



# The Kenexa® Research Institute Finds That Employees' Experiences at Work Influence Beliefs Toward Personal Financial Well-Being

The Kenexa® Research Institute (KRI) recently examined employees' opinions of their employer and current work situation and the impact on their personal financial situation and stated intentions regarding purchasing behaviors.

In a survey of employee opinions, KRI investigated the extent to which the current economic conditions cause workers to worry about their personal financial well-being as well as intentions to delay or cancel anticipated purchases. Additionally, workers in the United States were asked about their feelings toward organizational leadership and the effectiveness of business processes at work.

Results indicate employees' feelings about their own personal financial well-being are strongly influenced by their experiences at work. Not surprisingly, an important factor influencing how employees feel about work is how effectively they feel their organizations are being led.

Workers who have unfavorable views of their leadership are much more likely to report being worried about their personal financial situation, which was found to be strongly related to stated purchasing intentions. Specifically, employees who rate their leadership unfavorably are much more likely to express concern regarding their personal financial situation compared to those who have favorable views of their leadership's effectiveness. In addition, those who rate their leadership unfavorably are twice as likely to state that they are delaying current purchases.

"These results indicate that American consumerism is very much affected not only by the reality of having a job or not, but also by employees' confidence in the management of the

organization they work for. Organizations are certainly under scrutiny to perform better and perceptions of the effectiveness of their leadership in the U.S. are also likely to have a pervasive effect on the American economic picture," commented Jeffrey Saltzman, M.A.

Additionally, when examining the differences between female and male employees in the U.S., an interesting pattern emerged. Females, when equally favorable toward their leadership and the effectiveness of how the work is being managed as men, are more likely to indicate that they are worried about their personal financial situation and, therefore, are putting off anticipated purchases.

Even when favorable toward their organization's leaders and work processes, female workers are 30% more likely than males to indicate that they are planning to defer or cancel purchase decisions to a great extent. Seventy-five percent of female and male workers who are unfavorable toward their organization's leadership and work efficiency indicated that they are delaying or cancelling purchases to at least some extent.

## Database Overview

This study was part of a larger quarterly study that Kenexa undertakes to measure business conditions in major markets. Kenexa has an unequalled database of worldwide employee opinions from workers in Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia, Spain, the United Kingdom and the United States that allows the company to provide exceptional insights to organizations of all sizes on a global basis.

This business-critical information enables international organizations to better maximize their overall performance.

**Study Details**

This study focused on how employees’ opinions of their current work situation are having an influence on their feelings toward their personal financial situations and intentions toward their consumer activities.

Opinion item was rated using a 5-point Likert-type scale (to a very little extent, to a little extent, to some extent, to a great extent, to a very great extent). The percentage favorable is the percentage of employees who chose either of the two most positive answers (typically “strongly agree” or “agree”).

- To what extent are the current economic conditions causing you to worry about your personal financial well-being?
- To what extent are the current economic conditions causing you to delay or cancel purchases you were anticipating making?
- My organization is well led and the work is effectively managed.

Employees’ feelings about their own personal financial well-being are strongly influenced by their experiences at work. An important factor in how employees feel about their work is going to be related to how they feel their organization’s leaders are doing.

Workers in the United States were asked about their feelings toward organizational leadership and the work being effectively managed. Workers were also asked to respond to how they felt about their own personal financial situation and as intentions for purchasing behaviour.

**Study Results**

Workers who feel more favorable toward their organizational leadership and the effectiveness of how the work is being managed were much less likely to be worried about their personal financial situation to a great extent.

An interesting pattern emerges when we consider the differences among female and male employees in the U.S. Specifically, females, even when favorable toward their organizational leadership and the effectiveness of how the work is being managed are still almost two times more likely to indicate that they are worried about their personal financial situation to a great extent than they are to be only worried to a little extent. This pattern is quite different for male workers who express favorable opinions of their organizational leaders and work management. Specifically, these male workers were equally likely to report little concern with their financial situation as they were to express a great concern.

Workers in the United States who were unfavorable toward their leadership and the business of their organization being well managed were more than two times more likely to indicate they were deferring or cancelling purchasing decisions to a great extent than to a little extent.

Affecting Personal Financial Situation	Little Extent	Some Extent	Great Extent
Female	23	35	41
Male	36	34	31
Total	30	34	36

Even when favorable toward their organization’s leaders and work processes, female workers are 30% more likely than males to indicate that they are planning to defer or cancel purchase decisions to a great extent. Seventy-five percent of female and male workers who are unfavorable toward their organization’s leadership and work efficiency indicated that they are delaying or cancelling purchases to at least some extent.

Org Well-Led and Effectively Managed	Little Extent	Some Extent	Great Extent
Delaying Purchases	30	34	37

**About Kenexa**

Kenexa provides business solutions for human resources. We help global organizations multiply business success by identifying the best individuals for every job and fostering optimal work environments for every organization. For more than 20 years, Kenexa has studied human behavior and team dynamics in the workplace, and has developed the software solutions, business processes and expert consulting that help organizations impact positive business outcomes through HR. Kenexa is the only company that offers a comprehensive suite of unified products and services that support the entire employee lifecycle from pre-hire to exit.

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