-up on the changing behavioural trends or repetition of the same survey on a different sample/population. The employees' personal debts and salary dissatisfaction were captured relative to their income, work performance and spending habits at that time, with no intention to compare relational intervals. The data collection method, instrument and analysis method chosen are further elaborated under the data collection sub-heading.

3.3 RESEARCH METHOD

Academic researches utilize two research approaches: quantitative and qualitative. The third approach which simply constitutes the combination of both approaches is referred to as the mixed method approach (Venkatesh, Brown and Bala, 2013). Quantitative Research is used to conduct this problem study as a method for constructing numerical information or information that can be restructured into usable insights (Hartas, 2015; Hoy and Adams, 2015). This study applied quantitative method to evaluate the sentiments, attitudes, practices, attributes, and other characterized factors of the sample population of 250 employees. It follows from the fact that, even though quantitative research approach focuses on a sample of the population, results can be generalized to the overall unit of study (Creswell, 2013), which is 583 in this stance. This type of method is usable for large populations such as this (Bryman, Dos Santos, Hirschsohn, Bell, Van Aardt, Du Toit, Wager and Masenge, 2014:66).

The Quantitative approach enables the establishment of the number or percentage on employees' varied views. From this it uses measurable data to formulate facts and uncover patterns in the research (Bernard, 2017). Hence Quantitative approach was used to establish the correlation between the 3 aspects: salary dissatisfaction, personal debt and work performance to achieve the main objective of the study. Quantitative methods are considerably more structured than Qualitative approaches (Creswell, 2014:11). Thus questionnaires were used to collect data from the participants as explained under the data collection method.

3.4 POPULATION

At the time of the study, the department comprised 583 employees excluding senior managers, interns and contracted employees (Annual Report, 2016/17). According to Polit and Hungler (1999), the population criteria must be used to ensure that the research population possess common characteristics relevant in responding to the research questions.

Eligibility criteria of this study population was based on the fact that the respondents were:

- ✚ Employees of the Department of Local Government and Human Settlements (unit of analysis);
- ✚ Appointed on salary levels 1-12 (no contract workers, interns or senior managers); and
- ✚ Qualified to be assessed for credit affordability.

Level 1 to 12 employees are active participants whose work directly determines whether the objectives of the Department are achieved or not, as they are operational in their duties. The employees of the department are mostly males (Annual Report, 2016/17). This can be justified by the posts and appointments of engineers, project managers, town planners and/or quantity surveyors, which fall within industries that are male dominated.

The contract workers and interns within the Department were excluded from the survey on the basis that they do not earn a stable income and are therefore not viable for substantial credit as per the National Credit Act of 2005. Section 3 Chapter 3 of the Act states that, the credit provider must take practicable steps to assess the consumer or joint consumer's discretionary income to determine consumer's financial means and prospects to pay the proposed credit instalments. Interns and contract workers are limited in terms of credit affordability. Senior managers were also excluded as they are the ones responsible for overseeing the work performance of employees. Hence, this study applied purposive sampling as set out to exclude them to avoid conflict of interest. Involving them would imply they are assessed as both the referees and the players with regard to work performance. Purposive sampling (or exclusion) was selected for this study based on Tongco's (2007) explanation.

3.5 SAMPLING

According to Bryman and Bell (2014), the aim of sampling under the quantitative research is to use a sample that will qualify the research results into generalization towards the overall population. This study used the non-probability sampling (convenience sampling) which has no element of a known probability of being included in the sample (Kothari, 2004). This is because it could not be confirmed that each

category or element of the population would be represented in the population sample on the following presumptions;

- ✚ The geographical location of the Department is spread across five (5) areas in Mafikeng;
- ✚ Field workers, including project managers, inspectors and municipality administrators are mostly out of office as they have to travel throughout the Province. Although the questionnaires were sent through emails, follow-up on the quota sampling would have been limiting and costly when trying to reach respondents on their cellphones or in their offices.

Creswell (2014) states that the unit of analysis ought to be symbolic of the whole population and nevertheless manageable. Obtaining data from the population of 583 employees, for analysis and interpretation was not feasible due to limited resources and time constraints which were available when conducting the research. This led to choosing 250 respondents as a sample size for this study. The selected number was based on affirmation that the study population qualifies for a minimum of $n = 170$ sample size at the confidence level of 90% and the acceptable margin of error (5%) (Krejcie and Morgan, 1970; Polit and Hungler, 1999; Tongco, 2007). Issuing 250 questionnaires ensured that the respondents would be no less than the acceptable sample size, with an allowance that at most 65 questionnaires might not be returned.

3.6 DATA COLLECTION

Research and other forms of investigations across the globe adopt various instruments for data collection. These tools include questionnaires, interviews, observations and secondary information (Barlett, Kotrlik and Higgins, 2001). The reason behind the use of the mentioned methods is to evade subjectivity and biasness (Creswell, 2013). Hence, this study used questionnaires as a primary method of data collection. A questionnaire survey was appropriate since the individual's financial status is a sensitive issue. Follow up was done to ensure the attainment of an adequate number of sampling for analysis and conclusion of the study. The respondents remained anonymous to ensure that their right to privacy was not compromised and there was no invasion of their personal lives.

Particularly the questionnaire was selected and designed as the data collection instrument with two main objectives in mind as stated by Leung (2001):

- ✚ First it was to heighten the chances of the subjects answering and returning the questionnaire i.e. maximum response rate; and
- ✚ Second, to obtain information that is accurate and relevant for this survey.

Some of the advantages considered when choosing questionnaires as the data collection instruments as set out by Kothari (2004) are as follows:

- ✚ There was low cost even though the population was widely spread geographically (5 office areas);
- ✚ Respondents had adequate time to give well thought out answers; and
- ✚ Respondents, who were not easily approachable, could also be reached conveniently.

According to Creswell (2014), research instruments of data collection should be pretested on a small sample to eliminate complexity. A small survey of 20 people was used to pilot the designed research. It was found that some of the questions could not be easily understood by people with no expertise in finances and some of the content was irrelevant to the study questions and objectives. Modifications were done as deemed necessary by the pretesting.

Annexure - A attached is the illustration of the final research questionnaire developed by the researcher.

The questionnaire comprised of 6 sections:

Section A: Demographic information

Section B: Perception of debt

Section C: Factors influencing debt

Section D: The relationship between salary dissatisfaction and personal debt

Section E: The effect of salary dissatisfaction and personal debt on work performance

Section F: Ways that will improve employees' perception about their debt and salaries

The Likert scale was used for the research questions. Respondents were requested to select the most appropriate of the five groupings from Strongly Disagree (1) to Strongly Agree (5) for particular statement which applied to them (Creswell, 2013). Some of the strategies applied in the design of questionnaires to heighten participation were that adequate space was provided for filling in questionnaires; and the physical appearance was enhanced by highlighting statement of questions in colour (Kothari, 2004).

There were no hindrances identifiable that would deter access to the population of the Department of LG and HS. The questionnaires and the informed consent forms were sent to prospective participants, through email. Although some of the respondents sent back the questionnaires via email, others were hand collected by the researcher in 2 weeks' time. This was after efforts were made to encourage and attain optimum response. Phone calls were made to confirm that the population received the questionnaires. Also upon delay to return the questionnaires, telephonic and office visit follow ups were done with the aim to achieve the number acceptable in accordance with Bryman and Bell (2014). The intention was to grant the respondents enough time to fill-in the survey form and furthermore hinder time wastage by returning to gather the survey instruments. When going for office visits to collect the questionnaires, print outs were taken along for the convenience of participants. This amply added to the questionnaires received through e-mails.

The consent form attached assured the prospective participants of the confidentiality in handling of the information they would submit when returning the questionnaires, as recommended by Hoy and Adams (2015). Hence, respondents were not required to disclose their names or identity in line with the certainty of confidentiality statement provided. A total of 173 responses was received and used to assess the results and findings.

3.6.1 Consistency and reliability

The research questions were in a structured format relevant for quantitative method of study (Creswell, 2014). This ensured clarity of content in a way that the respondents could understand, as well as validity in terms of linkage to the literature review. Continued regard for the purpose of the study was followed to eliminate opinions and

biasness in interpretations of the research findings. The questions were pilot tested for reliability, replication and validity on 20 employees and amendments were done based on assessment outcome. Half of the pilot respondents had a finance background and the rest were experts in various fields other than finance. This combination was intended to validate understanding of questionnaires by both a finance and a non-finance person. Also the Cronbach's alpha (α) reliability coefficient was used to measure internal consistency as detailed in the next chapter.

3.6.2 Ethical consideration

According to Bryman and Bell (2014:130), Universalism regards bridging of the ethical principles as morally wrong and damaging to reputable social research and management research. Application for ethical clearance form was filled and submitted by the researcher for approval, hence a clearance certificate is attached as Annexure C of this research document. The participants were requested to participate voluntarily and information was acquired with their consent as included in the consent form attached to the questionnaire.

None of the participants was a minor as the research area of study is based on the work environment. Furthermore, the respondents had reasonable time to consider their decision to participate in the study. The decision made by those who did not wish to participate was respected. The racial declaration was eliminated, considering that the Department has less than 25 employees who are not blacks (Annual Report, 2016/17), whose response could easily be traced back to them. Physical examination was irrelevant to the study, hence none was undertaken. The researcher did not influence the responses of participants and compilation of findings was based on the research results.

3.7 DATA ANALYSIS

Data were collected, processed and analysed using the statistical instrument of SPSS 24 packages. This instrument ensured that the questionnaire data were translated into meaningful information. Analysis of data was done through computation of statistical measures along with a search for patterns of relationships that exist among data-

groups. The process of analysis was subjected to statistical tests of significance to determine relationships or differences supporting or conflicting with the literature review.

The multivariate analysis was applied given the three variables considered. Salary dissatisfaction and personal debt as the independent variables of the research, meanwhile work performance is the dependent variable. Coding was necessary for efficient analysis and through it several replies were reduced to a small number of classes containing the critical information required for analysis (Bryman and Bell, 2014). Technically speaking, processing implies editing, coding, classification and tabulation of collected data so that they are amenable to analysis (Venkatesh, Brown and Bala, 2013). Tables and graphs were used to present the statistical analysis ranging from the simple statistics of frequency tables and pie charts to the more complex and expertise oriented such as Spearman's rank correlation and the ANOVA Test. Bryman et al., (2014: 322), explain Spearman's correlation coefficient (r) as the technique for determining the two interval or ratio variables strength of the linear relationship.

3.8 CONCLUSION

In conclusion of Chapter 3, it is important to highlight the research design selected for this study, along with population and sample description justification. A purposive sampling technique was used to ensure that the research was conducted using an appropriate group. The questionnaire was designed and distributed as the instrument of data collection. Reliability (or internal consistency) of the questionnaire was tested using the Cronbach's alpha coefficients. Ethical consideration of the principle of Universalism and justification of the techniques were all discussed in detail. Various statistical techniques were used to transform data into comprehensible information for derivative conclusions and recommendations. The following chapter details analysis of the research results and the statistical techniques used. In simple terms, chapter 4 sets out to organise data in a manner that responds to the research questions.

CHAPTER 4

RESULTS

4.1 INTRODUCTION

This chapter covers the statistical analysis of the responses received from the population sample. Apart from the demographics, the questions asked were split into 5 categories:

- ✚ Category 1 was intended to assess the knowledge and understanding of debt among employees;
- ✚ Category 2 determines the factors that the respondents perceive as a causal of debt;
- ✚ Category 3 investigates the relationship between salary dissatisfaction and personal debt;
- ✚ Category 4 determines the effect of salary dissatisfaction and personal debt on work performance; and
- ✚ Category 5 is intended to come up with ways that will improve the employees' perception of salaries and debt to impact on work performance.

As noted in the previous chapter, the overall population size was 583. The questionnaires were distributed to 250 employees and 173 questionnaires were received and captured for analysis as this figure is representative of the population. The questionnaires were distributed to a large number of sample size considering that people are generally reluctant to disclose their perceptions on debt and salaries, in view that it is a private matter.

The statistical instrument of SPSS 24 packages was used to capture the questionnaires and translate the data into a comprehensible information. Tables and graphs are used to present the statistical analysis ranging from the simple statistics of frequency tables, pie charts to the more complex and expertise oriented such as Spearman's rank correlation and the ANOVA Test.

4.2 DEMOGRAPHICS

Demographic variables of participants was part of the questionnaire with aim to determine its relation to their personal financial management behavior. The demographic data stipulated below include gender, age, marital status, number of dependents, job appointment level, years of job experience, housing tenure, the level of educational qualification attained, and gross salary per annum.

Gender

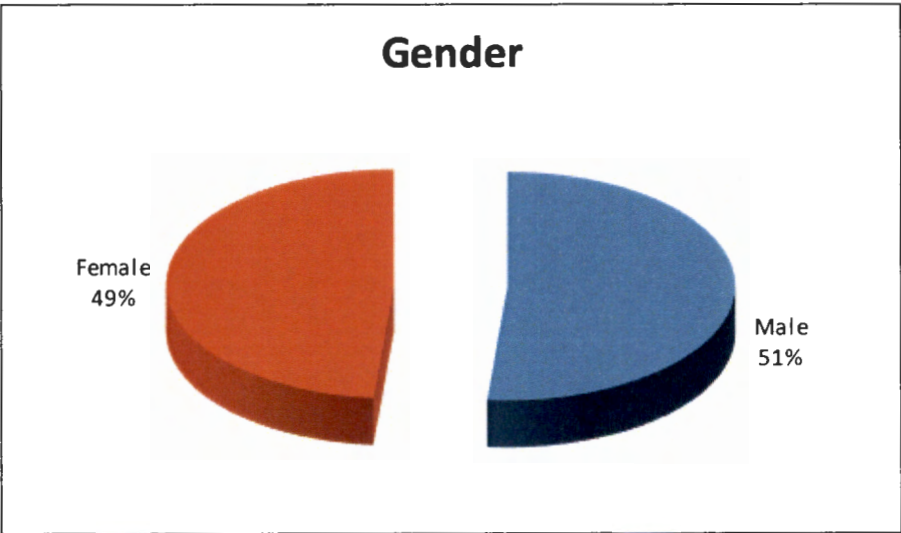
Participants were asked to tick the most appropriate box with regard to their gender. The data was distinguished as either male or female and the following results were captured:

Table 4.1: Gender

Gender	Frequency	%
Male	89	51.4
Female	84	48.6
Total	173	100

Graphical representation of gender results is indicated below with 49% women and 51% males confirmed.

Figure 4.1: Gender



The Department of Local Government and Human Settlement has an overall population of 314 males and 269 females, including senior managers, interns and contract employees (Annual Report, 2016/17). More males are appointed on the basis of the nature of the Departmental services which require expertise of engineering, town planning, and architect and disaster management. The results of 51.4 percent males and 48.6 females is therefore a corresponding representative of the population. Notably, the difference between male and female frequency is not significant, which proves the study to be balanced in proportion of the population.

The following table and graph below present the population division by age group ranging from 18 to 25 years and 56 and above.

Age

Participants were asked to select the most appropriate box in relation to their age category and the 173 received questionnaires were ticked as tabulated below:

Table 4.2: Age category

Age category	Frequency	%
18 - 25yrs	2	1.2
26 - 35yrs	40	23.1
36 - 45yrs	79	45.7
46 - 55yrs	38	22
56yrs and above	14	8.1
Total	173	100

Figure 4.2: Age category

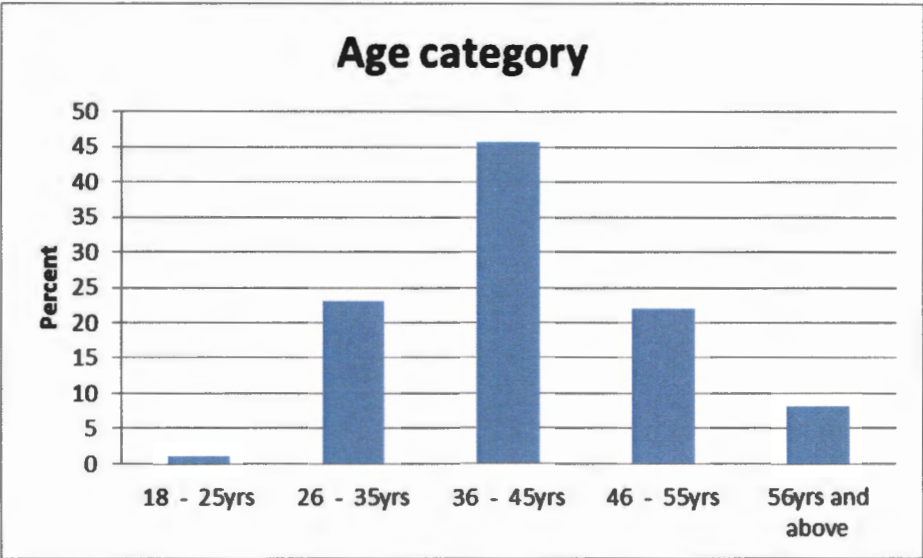


Table 4.2 analyzed in conjunction with figure 4.2 represents the responses per age category. Employees aged between 18 and 25 years recorded the least response rate of 1.2%, meanwhile those between 36 and 45 years is at a peak at 45.7%. Other responses were received from employees aged 26 to 35 years (23.1%); 46 to 45 years (22%); as well as 56 years and above (8%).

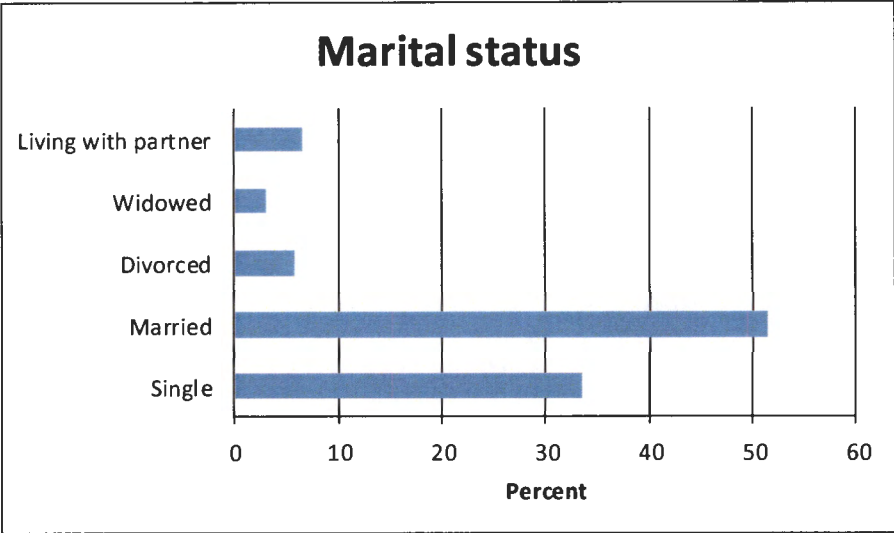
Marital Status

The respondents were asked to indicate their marital status by ticking the most appropriate. Most of the participants confirmed to be married at the time of the survey. The responses received are indicated on Table 4.3 and Figure 4.3 below.

Table 4.3: Marital status

Marital status	Frequency	%
Single	58	33.5
Married	89	51.4
Divorced	10	5.8
Widowed	5	2.9
Living with partner	11	6.4
Total	173	100

Figure 4.3: Marital status



From the literature review it was indicated that the spending patterns of individuals could be influenced by their marital status. Table 4.3 and figure 4.3 are indicative that a large proportion of the respondents registered as married at 51.4%. The remaining categories are represented as single (33.5%), divorced (5.8%), widowed (2.9%) and living with a partner (6.4%). People whose parents accepted debt and made it their way of life are likely to follow suit (Tokunaga, 1993).

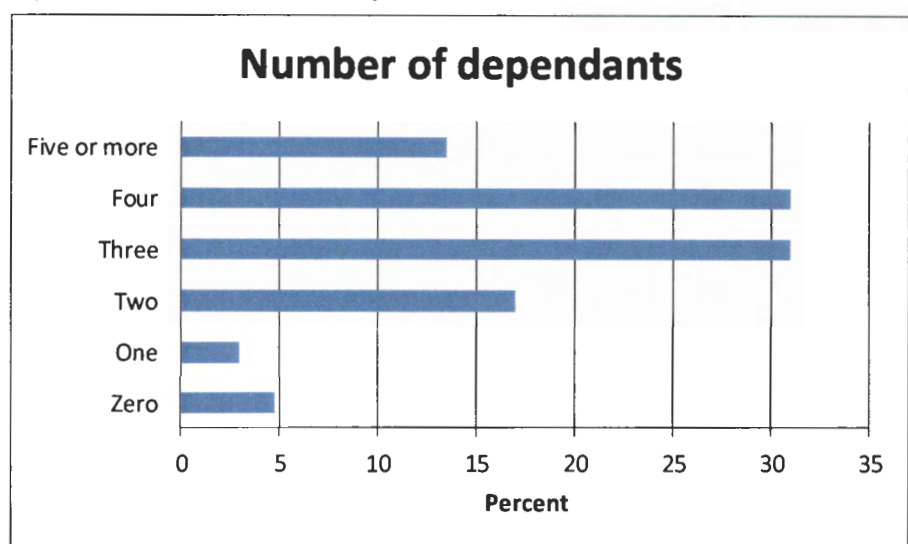
Number of dependants

Table 4.4 and figure 4.4 represents the number of dependants as per data received from 171 respondents. Out of 173 participants 2 did not indicate the number of people who rely on them financially.

Table 4.4: Number of dependants

Number of dependants	Frequency	%
Zero	8	4.7
One	5	2.9
Two	29	17
Three	53	31
Four	53	31
Five or more	23	13.5
Total	171	100

Figure 4.4: Number of dependants



The number of dependants is relevant to the study as the number determines the extent to which the salary is spread across for provision to the loved ones. Nil number of dependants was recorded by a diminutive 4.7% of the population. Other statistics include 2.9% having 1 dependant; 17% for 2 dependants; 31% for 3 dependants and another 31% for 4 dependants. Respondents who were responsible for 5 or more dependants at the time of filling the questionnaire registered 13.5%. In cases whereby the dependants include children at immaturity level, they can influence their parents' household indebtedness due to comparing themselves to other families and yielding easily to credit offers (Kamleitner and Kirchler, 2007).

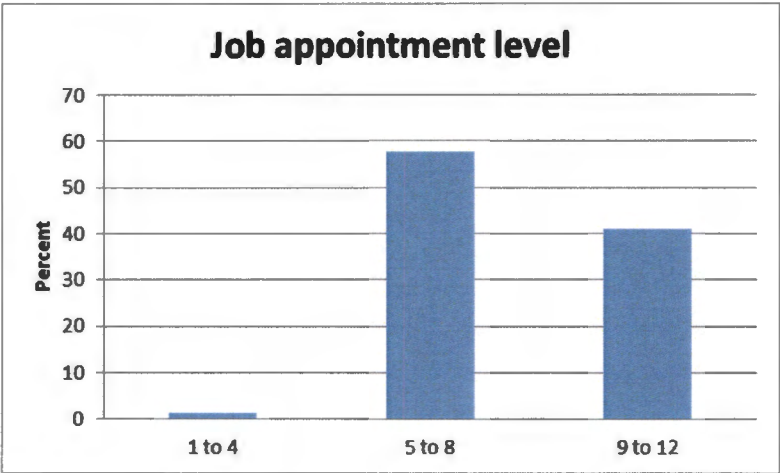
Job appointment level

The respondents were appointed at different salary levels at the time of the research. Table 4.5 and figure 4.5 below represents the results selected by the respondents.

Table 4.5: Job appointment level

Job appointment level	Frequency	%
1 - 4	2	1.2
5 - 8	100	57.8
9 - 12	71	41.0
Total	173	100

Figure 4.5: Job appointment level



Respondents appointed at salary levels between 5 and 12 make up an enormous 98.8%. Job appointment levels 1 to 4 made up a minimal 1.2% of the response rate meanwhile the salary level 5 to 8 recorded the highest percentage at 57.8%. The middle managers who are at salary levels 9 to 12 make up a response rate of 41%.

Job experience (in years)

The job experience categories were presented from less than 6 years to more than 30 years and the results are shown on Table 4.6 and Figure 4.6.

Table 4.6: Job experience (in years)

Job experience (in years)	Frequency	%
Less than 6yrs	11	6.4
6 - 10yrs	65	37.6
11 - 15yrs	34	19.7
16 - 20yrs	17	9.8
21 - 30yrs	36	20.8
More than 30yrs	10	5.7
Total	173	100

Figure 4.6: Job experience (in years)

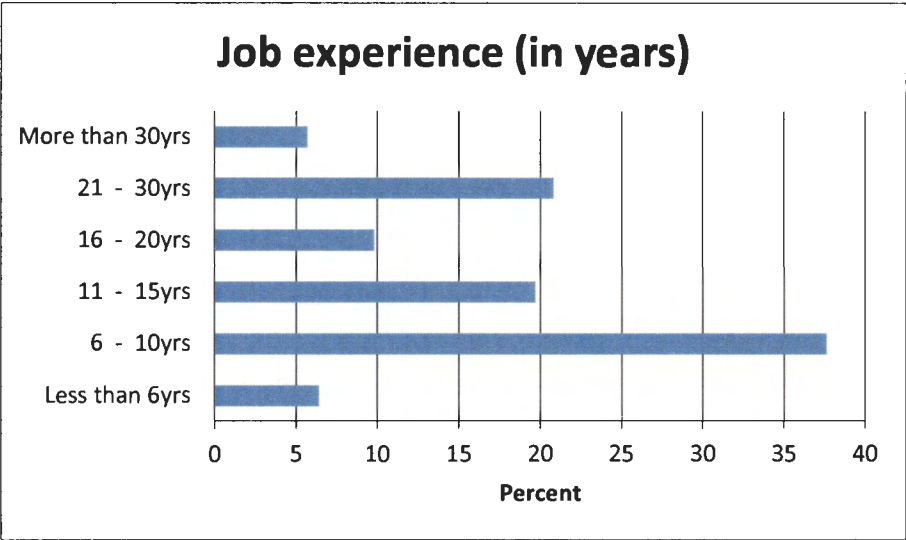


Table 4.6 indicates that eleven of the respondents have work experience less than 6 years (6.4%); sixty five (37.6%) have 6 to 10 years of experience; thirty four (19.7%) have 11 to 15 years; seventeen (9.8%) have 16 to 20 years and the least number of 10 (5.7%) is registered for those who have been working for more than 30 years. The graphical presentation of the same information is shown in Figure 4.6. Since more than 93.6% of the respondents have work experience above 6 years, their spending habit is likely to be adopted from their work environment, hence commonalities can be expected among the employees of the department of LG and HS (Lea, Webley and Levine, 1993:88). Further testing of this belief has been done through Spearman's Rank Correlation.

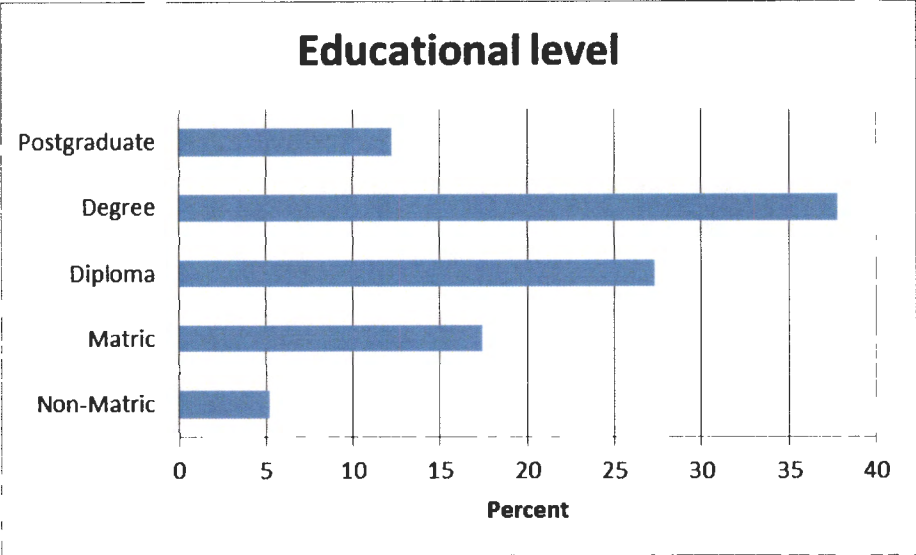
Highest level of education attained

Researchers have a contrasting view on whether the level of education or literacy has direct effect on personal financial habits. Table 4.7 and figure 4.7 below represents responses from participants in relation to their academic achievements.

Table 4.7: Highest educational qualification attained

Educational level	Frequency	%
Non-Matric	9	5.2
Matric	30	17.4
Diploma	47	27.3
Degree	65	37.8
Postgraduate	21	12.2
Total	173	100

Figure 4.7: Highest educational qualification attained



Of the overall response, 77.8% hold a higher education or tertiary education qualification as indicated in Table 4.7. Further breakdown of Table 4.7 and Figure 4.7 represents qualification at a diploma level (27.3%), degree level (37.8%) and postgraduate (12.2%). Only 22.6% of non-matric and matric holding individuals responded to the questionnaires under review.

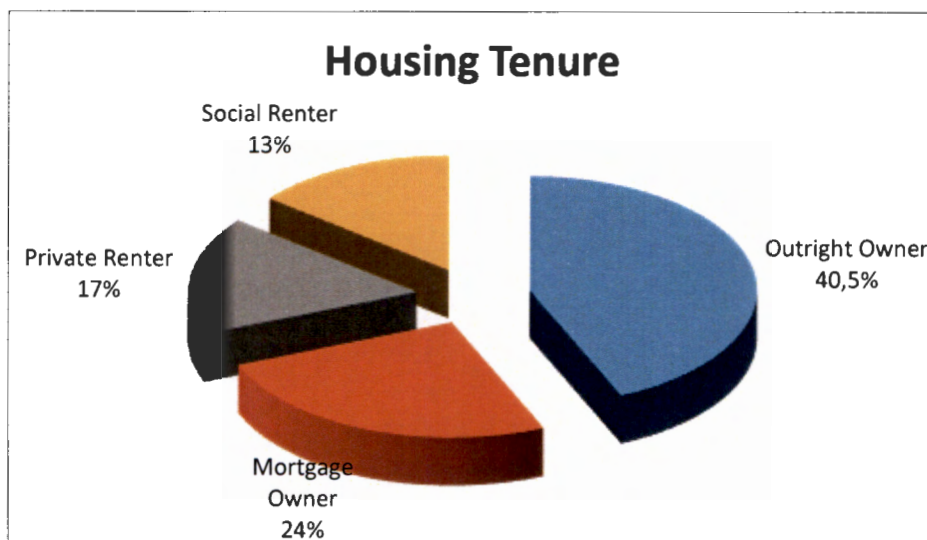
Housing Tenure

Mortgage bond is generally a long term financial commitment. The older a person is, the higher the risk of not being able to settle their mortgage within their period of employment, considering that the retirement age would be much closer. Below is the presentation of the data received from 173 respondents.

Table 4.8: Housing Tenure

Housing Tenure	Frequency	%
Outright Owner	70	40.5
Mortgage Owner	41	23.7
Private Renter	27	16.6
Social Renter	23	13.3
Other	12	6.9
Total	173	100

Figure 4.8: Housing Tenure



As shown in Table 4.8, seventy of the respondents (40.5%) are outright owners, while forty one (23.7%) of the respondents are mortgage owners. Private renters at twenty seven (16.8%) and social renters at twenty three (14.3%) evidence a close to similar number. Only 12 (6.9%) of the respondents who selected other narrated that they are staying at their parents' home. The pie-chart shown in Figure 4.8 indicates the same information in a graphic presentation.

A high percentage of outright owners 43.5% as opposed to a mortgage ownership of 26% puts the overall population in a better position, liberated from long term financial commitment and a substantial fiscal burden (Lewin-Epstein and Semyonov, 2016: 3). Contrastingly, the results in Table 4.13 to 4.16 show that most of the respondents are negatively affected by debt despite not having the mortgage bond debt. Furthermore, the social and private renters may seemingly be evading the mortgage now, but would be under immense pressure later on when having to build or buy homes at old age.

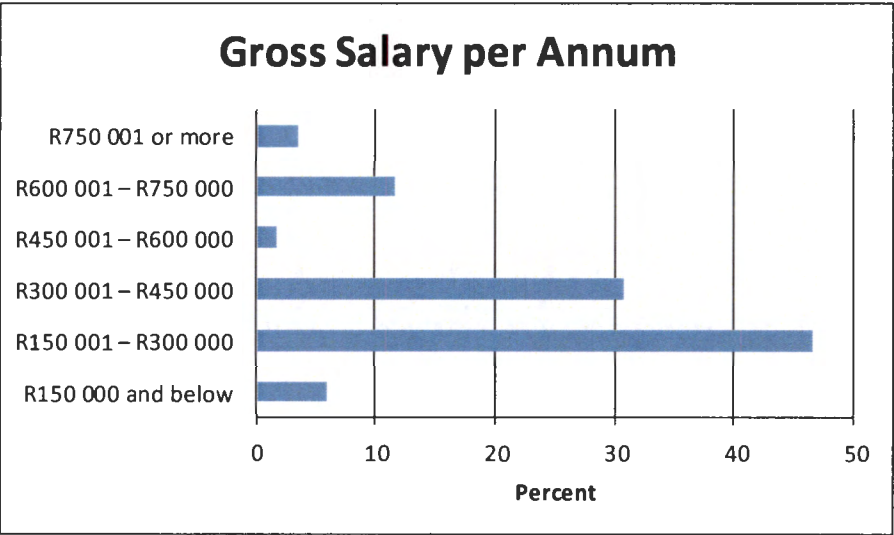
Gross Salary per Annum

Table 4.9 and figure 4.9 below indicate the categorized gross salaries of the respondents.

Table 4.9: Gross Salary per Annum

Annual Gross Salary	Frequency	%
R150 000 and below	10	5.8
R150 001 – R300 000	80	46.5
R300 001 – R450 000	53	30.8
R450 001 – R600 000	3	1.7
R600 001 – R750 000	20	11.6
R750 001 or more	6	3.5
Total	172	100

Figure 4.9: Gross Salary per Annum



There were ten (5.8%) respondents who earn R150 000 and below; eighty (46.5%) earn between R150 001 and R300 000; fifty three (30.8%) earn between R300 001 and R450 000. The least number of employees i.e. three (1.7%) earn between R450 001 and R600 000 while twenty (11.6%) were recorded at a gross income of R600 0001 to R750 000 and six (3.5%) at R750 001 or more. Figure 4.9 also shows the same results on a bar graph. Middle income earner respondents account for 77.3% of the gross salary per annum categories. The results that show a burden of debt will be in agreement with the view of Jappelli, Pagano and Maggio (2013: 27) who state that there is a high rate of indebtedness among the growing African middle class, referred to as the black diamonds.

4.3 RESEARCH RESULTS

SECTION B

Table 4.10: The difference between good debt and bad debt

Response	Frequency	%
Yes	88	51.5
No	42	24.5
Not sure	41	24
Total	171	100

In line with Table 4.10, eighty eight respondents making up 51.5 percent of the overall population sample have affirmed to possessing knowledge and understanding to differentiate between good debt and bad debt. It is therefore expected that the results will show that at least 52% of the respondents are able to manage their debt well. Moreover, such respondents are not expected to be affected by financial anxiety and salary dissatisfaction as a result of over indebtedness. The remaining proportion is recorded by forty two (24.5%) respondents who do not have the knowledge and forty one (24%) who are unsure about the adequacy or actuality of having such knowledge. Lack of or inadequate knowledge of good debt and bad debt prohibits sound financial decision-making and makes it difficult to differentiate between good debt and bad debt (Huston, 2012: 567 and Lewin-Epstein and Semyonov, 2016: 3). Only two respondents did not select any of the given options.

Table 4.7 of demographics show that 39 (22.6%) respondents have not studied beyond matric. This figure is comparative to the 24% who have no idea of the difference between bad debt and good debt as Huston (2012: 567) argues that the level of education can determine the effectiveness of personal financial management.

Table 4.11: Perception of good debt and bad debt

Type of debt	Good (%)	Bad (%)
Vacation loan	41.3	58.7
Car financing	48.5	51.5
Home loan	73.5	26.5
Personal loan	9.9	90.1
Pay day loan	24.6	75.4
Educational loan	68.6	31.4
Credit card	9.9	90.1
Groceries credit	22.1	77.9
Business capital debt	70.9	29.1
Medical service debt	44.2	55.8
Clothing credit	12.2	87.8
Furniture debt	18.1	81.9
Wedding/Lobola debt	41.9	58.1
Investment property debt	78.9	21.9
AVERAGE RESPONSE (%)	40.3%	59.7%

On average, 59.7% of the response regards the debt items as bad contrast to the 40.3% who selected the option attributed to good debt. Even so, nine out of fourteen items given are bad debt according to the literature, which make up 64.3% of the overall sample *n*. This implies that some of the respondents who admitted to possessing the knowledge of differentiating between good debt and bad debt could not draw a line between the two aspects. Bad debts such as clothing credit, furniture credit, and wedding/lobola debt have been selected as good debt by 87.7%, 81.9% and 58.1% of the respondents, respectively.

Failure to express a claimed knowledge creates a red flag. This simply implies that even the respondents who affirmed positively lack self-awareness in financial matters. They are not able to relate how they grew up to the financial choices they make. (Robb, et al., 2012: 291; Lea et al.,1993; and Tokunaga,1993).

Table 4.12: The views of employees regarding debt

View	Frequency	%
I am anti-debt	82	47.7
Pro-debt	32	18.6
Not sure	58	33.7
Total	172	100

Table 4.12 above indicates that eighty two (47.7%) respondents regard themselves debt averse. This makes up the highest number of responses per category of selectable options. Pro-debt is accounted for by thirty two (18.6%) respondents and fifty eight (33.7%) are not sure of their view towards debt. The uncertainty makes it impractical for the latter to make conscious decisions with regard to their financial activities. If one does not know their financial power and will they are as good as ready to enter into financial troubles.

Table 4.13: Deviation from monthly budgets

Deviation	Frequency	%
None	16	9.4
R1 – R500	31	18.1
R501 – R1000	37	21.6
R1001 – R1500	44	25.7
R1501 – R2000	27	15.8
R2001 – R2500	10	5.8
R2501+	6	3.5
Total	171	100

Table 4.13 shows that respondents who are averse to overspending on monthly budgets are sixteen in total, which translates to 9.4%. Thirty one (18.1%) respondents affirmed to occasional deviation from the budget by R1 to R500; thirty seven (21.6%) by R501 to R1 000; forty four (25.7%) by R1 001 to R1 500; twenty seven (15.8%) by R1 501 to R2 000; ten (5.8%) by R2 001 to R2 500 and lastly 6 (3.5%) by R2 501 and more. Evidently, the highest number of respondents at 44 (25.1%), are willing to deviate from their budgets by a range between R1 001 and R1 500, which is the median of the selectable options.

Since only 9.4% of the respondents would evade exceeding budgets, it shows that even those who claim to be anti-debt maintain an element of not minding to be indebted. Lack of links between the responses imply that the anti-debt may even be associated to inappropriate reference groups who would influence them to enter into unnecessary debt by easily adopting their financial habits (Newcomb, 1943).

The following tables indicate the spread of respondents' participation in each question under sections C, D and E of the questionnaire. The 3 sections adopted the interval data as the scale of measurement, which ranges from strongly disagree to strongly

agree. The former is a presentation of extreme negative while the latter represents extreme positive. The results on the respective tables are presented in percentages and each set of intervals for a particular item totals 100% except for instances whereby the respondents omitted selection.

SECTION C

Table 4.14: Factors contributing towards indebtedness

Statement	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)
Indebtedness is due to:					
1. Anticipation of higher income in the future	5.3	12.3	9.4	45.6	27.6
2. Expensive education	7.5	8.7	25.4	36.4	22
3. For investment that seems favorable or a promotion that requires a person to be in possession of certain assets	5.2	16.2	30.1	35.8	12.7
4. Increase in the price of debt/household commodities/ consumables	5.2	12.7	23.1	37.6	21.4
5. Interest rates that are likely to decrease or remain the same	6.9	8.7	20.8	45.7	17.9
6. Not planning for unforeseen situations such as illness, income reduction, and retrenchment, etc.	4.7	7.6	24.4	45.3	18
7. Lack of financial literacy or professional advice	4.7	11.1	21.1	39.8	23.4
8. Not saving for once off events e.g school fees, wedding, death, funerals, school fees, etc.	4.8	10.8	27.7	32.5	24.1
9. Over commitment to various policies and insurance obligations	2.3	17.3	27.7	27.2	25.5
10. Not involving the family when budgeting	2.3	13.5	17.5	37.4	29.2
11. Financial frameworks and figures are complex	3.5	9.2	20.8	43.9	22.5
12. Ignoring professional financial advice	2.3	9.8	39.3	29.5	19.1
13. Living up to societal expectations	2.3	14.5	18.5	40.5	24.3
14. The influence of demographics such as age, gender, ethnic group and /or marital status	4.6	8.7	26.6	36.4	23.7
15. Comparing oneself to associates	4.6	6.9	16.2	35.3	37
16. To boost and maintain status	4	12.1	12.7	41	30.1
17. The influence of family background or values	1.8	14.9	26.2	38.1	19.1
18. Debt is acceptable in our society	1.2	15	32.3	22.2	29.3
19. Inability to resist credit offers	1.2	8.7	12.8	32	45.4
20. The use of micro loans/ credit card to cover for monthly overspending	2.3	9.3	8.1	34.3	45.9
21. Excessive interests that financial Institutions charge on credit	2.3	11.6	11	32.9	42.2
22. Not considering the interest rates when buying on credit	0.6	11	20.8	41.6	26
23. Buying without consideration of the budget	1.2	8.7	26.6	39.3	24.3
24. Inability to ignore sales and discount offers	1.8	9.4	15.8	43.3	29.8
25. They do not budget for performance bonus and other once off income	4	15.8	23.1	28.2	28.9
26. Skipping installments to spend more on other things	4	28.6	37.3	12.7	17.3
27. Difficulty to differentiate between needs and wants	2.9	13.3	22	36.4	25.4
28. Not setting a budget limit	1.2	8.7	15.6	52.6	22
29. Overspending on travelling, gifts, clothing, takeaways or social gatherings	0.6	7	9.3	64	19.2
30. Allowing the family to spend as they wish during festive seasons	1.7	8.1	16.8	25.7	27.7

Most of the employees are affected by all 5 factors of personal debt. However, it was established that they are not financially vulnerable to scams and blacklisting. The neutral selections on factors influencing debt were around 20%. This shows a

substantial number of individuals who are unaware about their perception on debt and what influences them to enter into debt. Such ignorance or indecisiveness poses a risk to find oneself in debt that could have been avoided if reasonable attention had been considered. Given that 77.3% of the respondents have gone through the post matric education and 93.6% of the respondents have more than 6 years in work experience, the neutrals would have been expected to be at a lower rate. Notwithstanding, 63.2% of respondents hold a perception that education is key for a healthy personal financial management.

Improved standard of life

Table 4.14 (number 1 to 6) shows the perception between personal debt and an increase in the standard of life household income. When anticipating income increment 73.2% of the respondents get into debt in order to commensurate their lifestyle to their new income level. Individuals differ in their perception of improved standard of life and tend to opt for private health, private schools at each chance to earn higher income (Meltzer, Bebbington, Brugha, Farrell and Jenkins, 2012: 33).

This also corresponds to Table 4.16 which indicates that 56.2% of the respondents are positive that an increase in salaries augments their credit viability, making it harder to resist debt. The same table also shows that 53.5% of the respondents worry about children's school financial demands whereas 47.6% earn a gross income above R300 000 per annum (Table 4.9). High income leads to expensive education as admitted by 58.4% of the respondents.

Inflation as a factor influencing debt registered 59% mostly on the agree option. The increase in prices of goods diminishes the number of commodities that can be acquired through households' disposable income. Once a person is used to improved lifestyle, occurrence of income fluctuations will lead to further borrowing with the aim to smoothen the transitory (Jappelli, Pagano and Maggio, 2013: 27). Agreeably, instead of decreasing spending during economic downturn the respondents use debt to maintain their lifestyle habits (Aron and Muellbauer, 2013: 168).

According to James (2012: 20), in agreement with Aron and Muellbauer (2013: 168), people would enter into debt to find capital for an investment that seems favourable. However, only 48.5% respondents agree to this and a considerable number (30.1%) accounted for neutral and 21.4% would not take the risk at all. The pro investment number of respondents is below 50%. The respondents have expressed an inadequate financial literacy and lack of interest in savings and investments (Robb, Babiarz and Woodyard, 2012: 291). Limited savings and investments imply not planning for unforeseen circumstances as positively accounted for by respondents (63.3%), meanwhile a substantial 24.4% selected neutral. Only 12.3% of the respondents are sure to avoid debt by planning for illnesses, economic downturn, income reduction, etc.

Limited financial literacy

Limited financial literacy causes debt for 63.2% of respondents. Decisions to save for once off events and planning ahead is beyond reach for 56.6% of the respondents. According to Disney and Gathergood (2013: 2), respondents involved in profitable financial activities such as stock market, investments and retirement savings possess more financial literacy than those participating in the credit market. Furthermore, the respondents are positive that over commitment on policies and insurance obligations (52.7%) leads to financial pressure that they remedy through debt. This is of no exception to the respondents who are educated and those who earn high income. Guérin, Morvant-Roux and Villarreal (2013:23) state that financial literacy is complex and cannot easily be comprehended by a lame man. This is evidenced by 66.4% of the respondents who say they enter into debt as a results of difficulty to comprehend the complexity of financial literacy. Involving the family when budgeting, becomes difficult when a clear direction cannot be established. The results show that lack of financial literacy is the cause of debt despite opposition by James (2012: 20) who only attributes over-indebtedness to past injustices.

Expectations from the society

Living up to societal expectations is regarded as a factor influencing commitment to debt by 64.8% of the respondents. Most of the respondents indicated that borrowing for lobola/wedding is a good debt. Life-course events such as weddings and funerals used to be basic but have evolved to be exorbitant of late (James, 2012: 20). More so,

comparing oneself to others (72.3%) leads to higher living costs as the respondents strive to acquire the expected possessions attached to their salaries (Shi and Handfield, 2012). Only 5.8% of the respondents qualify for free housing and free medical aid provided for government employees. These are the employees who earn R150 000 or less. The rest are expected to buy or build their homes from their salary. Hence only 40.5% of the respondents are outright owners, leaving the rest in need of debt to attain residential property. Most resolve to rentals and staying at their parents homes (Figure 4.8).

The research results indicate that 75.8% of the respondents are at the maturity level i.e. above 36 years of age. The results are in agreement with the research literature which suggests that younger people are less likely to fall into bankruptcy or over indebtedness. Table 4.14 indicates that 60.1% of the respondents affirm to entering into debt due to demographic factors such as age, marital status, gender and ethnic group (Shepard, 1984: 13, 20). Tables 4.19 to 4.21 of the cross tabulation below, show that more women agree or strongly agree to the influence of debt factors than men. These factors include: People get indebted due to lack of financial literacy or professional advice; people get indebted due to boosting and maintaining status; and people get indebted due to the use of micro loans/credit card to cover for monthly overspending.

The findings oppose the study of Joo (1998:126) which indicated that age showed a positive relationship with savings and a negative relationship with the monthly instalment payments. The older respondents do not have more savings as 56.5% of the respondents indicated that they would have to borrow for insurance access if something was to happen and that emergency spending contributes to their indebtedness.

Irresistible Credit Offers

The respondents agree to the use of credit cards to purchase irresistible offers. The more the credit options are made available the more the employees agree to its use (Lewin-Epstein and Semyonov, 2016: 3). Since interest rates cannot be evaded when

making use of credit, the respondents also affirm that they do not consider them when they want to buy something that they find worth the credit.

Festive season spending spree

The respondents spend more during the festive seasons but would not skip the monthly commitments (Dietler and Hayden, 2001: 3). This includes those offered by the financial institutions and the stores. Performance bonuses and once off income, socially regarded as ghost money is agreed to be a cause for indebtedness (57.1%) when not budgeted for. These tend to increase the spending appetite and before one knows it they have tapped into the regular budgets, causing overspending and deviation from the original intent. Deeply indebted consumers are incredibly vulnerable to any price increases and the escalation in the cost of borrowed money is going to have a very real impact on them when the Reserve Bank escalates the repo rate (Roets, 2015).

SECTION D

Hereunder is Table 4.15 which aims to determine whether there is a reciprocal relationship between salary dissatisfaction and personal debt. Questions asked under salary dissatisfaction were intended to assess whether the respondents perceived salary dissatisfaction as a consequence to over-indebtedness and/or vice versa.

Table 4.15: The relationship between salary dissatisfaction and personal debt

Statement	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)
I am not satisfied with my salary because:					
1. I use credit to compensate for my limited income	5.3	2.3	14.6	41.5	36.3
2. It is hard to prioritize between needs and wants	8.2	4.1	17	46.8	24
3. I feel I deserve more than my salary can afford	11.6	14.5	16.2	34.7	23.1
4. I borrow from friends and family to make it to the next pay day	19.2	23.3	18.6	23.8	15.1
5. I borrow from colleagues and micro loans to make it to the next pay day	17.3	24.9	18.5	23.1	16.2
6. I struggle to pay back money I owe to my institutions and social associates	11.6	26.2	17.4	24.4	20.3
I am in debt because my salary:					
7. Is not enough for me to save for unforeseen circumstances	8.1	8.1	27.3	32	24.4
8. Increases credit offers I cannot resist	2.9	9.9	31	39.8	16.4
9. Is insufficient to provide for my family needs	4.7	12.8	33.7	33.1	15.7
10. Is not enough to maintain my social status	11.1	21.1	35.1	22.8	9.9
11. Is not market related	14.5	28.5	26.7	19.2	11
12. Not enough to return money borrowed from associates within the agreed time frame	8.5	26.7	24.2	20	20.6

According Table 4.15, 77.8% of the respondents admitted to being dissatisfied with their salaries because they needed to borrow in order to compensate for limited income. Difficulty in differentiating between needs and wants is confirmed positive by 70.8% of the respondent, meanwhile 57.8% indicated that their salaries were not enough to provide for what they believed they deserved. Even so, only 38.9% would borrow for social relations such as family and friends, as opposed to the 42.5% who gave negative response and 18.6% who selected neutral.

Only 39.3% would borrow from colleagues and microloans to make it to the next pay. The rest covered 42.2% negative and 18.5% neutral. On the other hand, 44.7% experience some struggle in managing payments of debt, be it socially and professionally. All this leads to salary dissatisfaction as the respondents blame their indebtedness on their level of income with the assumption that if it was more they would not need to borrow much. Agreeable to this statement are the results that show 56.4% of the respondents entered into debt with the perception that their income is not enough for them to save for unforeseen circumstances. Respondents who found it difficult to resist credit offers are captured at 56.2%. This is more than the percentage of female respondents reported to be at 48.6%. The implication derived is that respondents who cannot delay gratification include both men and women.

Insufficiency of salaries to meet the respondents' family needs is also confirmed by 48.8% as well as 39.2 who say that their income is not market related. Employees who believe that they could earn better for their level of expertise if they could get appointment at other institutions are likely to leave the Department for greener pastures. Indebtedness due to the struggle to pay debt is affirmed by 40.6% of the respondents.

SECTION E

Table 4.16 below indicates the effects of salary dissatisfaction on work performance, as well as the effects of personal debt on the same. The aim is to check whether the two variables, salary dissatisfaction and personal debt have the related and comparatively weighted effects on work performance. The first set of questions

analyzed whether the respondents considered their contentment with regard to the compensation levels, and then aligned it to their work contribution inputs. The second set of questions gave light as to whether respondents who were indebted were affected emotionally, psychologically and spiritually, leading to lack of content or fulfillment and ultimately salary dissatisfaction and underperformance at work.

Table 4.16: The effects of salary dissatisfaction and personal debt

Statement	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)
SALARY DISSATISFACTION EFFECTS					
When I perform my tasks at work:					
1. I consider my salary scale	3.2	6.4	11.5	33.8	45.2
2. I consider my expertise market salary	2.3	5.8	7.6	33.3	50.9
3. I consider my colleagues' salary levels/notches	1.2	7.6	7.1	34.1	50
4. I consider my supervisor/ senior official's salary when performing job tasks	3.5	7.6	9.9	32	47.1
5. I consider my colleagues' workload in relation to their salaries	3.5	9.2	13.3	28.9	45.1
6. My efforts at work are more than my income	7	17	20.5	20.5	35.1
7. I am fairly rewarded for my outstanding performance	5.2	28.9	27.7	17.3	20.8
8. I am financially inspired to meet my job goals	9.2	27.2	27.7	15.6	20.2
9. I apply for jobs outside my organization hoping to get better compensation	5.8	22.5	21.4	21.4	28.9
PERSONAL DEBT EFFECTS					
10. I get anxious when I think of my finances	5.8	21.4	20.2	34.7	17.9
11. I get distracted by calls from creditors	7.6	12.8	14.5	43.6	21.5
12. I get bothered by the interest that I pay on debt	5.2	12.8	15.1	43.6	23.3
13. Debt affects my family relations	6.4	14.5	20.3	37.8	20.9
14. My social relations are negatively affected by debt when I struggle to pay them	5.8	11	31.4	31.4	20.3
15. I worry about unforeseen funds required at child(ren)'s schools	11.6	11.6	23.3	32	21.5
16. It bothers me when I struggle to pay debt	11.6	15.7	16.3	33.1	23.3
17. I do not feel like going to work when I know I may meet someone I owe	16.4	18.7	21.6	34.5	8.8
18. I do not go to spiritual gathering when I know I may meet someone I owe money	22.5	17.8	26	30.2	3.6
19. I get bothered when my spiritual home requires money	15.2	22.2	21.1	35.7	5.8
20. I have received judgment or have been blacklisted	39.9	18.7	21.1	13.3	7
21. I consider doing other businesses to get extra income	27.1	17.1	23.5	22.4	10
22. I have been scammed while trying to get extra income	32.9	10.6	17.6	21.8	17.1
23. If something was to happen I will borrow money to pay for insurance access	21.2	10.6	11.8	32.4	24.1

The respondents align their contribution of inputs to their compensation level and that of others to attain satisfaction and a sense of fairness (Card, et al., 2012: 2983). The relative income is factual for the respondents, given that they consider the salaries of their professional peers within their field of expertise (84.2%); various salary levels of colleagues (84.4%); as well as their supervisor's salary level (79.1%). Lee and Lin

(2014) statement is hence proven by a large number of respondents who admit to comparing their efforts to the compensation rewards. This is their way of determining how much they should give in to their work performance for the attainment of justice in compensation levels (Woods and West, 2015:134).

Despite a high rate of comparison among colleagues of the LG and HS, 38.1% of the respondents are happy with the outstanding performance rewards they receive through the PMDS. In contrast to that 34.1% felt that they are not fairly rewarded for going an extra mile, whereas 27.7% say that they have neutral feeling towards the matter. The latter statistics show that employees do not perceive the total reward system as fairly diversified in an efficient manner. This proves to be opposing the aim of the reward system as explained by Schlechter, Thompson and Bussin (2015: 278). Only 35.8% of the respondents feel financially inspired to meet their work goals. It leaves the rest at a verge of performing averagely while on the lookout for greener pastures.

The low rate of employee morale in relation to financial wellbeing poses a threat to talent retention within the Department. Employees are not financially motivated to meet their job goals. Different views expressed by the respondents on the rewards system prove that employee attraction (financially) is influenced by life circumstances, personal development and interests as well as environmental changes (Amundson, 2007: 10). The respondents are not satisfied with their salaries because they have to use credit to compensate for limited income (77.8%). They feel they deserve what their salary can afford. Such dissatisfaction persists regardless of affirmation to struggles to pay debt at a desired rate (44.7%).

Presenteeism is affirmed by 43.3% of the respondents as opposed to 35.1% who say they are not affected by debt owed to colleagues. These are the employees who would not work to their best potential and whose health may be affected by debt and other misfortunes relating to work demands (Vänni, Neupane and Nygård, 2016: 3). Presenteeism might even be more costly than absenteeism (de Vries, Reneman, Groothoff, Geertzen and Brouwer, 2013: 2). Both anxiety and its treatment impact negatively on employees causing considerable work hindrance. Debt causes anxiety for 52.6% of the respondents. They become distracted by credit calls and family issues

related to finances. The resulting illnesses such as headache, stroke, back pain and chest pain cause absenteeism, depression and underachievement of work goals, both in terms of quality and quantity (Jepson and Forrest, 2006: 184). Even so, 27.2% of the respondents disagree that they are affected by financial stress and 20.2% can manage it (Guthrie, 2006: 8).

SECTION F

Table 4.17: Ways to improve perceptions

Statement	Work performance		
	Increase (%)	No change (%)	Decrease (%)
1. Psychological Empowerment Motivation	54.2	16.7	29.1
2. Being in control of my financial habits	88	10.8	1.2
3. Disregard of societal expectations	81.1	17.5	1.4
4. Debt counselling program at work	75	18.5	6.5
5. Debt consolidation programmes at work	80.2	18	1.8
6. Review of the overall reward system	77.4	19	3.6
7. If I could get a higher salary without increasing debt	81.7	15.9	2.4
8. Employee Financial Wellness Program	72	20.8	7.2
9. Lessons/ workshops on personal financial management	79.6	16.8	3.6
10. Paying more than my installments requires	88.5	10.0	0.9

The majority of respondents have affirmed that the factors that would affect their management of debt and perception of salary satisfaction to improve work performance would help. Those who say their work performance would increase with the use of the stated programmes accounted for high percentages that range between 54.2% and 88.5%. The Programmes will remedy the psychological, social, relative income and equity equation effects that impact negatively on work performance (Spyridakos et al., 2001). Through workshops, counselling programs, and financial wellness programs employees can be guided to making sound financial decisions, as they regain control over the factors that influence indebtedness.

SECTION G: Reliability Analysis

Reliability (or internal consistency) of the survey instrument containing Likert-type scales and items was measured through the Cronbach’s alpha (α) reliability coefficient. The respective statistical technique indicates good internal consistency of the items in

the scale on a range between 0 and 1, wherein a high rate affirms to a good internal consistency.

Table 4.18: Reliability Analysis

Dimension	Cronbach's Alpha (α)	N of Items
Section C	0.758	30
Section D	0.731	12
Section E	0.697	23

Table 4.18 above illustrates the Cronbach's alpha coefficients which suggests that most objects in the scale of measurement have good internal consistency, given that all the coefficients are close to 1.

Section H: Chi - square Test of Independence

The Chi-Square Test of Independence used hereunder aimed to discover the relationship between gender and other category items applicable to the population under study.

Table 4.19: Cross-tabulation of views of respondents about lack of financial literacy

Cross-tabulation of views of respondents about lack of financial literacy or professional advice by gender

	People get indebted due to lack of financial literacy of or professional advice					
Gender	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Male	5	12	18	41	12	88
Female	3	7	18	27	28	83
Total	8	19	36	68	40	171
	p-value = 0.027 chi-square statistic = 10.961 degrees of freedom = 4					

Table 4.19 above was calculated using the SPSS 24 software and performed through the Chi-square test of independence. Frequencies observed, p-value and the chi-square statistics at 4 degrees of freedom are presented as seen on Table 4.19. There was a significant relationship established between the two items since the probability value (p-value) is less than 0.05 level of significance, at 0.027. The results indicate that more women are influenced by debt factors than men (Zhu and Meeks, 1994: 406).

This is despite the confirmation by Table 4.1 that the study population comprise more males than females.

It implies that the most ($55/108 = 51\%$) of the respondents who agree and strongly agree with the item listed in Table 4.19 are females, whereas the majority ($17/27 = 63\%$) of the respondents who disagree and strongly disagree are males. See Figure 4.10 below. The views that the survey participants have on financial literacy or professional advice as a factor influencing debt are significantly reliant on their gender.

Figure 4.10: Cross-tabulation of views of respondents about lack of financial literacy

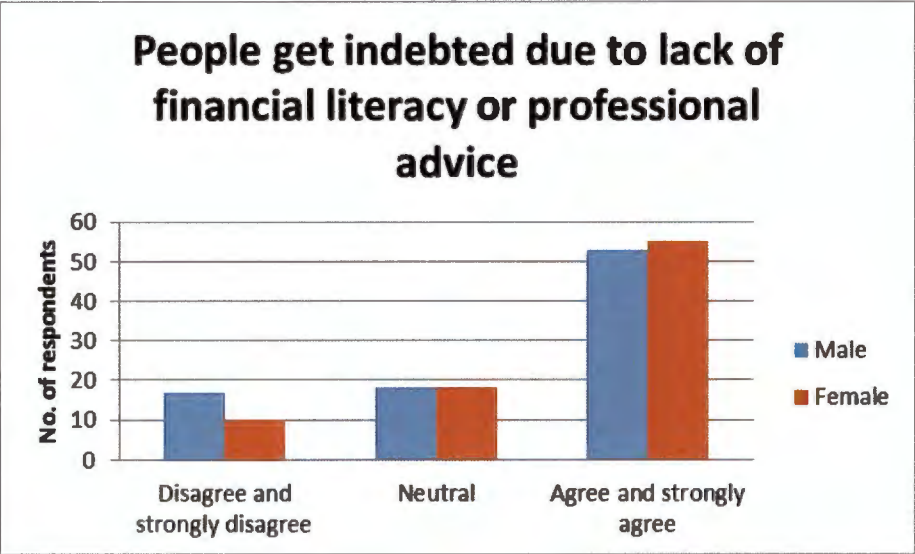


Table 4.20: Cross-tabulation of views of respondents about debt incurred due to status

Cross-tabulation of views of respondents about debt incurred due to boosting and maintaining status by gender

	People get indebted due to boosting and maintaining status					
Gender	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Male	6	13	9	42	19	89
Female	1	8	13	29	33	84
Total	7	21	22	71	52	173
	p-value = 0.021 chi-square statistic = 11.504 degrees of freedom = 4					

Table 4.20 above was calculated using the SPSS 24 software and performed through the Chi-square test of independence. Frequencies observed, p-value and the chi-square statistics at 4 degrees of freedom are presented as seen on Table 4.20. There was a significant relationship established between the two items since the probability value (p-value) is less than 0.05 level of significance, at 0.021. The results indicate that more women are influenced by debt factors than men (Zhu and Meeks, 1994: 406). This is despite the confirmation by Table 4.1 that the study population comprise more males than females.

It implies that the most ($62/123 = 50.4\%$) of the respondents who agree and strongly agree with the item listed in Table 4.20 are females, whereas the majority ($19/28 = 67.8\%$) of the respondents who disagree and strongly disagree are males. Note Figure 4.11 below. The views that the survey participants have on boosting and maintaining status or professional advice as a factor influencing debt are significantly reliant on their gender. More women agree that they are influenced by status to enter into debt.

Figure 4.11: Cross-tabulation of views of respondents about debt incurred due to status

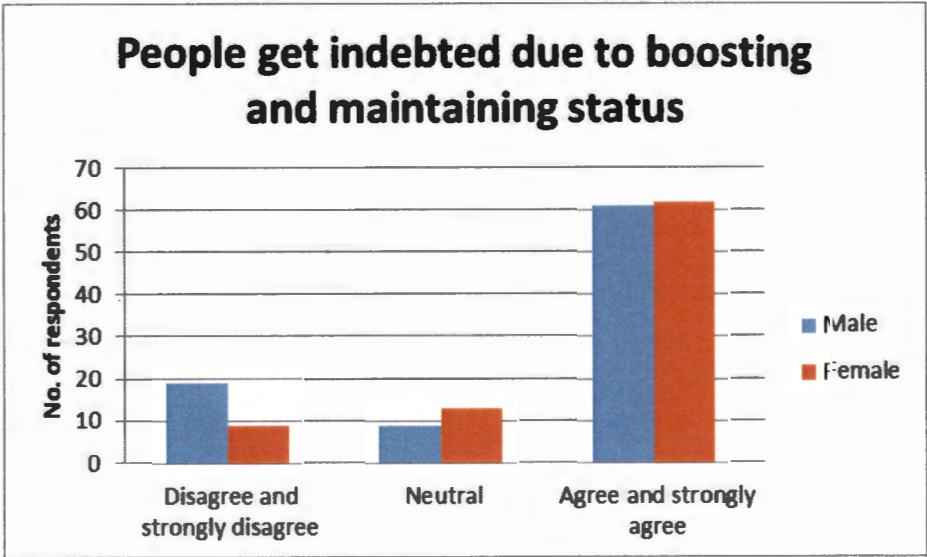


Table 4.21: Cross-tabulation of views of respondents about the use of micro loans

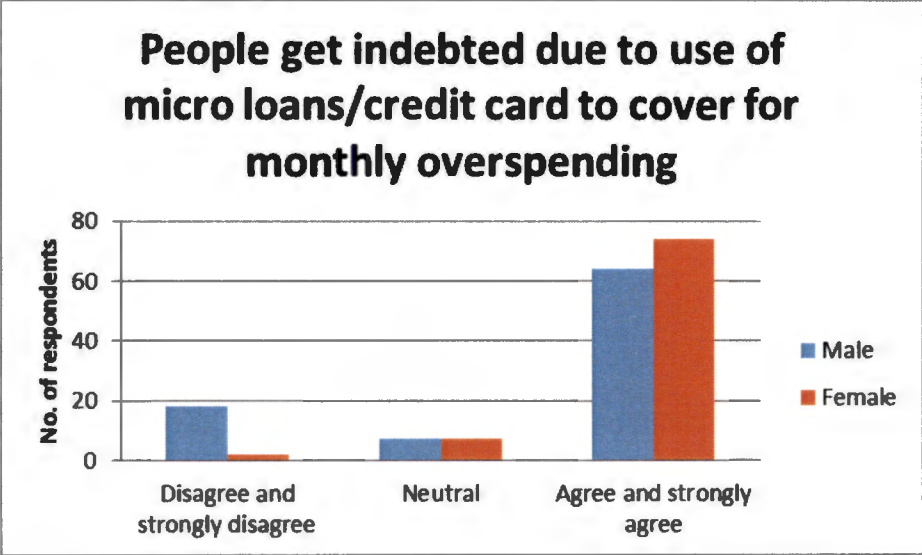
Cross-tabulation of views of respondents about the use of micro loans/credit card to cover for monthly overspending by gender

	People get indebted due to the use of micro loans/credit card to cover for monthly overspending					
Gender	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Male	4	14	7	25	39	89
Female	0	2	7	34	40	83
Total	4	16	14	59	79	172
	p-value = 0.007 chi-square statistic = 14.194 degrees of freedom = 4					

Table 4.21 above was calculated using the SPSS 24 software and performed through the Chi-square test of independence. Observed frequencies, p-value and the chi-square statistics with 4 degrees of freedom are presented in Table 4.20. There was a significant relationship established between the two items since the probability value (p-value) is less than 0.05 level of significance, at 0.007. The results indicate that a higher proportion of women are influenced by debt factors than men (Zhu and Meeks, 1994: 406).

It implies that the most ($62/123 = 50.4\%$) of the respondents who agree and strongly agree with the item listed in Table 4.20 are females, whereas the majority ($19/28 = 67.8\%$) of the respondents who disagree and strongly disagree are males. Note Figure 4.12 below. The views that the survey participants have on the use of credit card to cover for monthly overspending are significantly reliant on their gender. More women agree that they make use of credit cards and micro loans to cover for household deficits.

Figure 4.12: Cross-tabulation of views of respondents about the use of micro loans



Section I: Correlation Analysis

Spearman’s rank rho test

The Spearman’s Correlation Coefficient tests the relationship between the ranked variable x and variable y. If the level of significance as presented by the p-value is less than 0.05, then the relationship is statistically significant.

The coefficient of Spearman’s rank correlation is presented by:

$$r = 1 - \frac{6 \sum D^2}{N(N^2 - 1)}$$

wherein

- D = differences of ranks of corresponding values of X and Y
- N = number of paired values in the data
- 1 ≤ r ≤ 1

Table 4.22: Spearman’s rank correlation between age and views of respondents about the effects

A presentation of Spearman’s rank correlation between age and views of respondents about salary dissatisfaction and personal debt effects is shown below:

Items	Correlation Coefficient (r)	p-value	N
When I perform my tasks at work, I consider my salary scale.	-0.225	0.005	157
When I perform my tasks at work, I consider my expertise market salary.	-0.152	0.047	171
When I perform my tasks at work, I consider my colleagues’ salary levels/notches.	-0.158	0.040	170
My social relations are negatively affected by debt when I struggle to pay them.	0.216	0.004	172

Table 4.22 shows the correlation analysis performed using the SPSS 24 software package. As all the p-values are below 0.05 level of significance, then the correlation between age and the views of the respondents about the objects relating to their work performance listed under Table 4.22 is significant. Three items show negative correlation coefficients which means that older respondents incline to disagree with the respective objects, whereas younger respondents incline to agree. The older respondents do not compare their work inputs outcome against their salary scales, the market salary scales, and/or the salary levels of their colleagues.

Figure 4.13 (a): Views of respondents versus age

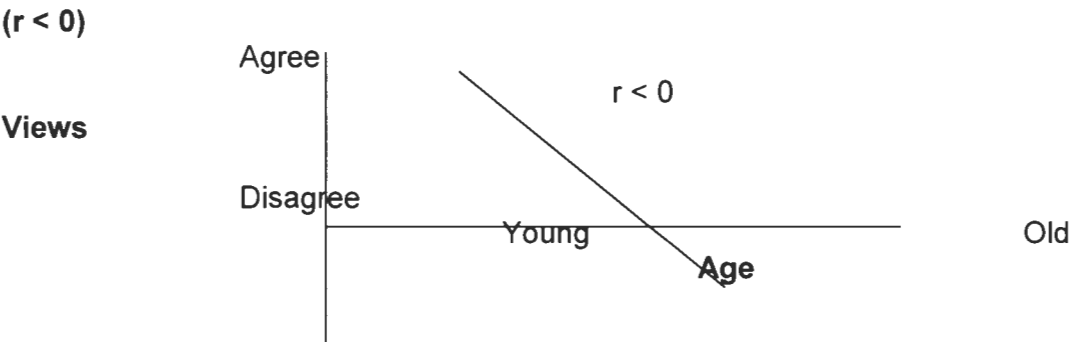


Figure 4.13 (a) above indicates that the older respondents tend to disagree that they consider their salary scale, colleagues salary scales and/or expert market related income when performing their work tasks. According to Joo (1998:126), age showed a positive relationship with savings and a negative relationship with the monthly

instalment payments. The older respondents had more savings and fewer monthly loan instalments. This makes older people not to be too concerned about the spending but rather focus on having enough at a time when they retire. They have already achieved the basics at a younger age and are able to reduce their debt levels.

Positive correlation coefficients imply that older respondents tend to agree with the listed items, whereas younger respondents tend to disagree. See Figure 4.13 (b) below to display this correlation diagrammatically. The older employees in the Department do not match their efforts with their income or the income of their colleagues. They possess diminutive competitive and comparative and only focusing on their own income and performance. Moreover, the older respondents are concerned about relationships that can be affected by failure to repay debt. This is shown by the positive relationship graph in Figure 4.13 (b) below. The graph is denoted for most respondents who affirm that not being able to settle debt owed to families and friends affects their social relations.

Figure 4.13 (b): Age versus Views of respondents

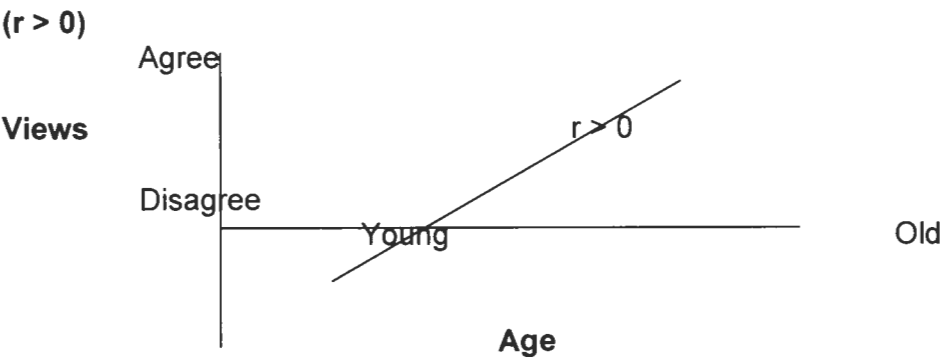


Table 4.23: Spearman’s rank correlation between job experience and views of respondents

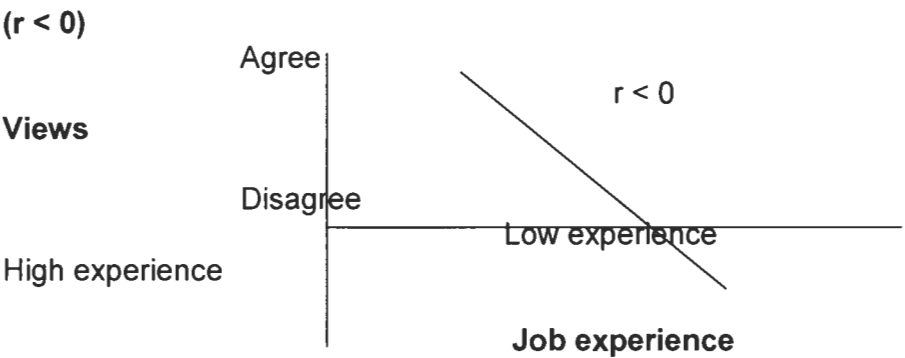
Spearman’s rank correlation between job experience and views of respondents about factors contributing to their debts is presented below:

Items	Correlation	p-	N
Financial frameworks and figures are complex	0.177	0.020	173
Ignoring professional financial advice	0.184	0.015	173
Living up to societal expectations	0.177	0.020	173
The use of micro loans/credit card to cover for	-0.178	0.019	172
Skippping instalments to spend more on other	0.220	0.004	173

Table 4.23 above shows the correlation analysis performed using the SPSS 24 software package. As all the p-values are less than 0.05 level of significance, then the correlation between job experience and the factors influencing debt are listed under Table 4.23 is significant. Four items show Positive correlation coefficients which imply that respondents with more work experience tend to agree with the listed items, whereas less experienced respondents tend to disagree that these factors influence them to enter into debt.

Most of the experienced respondents agree that financial frameworks and figures are complex and yet the choice to ignore them gets them indebted. They also agree that living up to societal expectations and skipping instalment makes the debt burden heavier. See diagram 4.14 (a) below.

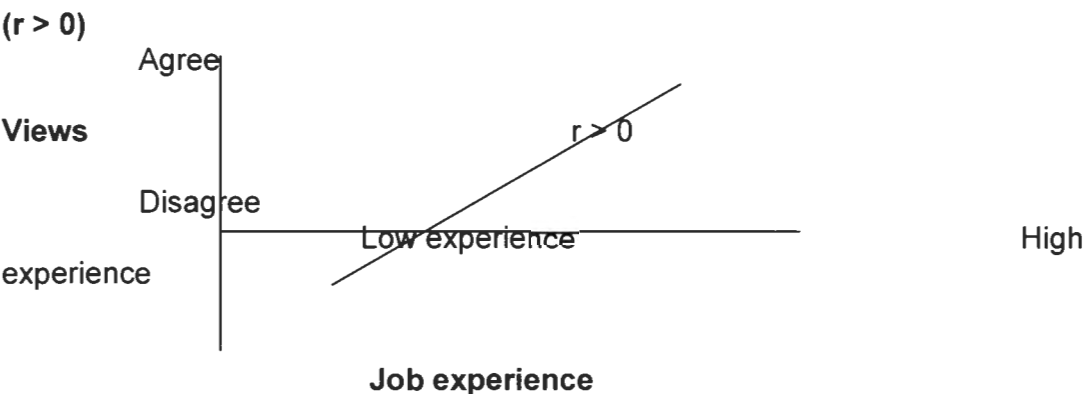
Figure 4.14 (a): Views of respondents versus job experience



When the correlation coefficients is positive it means that respondents who are more experienced respondents are inclined to agree with the itemised objects, meanwhile respondents with less experience disagree. Most of the more experienced respondents agree that indebtedness comes as a result of the complexity of financial frameworks and figures are complex. This is in agreement with Guérin, Morvant-Roux and Villarreal (2013:23) who state that financial principles require proper learning to develop some form of expertise before they can be utilised to make an informed decision.

See Figure 4.14 (b) below to display this correlation diagrammatically.

Figure 4.14 (b): Views of respondents versus job experience



On the other hand, the less experienced respondents disagree to all other statements mentioned in Table 4.23 and agree that they use credit cards and micro loans to cover for overspending. More experienced respondents do not agree to the use of micro loans and credit cards to cover for monthly overspending. In the latter years the microfinance industry expanded services comprising of savings, insurance and credit institutions and is mostly attractive to the younger generation with less job experience (Daniels, 2004: 831). Indebtedness is a modern philosophy that came with discovery of opportunities.

Section J: Analysis of Variance (ANOVA) Test

ANOVA test was used to compare the average responses of population groups in terms of housing tenure. Random selection of samples from the population was used with assumption that the populations' responses are equal and normally distributed. Significance of statistics is confirmed when the p-value is lower than the 0.05 level of significance, in which case it is said that the population opinions differ significantly.

Table 4.24: Using the ANOVA test to compare the views against housing tenure

A presentation is shown below using the ANOVA test to compare the views of outright, mortgaged, private and social renters about the items that contribute to the participants' debts. The housing tenure is regarded as a factor, meanwhile the dependent variables are items contributing to respondents debts.

Item	p-value
Anticipation of higher income in the future	0.013
Financial frameworks and figures are complex	0.005
Ignoring professional financial advice	0.043
The use of micro loans /credit card to cover for monthly overspending	0.003
Not considering the interest rates when buying on credit	0.010
Buying without consideration of the budget	0.030

Table 4.24 above was calculated using the SPSS 24 software package and performed through the ANOVA test. There was a significant relationship established between the housing tenure and the given items as the probability value (p-value) is lower than 0.05 level of significance. The population means are significantly different in relation to the respondents in these four categories (outright, mortgaged, private and social renters). Implying that the respondents in the respective four categories do not equally agree on the objects as seen in Table 4.24. Priority of needs and wants of the respondents differ due to their varied achievements with regard to housing tenure. Those who are still paying the mortgage have entered into a long term financial commitment and those who are renting seemingly have the liberty to spend as they wish (Lewin-Epstein and Semyonov, 2016: 3).

4.4 CONCLUSION

The SPSS 24 software package was used to capture 173 respondents' questionnaires for analysis. The results were presented using graphs and tables. The Cronbach's alpha coefficients was used to test Reliability (or internal consistency) of the questionnaire. The results suggested that most objects in the scale of measurement have good internal consistency. The Chi-square Test of Independence, Spearman's rank correlation and the ANOVA Test were used to analyse the relationship between variables of salary dissatisfaction and personal debt against gender, age, and job experience. Most of the respondents were males, hence a factor of gender has been emphasised in the analysis. Housing tenure was also considered for analysis against the factors influencing debt. Most of the respondents regard themselves as anti-debt, although they occasionally find it acceptable to overspend on monthly budget. The next chapter gives a summary of findings and closes with the recommendations and conclusion based on the results analysis.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 INTRODUCTION

Chapter 5 concludes information discussed throughout the study. It links between literature review, data results and the analysis to derive recommendations and limitations of the study. The research report aimed to investigate the impact that salary dissatisfaction and personal debt has on work performance in the department of LG and HS. Assessment of the relationship between the 3 aspects was also articulated. In this chapter a research focus area is discussed in summary. Thereafter the methodology and the summary of findings are discussed to reach recommendations and conclusions. The findings are based on the statistical results presented in the previous chapter.

5.2 SALARY DISSATISFACTION AND PERSONAL DEBT

The South African political transition awarded many people the opportunity to work in the public sector. Such opportunities also imply responsibility in managing finances to acquire an advanced standard of life, one that is without burdensome debt obligations. The employees of the Department of LG and HS are faced with the financial challenges that are influenced by various factors. These factors and their relation to work performance and productivity were investigated through this study. Credit accessibility is one of the items that the respondent found implicating salary dissatisfaction.

Personal debts contribute as a primary or secondary factor towards work performance. First by triggering salary dissatisfaction that hinders productivity, or secondly, as a disturbance in the psyche of the employee. Thereby, precluding them from a composure which is essential for optimum delivery of work tasks and responsibilities. It is also discovered that salary dissatisfaction causes personal debt, as consumers try to meet unlimited needs with limited income. People who do not have financial background, find it hard to understand and adopt financial management principles due to their complex nature (Guérin et al., 2013: 23). Negligence of its knowledge and comprehension can affect many areas in an individual's various aspects of life. Work

performance is one of such areas and the organisation at which the employee is appointed will suffer inefficiency and ineffectiveness in its operations and production.

5.3 RESEARCH DESIGN AND METHODOLOGY

The use of quantitative research approach was found appropriate to the research study given the population size of 583. Of the sample of 250 subjects only 173 responded to the survey. The questionnaires were utilised as the data collection instrument, and they were piloted before finalising the design. The Cronbach's alpha coefficients was used to test Reliability or internal consistency of the questionnaire. Spearman's correlation test results show that salary dissatisfaction affects younger employees the most. The Chi-Square Test of Independence was used to determine the relationship between gender and other factors that influence personal debt, which are financial illiteracy, societal expectations and irresistible credit offers. Purposive sampling was used to exclude the departmental management and the contract workers from the survey on the basis of the roles resumed and credit capability, respectively. The SPSS Tool was used for statistical analysis and the summary of findings is stated hereunder:

5.4 SUMMARY OF FINDINGS

The following summary of findings is based on the data analysis denoted in chapter 4.

5.4.1 Objective 1

In response to objective 1, majority of respondents affirm that they understand the difference between good debt and bad debt. However, a high percentage of respondents regard furniture, wedding and clothing credit as good debt, although financial experts refer to them as bad debt. The results concur with Guérin, Morvant-Roux, and Villarreal (2013: 28), who expressed that the people's perception of debt differs from that of financial experts. The employees of the Department of LG and HS rate debt based on the intangible value of self-actualisation attached to possessions.

Most of the respondents indicated that they are anti-debt. On the contrary only a few of the respondents admitted to being totally averse when it comes to overspending monthly budgets. This proves that both the pro-debt and the anti-debt are affected by indebtedness and mismanagement of budgets. On the other hand, the respondents

who admitted to not knowing the difference between debt categories are at a risk of making unsound financial decisions in relation to debt (Huston, 2012: 567; Lewin-Epstein and Semyonov, 2016: 3).

5.4.2 Objective 2

Objective 2 results show that most of the employees within the Department of LG and HS get into debt due to the factors discussed under the literature review. The respondents affirm that they enter into debt to match their lifestyles to income. They also acquire more debt during economic downturn to smoothen their improved lifestyle and habits in line with the view of Muellbauer (2013: 168). The results show that about half of the respondents choose to ignore professional advice when they enter into debt for commodities that they find worthwhile for their wellbeing, reputation, honour, dignity, status, convenience and independence as suggested by Baudrillard (2016).

Living up to societal expectations is regarded as a factor influencing commitment to debt by most of the respondents. These include entering into debt due to demographic factors and the debt tolerance level in their societies (Shepard, 1984: 13, 20; Lea, Webley and Levine, 1993:88). Cross tabulation results show that more women within the Department agree or strongly agree to the influence of debt factors than men. Most of the female respondents also agree to the use of credit cards to purchase irresistible offers of sales and discounts as suggested by Lewin-Epstein and Semyonov (2016: 3). The respondents spend more during the festive seasons. However in contrast to the view of Dietler and Hayden (2001: 3), the respondents would not skip the monthly instalments to spend on other things. Not skipping payments implies that the respondents are able to evade interests and fees that are charged on “skip a payment” facilities provided by creditors.

5.4.3 Objective 3

Most of the respondents use micro loans and credit cards to cover their monthly overspending. They blame their indebtedness on the insufficiency of their salaries. Furthermore, they are positive that an increase in salaries augments their credit viability, making it harder to resist debt in agreement with Tomažević, Seljak and Aristovnik (2014). Hence, the overall results show that salary dissatisfaction and debt

are intertwined. Struggling to pay debt causes them to be dissatisfied with their salaries. They also agree that their salary is not enough to “maintain debt”. This implies that in the absence of debt, the level of salary dissatisfaction would solely rely on the equity equation theory. Debt therefore heightens the level of salary dissatisfaction and salary dissatisfaction leads to debt.

5.4.4 Objective 4

Objective 4 was intended to establish the effect of salary dissatisfaction and personal debt on work performance. More than half of the respondents already feel that their efforts are more than their income, as compared to their colleagues. They therefore are limiting their work performance to attain justice and fairness in compensation as suggested by Woods and West (2015:134). The results show that most of the respondents align their contribution of inputs to their compensation level and that of others to attain salary satisfaction and fairness. Lee and Lin’s (2014) statement is proven by most of the respondents who admit to comparing their efforts to the compensation rewards. Therefore, Relative Income and the Equity Equation theories are factual for the employees of the LG and HS Department. Dissatisfaction with salaries leads the employees to limit their work performance.

Most of the respondents are not happy with the outstanding performance rewards they receive through the PMDS. Hence, the Department of LG and HS employees do not perceive the total reward system as fairly diversified in an efficient manner. This proves to be opposing the aim of the ideal reward system as explained by Schlechter, Thompson and Bussin (2015: 278). A low percentage of respondents feel financially inspired to meet their work goals and underperform due to lack of motivation.

The results show that absenteeism is not an issue for the employees as they do not absent themselves from work due to debt or salary dissatisfaction. However, presentism affects the employees as most affirm that credit calls and family issues related to finances cause them anxiety and distract their work performance as suggested by de Vries, Reneman, Groothoff, Geertzen and Brouwer (2013: 2).

A substantially low rate of respondents have been blacklisted or scammed while trying to get extra income, proving that indebtedness among the employees of the

Department of LG and HS has not reached the stage of critical financial vulnerability. The impact is still moderate, hence adopting the relevant remedies at this point will be most effective. Furthermore, only a few employees engage in business activities to get extra income. This implies that only few of the respondents would use the Departmental resources and time to engage in side businesses.

5.4.5 Objective 5

The majority of respondents have affirmed that the proposed ways for the apprehension of their work performance through reduction of the salary dissatisfaction and personal debt would yield positive effects. Those who say their work performance would increase with the use of the stated employee financial wellness programmes accounted for high percentages that range between 54.2% and 88.5%. The programmes will address relative income, equity equation, reward system, psychological, and social issues that are affecting the employees' work performance. The vulnerability issues which are not critical for most employees at this stage should also be addressed through workshops and other wellness programmes, so that they are prevented even before they become problematic.

5.5 LIMITATIONS

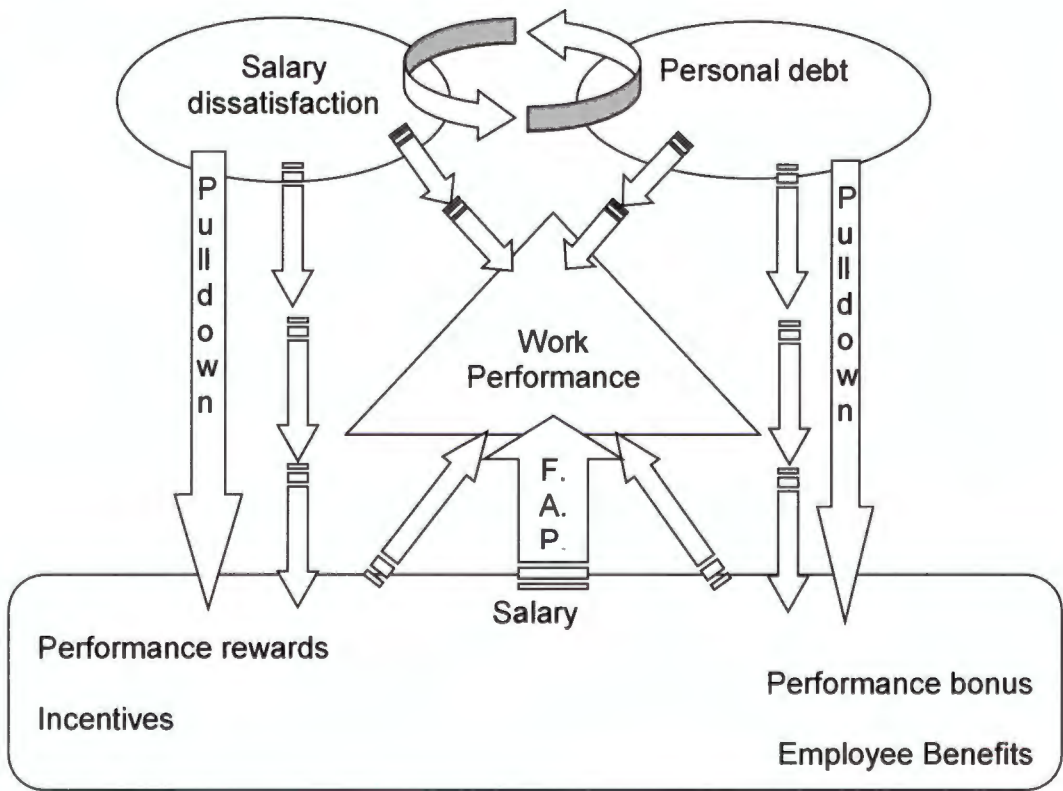
The following limitations set the foundation for possible future studies in relation to this research topic:

The study does not consider the possibility of other income earners within the households of the employees. It might be that some of the respondents mismanage money but their partners or spouse are able to help refocus the family budgets. The study also excluded the use of the indicators that measure over-indebtedness such as default rates and household income - liability ratios to determine the extent to which the employees are over indebted. Hence, even though most of the respondents affirmed to be influenced by various factors to enter into debt, their level of indebtedness could not be established through this study.

The survey did not consider establishment of salary dissatisfaction and personal debt issues based on the two sector, i.e. local government sector employees versus human settlements sector employees. Salary dissatisfaction could be mostly contributed by only one of the sectors. Hence, further research can be done for each sector with aim to address the issues of underperformance due to salary dissatisfaction and personal debt with more relevance, so as to establish other underlying factors that could be sector related.

According to my observation, using the salary levels to optimize work performance and at the same time suppress salary dissatisfaction and personal debt is a complex matter, as per the Figure 5.1 below:

Figure 5.1: Limitations of salary as a motivation for work performance



Source: Own observation, Mokaedi (2017)

As seen from the diagrammatical presentation above, salaries of employees are intended to increment work performance to the optimum (Schlechter, Thompson and Bussin, 2015). At the same time these salaries should pull down or diminish salary

dissatisfaction and personal debt. The contra effect (push down and pull down) causes the salary to seem inadequate to create the necessary balance and satisfaction. This is further exacerbated by the circling enhancing force between salary dissatisfaction and personal debt as one factor emanates and strengthens the other (Tomažević, Seljak and Aristovnik, 2014). Both factors also push down the work performance and the salary power of motivation.

This is evidence that salary will always be suppressed by the double force from salary dissatisfaction and personal debt (Bussin and Smit, 2014; AlBattat and Som, 2013). The Financial Awareness Programmes (F.A.P) are needed to collaborate with the salary motivation to enhance and sustain work performance against salary dissatisfaction and work performance as presented by the results in Table 4.17 (Bolton, Bloom and Cohen, 2011; Du Plessis, 2007). Hence, further academic research is necessary to decompose the complexity of the respective issues around work performance.

5.6 RECOMMENDATIONS

It has been established from the study that salary dissatisfaction and personal debt are interrelated. Thus, remedies for indebtedness can also curb salary dissatisfaction.

The following recommendations are linked to the study objectives. Hence they aim to improve work performance through:

- ✚ Empowering employees to distinguish between good debt and bad debt, credit worthy needs and wants that should only be funded through savings;
- ✚ Exposing the factors influencing debt to help employees make conscious financial decisions;
- ✚ Neutralising the interdependent relationship between salary dissatisfaction and personal debt;
- ✚ Mitigating the negative impact of debt and salary dissatisfaction towards work performance; and
- ✚ Adopting the programmes that employees perceive as relevant and effective for improvement of work performance.

The household financial programmes, workshops and campaigns mentioned under objective 5 can be used to empower employees in areas of budgeting skills, family budgeting, savings, investments, long term and short term planning. These should further be organised in a manner that addresses salary dissatisfaction issues of competition that harm work performance among employees. Some of the programmes should be categorised by gender for relevance, efficiency and effectiveness. When the employees are preoccupied with savings and investment activities, the factors influencing debt will have minimal influence on their financial decisions. They will have sound judgement of the difference between good debt and bad debt or needs and wants, and spend rationally during festive seasons. Hopefully, they will also choose to abhor debt and manage it better in cases where it is unavoidable such as when buying a house or a car.

Debt counselling programmes can be done through internal capacity as some of the employees of EHWP have qualifications in social work and psychology. The Department is already providing counselling services to the employees, except for that an element of household financial management has been omitted. For debt consolidation, the department can enter into an agreement with one of the debt consolidation institution. This will ensure that the employees who need these services get assistance in the most convenient manner and possibly at low cost. These institutions can help improve perception of the reward system and improve salary satisfaction among employees, by exposing employees to adequate financial literacy.

The Department can invite banks and financial advisors for workshops and scamming campaigns to alleviate financial illiteracy and vulnerability, respectively. Although scams and blacklisting are not issues among the employees of LG and HS Department, continual awareness will counter effect the possibility of such emerging in the future. Inclusion of insurance information and exposing marketing strategies that cause indebtedness will help to build a culture of credit resistance and saving for the future among employees. Psychological empowerment will enable the employees to resist credit offers and buy only what they need during sales using money that they already have. They would refrain from using credit for seemingly irresistible marketing offers.

Successful retention of staff is a good sign of financial fulfilment and dedication to the work performance among employees. It is recommended that the department should perform periodical job evaluations e.g. every 2 years, to ensure that the employees remain focused and motivated. Employees who are overburdened with duties and tasks can then be evaluated upward and/or workload can be increased for those who seem to have idle time, so that they can collectively experience the sense of worth. This will enhance performance and turn the relative income, equity equation and perception of the reward systems to work in favour of the Department.

The Department can agree to the release of disbursement of employees' performance bonuses in January/February with the intention to encourage rational spending. Moreover, this is a time when employees are still committed to their new years' resolutions which may include spending within means as well as reasonably. Doing this in conjunction with the personal financial management programmes will help the employees to be more conscious of their financial decisions and obligations.

In the academia, personal financial management is an issue that can be introduced as a compulsory course relative to every field of study. Upon graduating, each student is faced with the challenges of management of personal financial resources in a manner that will optimize their satisfaction and enjoyment of their hard work. This is a fundamental matter that cannot be evaded whether a person becomes employed or resolves to self-employment.

The Department can use the findings and recommendations to further research that will determine other factors contributing to decline in work performance within the Department of LG and HS.

5.7 CONCLUSION

The study of the impact of salary dissatisfaction and debt on work performance within the North West Department of LG & HS was necessitated by a persistent trend in low productivity. The latter emerged post reconfiguration of various Department within the Province which led to employees feeling overworked while others' duties have been rendered unnecessary. As employees attempt to balance their work inputs and

compensation benefits those who have too much work slacked their performance to regain satisfaction.

A structured questionnaire was used as a data collection instrument, of which 173 employees participated out of a population of 583. Quantitative approach was used to collect data for determination of sentiments, characteristics and attitudes of employees in relation to how they are affected by factors influencing personal debt and their level of salary dissatisfaction. Reliability and consistency of the questionnaires was measured through the Cronbach's alpha coefficient wherein all objects were close to 1, implying that they have good internal consistency.

Debt is directly proportional to a person's income unless managed through discipline and control. The low rate of employee morale in relation to financial wellbeing poses a threat to talent retention within the Department. Employees are not financially motivated to meet their job goals. Different views expressed by the respondents on the rewards system prove that employee attraction (financially) is influenced by life circumstances, personal development and interests as well as environmental change. The respondents are not satisfied with their salaries because they have to use credit to compensate for limited income. Such dissatisfaction persists as they feel that their work inputs do not match the outputs. The EHW Programme should be designed to meet the needs of the employees and enhance work performance. Cooperation between employees and the management is necessary within the Department of LG and HS to revive and optimize work performance and achievement of the Departmental objectives.

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7 LIST OF APPENDICES

APPENDIX A: PERMISSION TO CONDUCT A RESEARCH

APPENDIX B: QUESTIONNAIRE

**7.1 APPENDIX A: PERMISSION TO CONDUCT A
RESEARCH**



dlg&hs

Department
Local Government & Human Settlements
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

1346 Governor str Tlokweng building
Industrial area Mafikeng, 2745
NWDC str., University Drive
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FINANCE

2nd Floor West Wing, University
Drive, Gaborone Building
Private Bag K2009, Mmabatho
2736
Tel: 018 388 3883

Enquiries : B.D. Mokaedi
Tel : 018 388 1628/072 997 7932
Email : B.D.Mokaedi@nw.gov.za

**TO : MS P.D. MOTHABI
ACTING HEAD OF DEPARTMENT**

**THROUGH : MR I.K. MOKGWAMME
DIRECTOR
FINANCE**

**FROM : MS B.D. MOKAEDI
ACTING DEPUTY DIRECTOR
FINANCIAL PLANNING AND REPORTING**

REQUEST TO CONDUCT A RESEARCH IN THE DEPARTMENT OF LOCAL GOVERNMENT AND HUMAN SETTLEMENTS

PURPOSE

To request the acting Head of Department to approve my request to conduct a research mini-dissertation in the Department of Local Government and Human Settlements for Master of Business Administration (MBA) qualification.

DISCUSSION

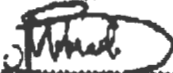
I have recently been enrolled to studying MBA with the North West University, Mafikeng Campus. One of the requirements to complete this qualification is that I should carry out a research in the professional/business area. Hence, I thought it best to conduct a research that will be fruitful to my Department. My research topic is about personal debt and salary dissatisfaction among employees and how the two issues impact on employees work performance. Having our Department as my area of context will promote discovery of feasible and appropriate ideas and solutions. Expectantly, I could contribute to the Department by proposing solutions that will enhance work performance and productivity based on my findings in the research. I intend not to disclose the name of the participants in the research survey. Ensuring that my colleagues' rights to privacy is not invaded is of great importance to me as the employee of the Department.

CONCLUSION

It is hereby requested that the acting Head of Department consider my humble request and grant approval to use the Department of Local Government and Human Settlements for my MBA research survey as my population area.

**REQUEST TO CONDUCT A RESEARCH IN THE DEPARTMENT OF LOCAL GOVERNMENT
AND HUMAN SETTLEMENTS**

Yours sincerely,



DATE: 03/02/2016

**B.D. MOKAEDI
ACTING DEPUTY DIRECTOR
FINANCIAL PLANNING AND REPORTING**

SUPPORTED/ NOT-SUPPORTED

.....
.....
.....

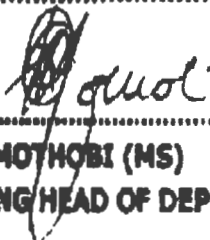


DATE: 03/02/2016

**I.K. MOKGWANME
DIRECTOR: FINANCE**

APPROVED/ NOT-APPROVED

Ethical prescripts must be adhered to
Director Finance to supervise all engagements
with the Department



DATE: 15/2/2016

**P.D. MOTHOBHI (MS)
ACTING HEAD OF DEPARTMENT**

7.2 APPENDIX B: QUESTIONNAIRE

**Letter of Introduction and Informed Consent
NWU School of Business and Governance**

**Salary dissatisfaction and personal debt in the North West Local Government and Human
Settlements Department**

Research conducted by:

Mrs. B.D. Mokaedi (18008879)
E-mail: bonolomokaedi@gmail.com
Cell: 072 5977 932

01 April 2017

Dear Participant

You are invited to participate in an academic research study conducted by Bonolo Desiree Mokaedi, Master of Business Administration (MBA) student from the School of Business and Governance at the North- West University.

The purpose of the study is to establish the impact of salary dissatisfaction and personal debt on employees' work performance in the North West Department of Local Government and Human Settlements. The questionnaire sections are classified as follows:

Section A: Demographic information

Section B: Types of Debt

Section C: Factors influencing over commitment to debt

Section D: The relationship between personal debt and salary dissatisfaction

Section E: The effect of personal debt and salary dissatisfaction on work performance

Section F: Ways to improve employees' perception of salaries and debt

For convenience, the questionnaire is intended to be filled online. It will be appreciated that you fill all sections by typing **X** on the appropriate box and send it back to the student's e-mail address.

Please note the following:

- This is an anonymous study survey as your name will not appear on the questionnaire. The answers you give will be treated as strictly confidential as you cannot be identified in person based on the answers you give.
- Your participation in this study is very important to us. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.
- Please answer the questions in the attached questionnaire as completely and honestly as possible. This should not take more than 15 minutes of your time.
- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.
- Please contact my study leader, Prof W. Musvoto Tel No: 018 389 2088, e-mail: wedzerai.musvoto@nwu.ac.za if you have any questions or comments regarding the study.

Please indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis. (Please tick)

YES	
-----	--

Date of consent:

PLEASE MARK THE APPROPRIATE BOX

SECTION A: - Demographics

a. Personal Information

What is your gender?
Male ☐ Female ☐

What is your age?
18-25 ☐ 26 - 35 ☐ 36 - 45 ☐ 46 - 55 ☐ 56 -60 ☐ 60+ ☐

Marital Status
Single ☐ Married ☐ Divorced ☐ Widowed ☐ Living with partner ☐

Number of dependants
0 ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 + ☐

b. Employment and Education

Job appointment level
1 - 4 ☐ 5 - 8 ☐ 9 -12 ☐ 13 - 15 ☐ 16+ ☐

For how long have you been working (in years)
0 - 5 ☐ 6 - 10 ☐ 11 - 15 ☐ 16 - 20 ☐ 21 - 30 ☐ 30 + ☐

What is your highest level qualification?
Non-Matric ☐ Matric ☐ Diploma ☐ Degree ☐ Postgraduate ☐

Other qualification (please specify)

c. Housing Tenure

Outright Owner ☐ Mortgaged Owner ☐ Private Renter ☐ Social Renter ☐

Other (please specify)

d. Gross Salary per Annum

R0 – R150 000 ☐

R150 001 – R300 000 ☐

R300 001 – R450 000 ☐

R450 001 – R600 000 ☐

R600 001 – R750 000 ☐

R750 001 or more ☐

Section B

Can you differentiate between good debt and bad debt?

Yes ☒ No ☐ Not sure ☐

How do you regard the following kinds of debt?

	Good	Bad
<i>Vacation loan</i>	☐	☐
<i>Car financing</i>	☐	☐
<i>Home Loan</i>	☐	☐
<i>Personal Loan</i>	☐	☐
<i>Pay day Loan</i>	☐	☐
<i>Educational Loan</i>	☐	☐
<i>Credit Card</i>	☐	☐
<i>Groceries Credit</i>	☐	☐
<i>Business Capital Debt</i>	☐	☐
<i>Medical Services Debt</i>	☐	☐
<i>Clothing Credit</i>	☐	☐
<i>Furniture debt</i>	☐	☐
<i>Wedding/Lobola credit</i>	☐	☐
<i>Investment Property Debt</i>	☐	☐

What is your view of debt?

I am

Anti-debt ☐ Pro-debt ☐ Not sure ☐

I find it acceptable to occasionally deviate from the monthly budget by:

None	☐
R1 – R500	☐
R501 – R1 000	☐
R1001 – R1 500	☐
R1501 – R2000	☐
R2001 – R2500	☐
R2501 +	☐

If you selected R2501 + (please specify amount)

Section C

The following contribute the most to my debts					
Cross one of the five categories from: Strongly Disagree (1) to Strongly Agree (5) for each statement as it applies to you:					
Statement	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
Indebtedness is due to:					
1. Anticipation of higher income in the future					
2. Expensive education					
3. For investment that seems favorable or a promotion that requires a person to be in possession of certain assets					
4. Increase in the price of debt/household commodities/ consumables					
5. Interest rates that are likely to decrease or remain the same					
6. Not planning for unforeseen situations such as illness, income reduction, and retrenchment, etc.					
7. Lack of financial literacy or professional advice					
8. Not saving for once off events e.g school fees, wedding, death, funerals, school fees, etc.					
9. Over commitment to various policies and insurance obligations					
10. Not involving the family when budgeting					
11. Financial frameworks and figures are complex					
12. Ignoring professional financial advice					
13. Living up to societal expectations					
14. The influence of demographics such as age, gender, ethnic group and /or marital status					
15. Comparing oneself to associates					
16. To boost and maintain status					
17. The influence of family background or values					
18. Debt is acceptable in our society					
19. Inability to resist credit offers					
20. The use of micro loans/ credit card to cover for monthly overspending					
21. Excessive interests that financial Institutions charge on credit					
22. Not considering the interest rates when buying on credit					
23. Buying without consideration of the budget					
24. Inability to ignore sales and discount offers					
25. They do not budget for performance bonus and other once off income					
26. Skipping installments to spend more on other things					
27. Difficulty to differentiate between needs and wants					
28. Not setting a budget limit					
29. Overspending on travelling, gifts, clothing, takeaways or social gatherings					
30. Allowing the family to spend as they wish during festive seasons					

Section D

Cross one of the five categories from: <i>Strongly Disagree</i> (1) to <i>Strongly Agree</i> (5) for each statement as it applies to you:					
Statement	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
I am not satisfied with my salary because:					
1. I use credit to compensate for my limited income					
2. It is hard to prioritize between needs and wants					
3. I feel I deserve more than my salary can afford					
4. I borrow from friends and family to make it to the next pay day					
5. I borrow from colleagues and micro loans to make it to the next pay day					
6. I struggle to pay back money I owe to my institutions and social associates					
I am in debt because my salary:					
7. Is not enough for me to save for unforeseen circumstances					
8. Increases credit offers I cannot resist					
9. Is insufficient to provide for my family needs					
10. Is not enough to maintain my social status					
11. Is not market related					
12. Not enough to return money borrowed from associates within the agreed time frame					

Section E

Cross one of the five categories from: <i>Strongly Disagree</i> (1) to <i>Strongly Agree</i> (5) for each statement as it applies to you:					
Statement	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
SALARY DISSATISFACTION EFFECTS					
When I perform my tasks at work:					
1. I consider my salary scale					
2. I consider my expertise market salary					
3. I consider my colleagues' salary levels/notches					
4. I consider my supervisor/ senior official's salary when performing job tasks					
5. I consider my colleagues 'workload in relation to their salaries					
6. My efforts at work are more than my income					
7. I am fairly rewarded for my outstanding performance					
8. I am financially inspired to meet my job goals					
9. I apply for jobs outside my organization hoping to get better compensation					
PERSONAL DEBT EFFECTS					
10. I get anxious when I think of my finances					
11. I get distracted by calls from creditors					
12. I get bothered by the interest that I pay on debt					
13. Debt affects my family relations					
14. My social relations are negatively affected by debt when I struggle to pay them					
15. I worry about unforeseen funds required at child(ren)'s schools					
16. It bothers me when I struggle to pay debt					
17. I do not feel like going to work when I know I may meet someone I owe					
18. I do not go to spiritual gathering when I know I may meet					

someone I owe money					
19. I get bothered when my spiritual home requires money					
20. I have received judgment or have been blacklisted					
21. I consider doing other businesses to get extra income					
22. I have been scammed while trying to get extra income					
23. If something was to happen I will borrow money to pay for insurance access					

Section F:

Cross one of the three effects for each statement			
Statement	Work performance		
What will happen to your work performance if there is:	Increase	No change	Decrease
1. Psychological Empowerment Motivation			
2. Employee Financial Wellness Program			
3. Debt counselling program at work			
4. Review of the overall reward system			
5. Lessons/ workshops on personal financial management			
6. Debt consolidation programs at work			
7. If I could get a higher salary without increasing debt			
8. Being In control of my financial habits			
9. Disregard of societal expectations			
10. Paying more than my instalments requires			

THANK YOU FOR YOUR PARTICIPATION IN THIS STUDY!!!