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Financial Stress and Behavioral Changes in Daily Routine of Urban Educated Men

Dr.Khyati A. Vyas*

Abstract

Financial difficulties arising due to Liberalization of Economy has big effect on Individuals and Families especially of Gujarat. This changed economic environment has percolated to all sections of society and affects entire population. It was decided that a study be made to know how urban educated male responds to financial stress born out of this change. This paper seeks to put forward some preliminary qualitative findings. Researchers selected 60 males who live in urban settings and are academically qualified and aged between 18 to 65 years residing in Navsari, Vadodara and Ahmedabad.

Our research found that most males were not affected significantly by the Financial Stress, and small group did experience negative impact in their Daily routine. Study demonstrates key factors that undergo change as a part of behavioral responses.

Paper concludes that there is no significant difference between the Activity Means in normal times and under financial stress for all the activities except Frequency to take Meals. Activity Factors studied are Frequency of Exercise, Duration of Sleep, number of times Talk with Parents, number of times Visit to Doctor, Frequency of Meals, number of Visits to Temple, change in Study duration, Stopping and Retiring from Activity and Intake of Medicines and Painkillers.

Keywords: Behavioural Finance, Psychology

Businesses slow down, Economic prosperity declines and unemployment rises which is a very typical scene in Gujarat when major Industries face heat of the competition. The media discuss how Business and employees die hard to fulfill financial obligations.

Researchers decided to find how the financial stress affects families and specially their Family Head when family has limited and average income. Their planning is uncertain and with limited visibility of future prosperity and with Family expenses expanding key man passes through tremendous financial pressure. Poor performance of investments and Savings showed shrinkage as real economy grew much faster interest rates were reduced to low levels hence savings accounts performed below inflation. Thus, the relative wealth and confidence of families declined.

The economy made it harder for companies to access capital markets, credit, a situation particularly difficult for all businesses, leading to slower growth and financial strain increasing insecurity of Jobs. In addition, the public sector has been under pressure to cut spending and was therefore less inclined to appoint new staff, while the financial sector shed additional workforce. Thus, educated unemployed increased as a result of the crisis, particularly the young. In addition to the retrenchment, families had to pay higher taxes, reducing the disposable income of everyone further. Some families were affected marginally while others much more deeply where younger members faced uncertain future.

*Dr.Khyati A. Vyas, BA, MA, M Phil, PhD, Head-Psychology Dept, Psychology, Rofel Arts and Commerce College, Vapi

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Stress has been studied widely in West with different angles and it may be noted that Relationship between stress, eating behavior, and obesity studied by Torres, Diet, Nowson (2007) mentions that ,” Researchers can make some tentative conclusions that support the notion that stress can influence eating patterns in humans.” also Stress appears to alter overall food intake in two ways, resulting in under- or overeating, which may be influenced by stressor severity. Stress Management and Immune System Reconstitution observed by Antoni, Cruess and, Klimas, Am J Psychiatry 2002; 159:143-145. 10. 1176/appi.ajp.159.1.143 mentions that stress showed greater sign of reconstitution on immune system reconstitution. This study confirms that stress modifies behavior on subtle level than noticed on physical symptom level.

Prayers and communication with God which is most intimate was examined by Millera, Galla &, Corbeila in their focussed topic “The Experience of Prayer With a Sacred Object Within the Context of Significant Life Stress “pages 247-271, Journal of Spirituality in Mental Health, Volume 13, Issue 4, 2011 states that spirituality effects stress in positive way. The desire to imbed our lives within a greater reality is fueled by an inherent need for meaning (Frankl, 1984). However, there are times when significant life events can disrupt our beliefs (Exline & Rose, 2005; Hood, Spilka, Hunsburger, & Gorsuch, 1996) and expose our limitations in coping. It is at such times that individuals may turn to the transcendent in an effort to cope and find new meaning (Harrison, Koenig, Hays et al., 1997, 2007). A connection with the transcendent can serve as a source of comfort as well as a framework within which one may create meaning, regain control, and re-establish self-esteem (Gall, 2003). Historically, efforts to connect with a transcendent reality have been mediated by objects seen as mystical or sacred (Yates, 1964). It is the goal of the current study to gain a clearer understanding of the experience of turning to prayer with a sacred object within the context of a significant life stressor. ; Pargament, Ano, & Wachholtz, 2005). Indeed, research has shown that many people turn to religion and spirituality to cope when faced with difficult life circumstances (Ellison & Taylor, 1996; Miller & Thoresen, 1999; Westlake & Dracup, 2001).). Prayer is an important person factor, which can help or hinder in the coping process and as such is a frequently used spiritual coping strategy (El-Khoury et al., 2004; Harris et al., 2005). Individuals are particularly more inclined to pray as the severity and uncontrollability of a situation increases (Ellison & Taylor, 1996; McCullough & Larson, 1999; Pargament, 1997).

Researchers tried to find Indian studies on our subject but very little literature could be found. Researchers have relied mainly on two studies made by Lyons and Yilmazert, and Mel Bartley

Objectives

To Study

1. Change in Routine as seen from following factors. Frequency of Exercise,
2. Duration of Sleep,
3. and number of times Talk with Parents,
4. number of times Visit to Doctor,

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5. Frequency of Meals,
6. Number of Visits to Temple,
7. Change in Study duration,
8. Stopping Activity and
9. Intake of Painkillers.

Results and Discussion

Researchers will like to mention that in Western Countries studies have been made but they are different in our societal set up. Indian results are expected to be different due to Culture and Values.

According to Lyons and Yilmazert, results indicate that poor health significantly increases the probability of financial strain. There is little evidence that financial strain contributes to poor health. The findings suggest that severe health conditions may result in larger financial burdens while large financial burdens are unlikely to accelerate a decline in health status.

On one hand, some studies find that poor health affects socioeconomic status (SES) such that individuals who are in poor health work fewer hours or are unemployed, limiting their ability to accumulate income and wealth (e.g., Ettner 1996; Smith and Kington 1997, Zagorsky 1999; Wu 2003). These studies typically find that serious health conditions have a larger affect on socioeconomic status than less serious conditions. Other studies show that lower SES results in poor health (e.g., Caplovitz 1974); It was essential to know whether self-reporting is reliable. Researchers found that prior research indicates that measures of self-reported health are meaningful and reliable (e.g., Idler and Kasl 1991, 1995; Idler and Benyamini 1997; Baker, Stabile, and Deri 2001; Gouskova and Schoeni 2002; Hurd, McFadden, and Merrill 2003; Meer, Miller, and Rosen 2003). These studies find that self-reported measures of health are significantly correlated with physicians' assessments and a strong predictor of morbidity and mortality. For example, Idler and Benyamini (1997) reviewed 26 studies and found that self-reported measures of poor health are strongly correlated with mortality.

The Activity factors namely Frequency of Exercise, Duration of Sleep, and number of times Talk with Parents, number of times Visit to Doctor, Frequency of Meals, Number of Visits to Temple, Change in Study duration, Stopping Activity and Intake of Painkillers individually show following figures in the Study.

Frequency to Exercise goes down as an effect of Financial Stress during financial unease which can be attributed to fear of inability to cope with the situation. Mean is 2.87 whereas it should be 3 for normal response. Difference of 0.13 is small and is very close to normal response of 3. Duration of Sleep goes down as an effect of Financial Stress which is very common in any society. Finances give lots of worry and while being alone in night, sleep is obvious victim. Sleep reduction of -0.27 is small then 3 in normal times.

Result showed that Frequency of talk with Parents goes up an obvious effect of Financial Stress. There is no better place to discuss one's worries then parents, who care for children through out their life. Data showed that frequency did increase by small extent (0.07) as expected and also not in any major way as respondents were adults.

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Frequency to visit Doctor goes up as an after effect of Financial Stress. Constant unease in mind gives one feeling of non normalcy and every one visits to Doctor to reassure that everything is okay with body.

Frequency to eat Meals also goes up significantly as an effect of Financial Stress. It is quite likely that lack of enthusiasm and energy may send signal that one is becoming weak, to make up, one may increase intake of food.

Visits to Temple surprisingly go down as an effect of Financial Stress. One may find that sublime mood comes much less naturally and that might reduce urge to pray to God. It was in fact revelation to Researchers who believed that Prayers would increase.

Interest to study Business environment goes down again as one finds that one is not light enough to concentrate on new ideas as a very natural effect of Financial Stress. Mean is 2.70 where as Mean should be 3 for normal response.

Failures and difficulties often force persons to think of stopping activity or to retire. Interestingly this view remains unchanged as an effect of Financial Stress; one might be busier fighting situation then taking a view on future course.

Frequency to take medicines and Painkillers does not undergo small changes as an effect of Financial Stress. One may think that recurring pain that exists as routine continues and physical discomfort is due to excessive intake of medicines and becomes observant of medicines required and cuts on any additional medicines with fear that further pain is not generated.

Thus, financial stress does affect normal activity from its usual levels, for some in direction of increase and others in direction of decrease but on aggregate they are of small significance.

Study conducted in the West mentions that financial problems will act partly by increasing the frequency of stressful life events associated with debt and possibly by the effect on diet and the quality of the home environment. It is difficult for researchers to examine this aspect in current studies due to scope and level of willingness to share such information.

It may be interesting to note that in studies on wealth by Meer, Miller, and Rosen (2003) is one of the first to control for the endogeneity of SES using an instrumental variable for changes in wealth (receipt of an inheritance). Meer, Miller, and Rosen (2003) use the Panel Study of Income Dynamics (PSID) to examine changes in wealth and health. They find that, without taking endogeneity into account, changes in wealth result in a positive and significant effect on changes in health. Yet the effect is very small. When the endogeneity of wealth is taken into account, the effect of wealth on health becomes insignificant and essentially disappears.

The interaction between socioeconomic status and health can be illustrated using the standard economic model of health (Grossman 1972). Similarly; health status may also affect the financial position of the household. As discussed in Smith (1999), individuals with poor health often work fewer hours or are perhaps unemployed. A reduction in labor supply decreases an individual's future earnings capacity and limits the household's ability to accumulate assets and, in turn, savings. While poor health reduces current income and savings, it also increases out-of-pocket medical expenses. In such cases, savings may be

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depleted fairly quickly, placing financial strain on the household, which can threaten its overall financial well-being. Researchers expect that greater interest will be taken by researchers to explore Indian Health and Financial Scene.

Our Results are given below in the Table

One-Sample Test						
One-Sample Statistics	Mean	Test Value Mean	Mean Difference	t	df	Sig. (2-tailed)
Excercise	2.87	3	-0.133	-0.55	29	.588
Sleep	2.73	3	-0.267	-1.28	29	.211
TalkwithParents	3.07	3	0.067	0.37	29	.712
VisittoDoctor	3.1	3	0.1	0.50	29	.620
Meals	3.33	3	0.333	2.16	29	.039
VisittoTemple	2.77	3	-0.233	-1.56	29	.129
Study	2.7	3	-0.3	-1.56	29	.130
StopActivity	3	3	0	0.00	29	1.000
Painkillers	2.9	3	-0.1	-0.59	29	.557

As study was conducted on one sample, the observations are compared against the standard value theoretically likely to come. In the present case theoretical mean will be 3 because of Scale constructed for Data collection and Analysis. All the activities shall give 3 as normal Mean. (Test Value Mean 3 is given in column 3 in above table).

Conclusions

Observations show that there is no significant difference between the factor Means in normal times and under financial stress for majority of factors except for Frequency to take Meals. Factor means have increased and some factor means have decreased from its normal values. Factors being Frequency of Exercise, Duration of Sleep, number of times Talk with Parents, number of times Visit to Doctor, Frequency of Meals, number of Visits to Temple, change in Study duration, Stopping and Retiring from Activity and Intake of Medicines and Painkillers.

Statistically, p values for all the factors except frequency to take Meals for N=30 has $p > 0.05$ which means Null Hypothesis is to be accepted (except in the case of Frequency of Meals). i.e. there is no significant difference in majority of the factor means in normal times

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and under financial stress on basis of t-test table. It may be noted that only Frequency to take Meals show significant difference in stressed time as compare to normal times.

It is not uncommon to see that younger generation being under financial stress do not show higher amount of diseases initially but as they approach old age stress undergone shows by way of expression in diseases. It may not be distant when younger persons will show much higher percentage of illnesses if financial stress is allowed to build into Indian lifestyle. This research may lead to infer that many factors change under financial deterioration but majority of them are not significant in short time frame. Researchers expect that more studies will be conducted in future for conclusive evidences. Researchers sincerely wish that more studies be conducted and interviewees express their conditions more frankly than remain closed to sharing information.