

THE NATURE AND EFFECTS OF FINANCIAL PROBLEMS ON
EMPLOYEES IN THE OFFICE OF THE PREMIER, LIMPOPO
PROVINCE

by

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DECLARATION

I hereby declare that the mini-dissertation submitted for the Masters Degree in the Employee Assistance Programme to the University of Pretoria, is my own work, original and not plagiarized. All the reference materials contained herein have been acknowledged.

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ABSTRACT

THE NATURE AND EFFECTS OF FINANCIAL PROBLEMS ON EMPLOYEES IN THE OFFICE OF THE PREMIER, LIMPOPO PROVINCE

Financial problems have become a serious problem that enjoys high priority within the Employee Assistance Programme (EAP) in the Office of the Premier, Limpopo Province. It is a major concern shared by management and staff, as it continuously impact negatively on job performance due to absenteeism and the low morale of employees.

The researcher became motivated to undertake this research study due to her practical and professional experience as an EAP Practitioner within the Office of the Premier. It has been observed and established by the researcher during her professional working career that financial problems are at the top of the list in terms of statistics of cases handled within the EAP Office. Furthermore, no prior study was done that could determine the nature of the problem. This situation therefore triggered the researcher to conduct a study that will determine the nature of the problem.

The aim of this study is to explore the nature and effects of financial problems on employees in the Office of the Premier, Limpopo Province. In conducting this study, the researcher followed a qualitative research approach in order to elicit the views and opinions of the respondents regarding the nature and effects of financial problems. The semi structured one-to-one interview schedule was used in order to gather the data. A total of nine (9) respondents, obtained from the database of statistical records in the EAP Office, were interviewed. A purposive sampling method was used to select the sample of nine respondents from a

population of eighteen (18). The researcher selected those respondents with two or more garnishee orders or loans.

A theoretical discussion focusing on: the nature of financial problems as a common phenomenon, the causes of financial problems, the symptoms of financial problems, the effects of financial problems on employees, as well as guidelines on how to assist troubled employees will be presented in Chapter two.

The research findings indicated that there seems to be a positive relationship between financial planning and financial problems. Few respondents believed that financial problems could result from poor financial planning. The findings further revealed that other social factors such as: overwhelming parental responsibilities of raising offsprings, loss of income by a spouse, high financial demands placed upon single parents and the rapid increase of inflation contribute towards financial difficulties. The effects of financial problems can be devastating since it impacts negatively on employees' psychological and physical well-being. Thus, job performance suffers.

KEY CONCEPTS

Employees

Office of the Premier

Financial problems

Money

Credit

Garnishee Order

Limpopo Province

Micro lender

Loan