

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

by

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Submitted in partial fulfillment of the requirement for the degree of

MSD (EMPLOYEE ASSISTANCE PROGRAMME)

in the

FACULTY OF HUMANITIES

in the Department of Social work and Criminology

at the

University of Pretoria, PRETORIA

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OCTOBER 2005

## TABLE OF CONTENTS

	<b>PAGE</b>
<i>Acknowledgements</i>	V
<i>Declaration</i>	VI
<i>Abstract</i>	VII
<i>Key concepts</i>	IX
<b>CHAPTER 1</b>	
<b>GENERAL INTRODUCTION</b>	
1.1	1
1.2	4
1.3	6
1.3.1	6
1.3.2	7
1.3.3	7
1.4	7
1.5	7
1.6	8
1.7	9
1.8	9
1.9	10
1.9.1	11
1.9.2	11
1.9.3	12
1.10	13
1.10.1	13
1.10.2	13
1.10.3	14
1.11	14

1.12	Definitions of key concepts	16
1.13	Contents of the research report	19
1.14.	Limitations of the study	19
1.15	Conclusion	20
<b>CHAPTER 2</b>	<b>LITERATURE REVIEW</b>	
2.1	Introduction	21
2.2	The nature of financial problems as a common phenomenon	22
2.3	The meaning of money	22
2.4	Causes of financial problems	24
2.5	Symptoms of financial problems	30
2.6	The effects of financial problems on employees	31
2.7.	South African practices and malpractices impacting negatively on employees	32
2.8	Guidelines on how to assist troubled employees	35
2.9	Conclusion	36
<b>CHAPTER 3</b>	<b>DATA ANALYSIS AND INTERPRETATION</b>	
3.1	Introduction	37
3.2	Research methodology	38
3.2.1	Research approach	38
3.2.2	Type of research	38
3.2.3	Research procedure and strategy	38
3.3	Profile of the respondents	39
3.4	Central themes identified	46
3.5	Conclusion	57

<b>CHAPTER 4</b>	<b>SUMMARY, CONCLUSION AND RECOMMENDATIONS</b>	
4.1	Introduction	58
4.2	Summary	58
4.3	Conclusion	59
4.4	Recommendations	62
4.5	Concluding statement	63
	<b>BIBLIOGRAPHY</b>	64
	<b>ANNEXURES</b>	
Annexure A:	Letter of permission by the Office of the Premier	69
Annexure B:	The Geographical Map of Limpopo Province	70
Annexure C:	Letter of consent	71
Annexure D:	Semi-structured Interview schedule	72
	<b>List of Figures</b>	
Figure1:	Gender	39
Figure 2:	Age	40
Figure 3	Educational level	44
Figure 4	Type of work	45
	<b>List of Tables</b>	
Table 1:	Poor Personal Financial Behaviours	23
Table 2:	Marital status	41
Table 3:	Salary	42
Table 4:	Period of service	43
Table 5:	Credit profile	48

## ACKNOWLEDGEMENTS

I would like to express my gratitude and appreciation to the following people whose contributions were valuable to the completion of this mini-dissertation:

- Great thanks to my God for giving me the strength and courage to complete this study.
- My sincere thanks to my supervisor, Dr FM Taute for her guidance, support, encouragement and valuable information shared throughout the entire study.
- Thank you to all my respondents who agreed to take part in this study and share their personal experiences to make this study meaningful.
- Special thanks to my family, my husband and two sons, for their support, patience and encouragement that enabled me to complete this study.
- In particular, thank you to my colleagues, Mmabotsha, Mokgadi and Patricia who sacrificed their time and energy to share valuable information with me throughout this study. Special thanks to Godfrey for his encouragement, motivation, support and coaching during this study.
- To my employer, thank you for giving me this opportunity to acquire knowledge and skills on the Employee Assistance Programme.

## 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

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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