Buffering the impact: Psychological capital as a moderator between socioeconomic stressors and employee wellbeing in South Africa.

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Abstract

Psychological Capital (PsyCap) has been widely recognised as a vital psychological resource that fosters resilience and well-being in employees. However, its role in mitigating the effects of socioeconomic stressors within developing economies remains insufficiently explored. This study investigates the relationship between socioeconomic stressors and employee well-being, examining whether PsyCap moderates this relationship. Given the financial strain, job insecurity, and systemic inequalities prevalent in emerging markets, understanding the protective role of PsyCap is essential for both employees and organisations. The study employed a quantitative research design, using the Perceived Economic Scarcity Scale (PESS), the Psychological Capital Scale, and the Warwick-Edinburgh Mental Wellbeing Scale (WEMWBS) to assess these relationships among employees. Descriptive statistics, correlation analyses, and moderated multiple regression analyses were conducted to explore these associations. The findings revealed a significant negative relationship between socioeconomic stressors and employee well-being, reinforcing the adverse psychological impact of financial hardship and economic instability. PsyCap was found to have a strong positive association with well-being, affirming its role as a psychological resource that promotes resilience. However, the study did not find evidence to support the moderating effect of PsyCap, indicating that while it enhances well-being, it does not significantly buffer employees against the detrimental effects of economic stressors. By situating PsyCap within a developing economy, this study extends existing research and offers valuable insights for organisations operating in resource-constrained environments.

Keywords: Psychological Capital, employee well-being, socioeconomic stressors, resilience

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Chapter 1: Introduction

1.1 Introduction

In many developing countries, including South Africa, individuals are confronted with significant social and economic challenges including poverty, income inequality, crime, and high costs of living. These challenges accumulate and lead to a complex web of stressors that negatively affect employees' mental health and wellbeing. South Africa, as a context for study, provides a unique lens through which to examine these challenges because of its dynamic but deeply unequal socioeconomic landscape (Statistics South Africa, 2019; Benatar, 2013). Employees, a subgroup often perceived as more shielded from the harshest economic pressures, are not immune to the pervasive stressors that characterise their broader environment. For employees, the consequences of these stressors extend beyond personal challenges, influencing workplace engagement and productivity. While considerable research explores and have shed light on these socioeconomic factors, as evidenced by studies like those by Peer et al. (2020), Livingston et al. (2022), Loewenson et al. (2023), Ngobeni et al. (2023), and Hlatshwayo et al. (2023) there remains a critical gap in understanding the mechanisms that mitigate their detrimental effects, particularly within the unique context of South Africa.

To address these challenges, it is critical to identify factors that moderate or buffer the relationship between socio-economic stressors and employee wellbeing. The interplay between socioeconomic stressors and wellbeing is well established in the literature (Loewenson et al., 2023; Peer et al., 2020), yet the mechanisms that moderate these effects remain underexplored, particularly in South Africa. Moderators as defined by Arnold (1982) are factors that influence the strength or direction of the relationship between two variables. Moderators play a crucial role in shaping how socio-economic stressors are experienced and in determining their impact on employee wellbeing. They act as buffers, potentially lessening the effects of these stressors. Understanding these moderators is pivotal as they offer pathways for intervention and support.

Against this backdrop, the present study seeks to explore the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing in South Africa. Psychological capital encompasses a set of positive psychological resources such as resilience, optimism, hope, and self-efficacy, which are vital for individuals in navigating challenging circumstances (Luthans & Broad, 2020). These components are not fixed traits but malleable qualities that can be developed through deliberate interventions. Resilience equips individuals with the capacity to recover from setbacks, while optimism and hope foster a forward-

looking mindset that transforms challenges into opportunities for growth. Self-efficacy instils confidence in an individual's ability to perform effectively in the face of adversity (Bandura, 1997; Snyder et al., 1991). These components together form a framework that can strengthen employees' psychological resources which reduces their vulnerability to external pressures (Avey et al., 2011; Luthans & Youssef-Morgan, 2017).

In South Africa, where external socioeconomic pressures are often severe and persistent, understanding the role of PsyCap as a moderating mechanism is especially relevant. While much has been studied about the direct effects of socioeconomic stressors, insufficient attention has been paid to how PsyCap may alter these dynamics (Ngobeni et al., 2023; Kundi et al., 2021). By investigating how psychological capital influences the impact of socioeconomic stressors on employee wellbeing, the study aims to provide a nuanced understanding of the mechanisms underlying adaptation in the face of adversity.

1.2 Research Aim

The present study seeks to investigate the moderating role of PsyCap in the relationship between socioeconomic stressors and employee wellbeing. The research is structured to achieve the following objectives:

- To identify the socioeconomic stressors experienced by employees in South Africa.
- To explore the relationship between socioeconomic stressors and employee wellbeing.
- To investigate the moderating effect of psychological capital on the relationship between socioeconomic stressors and employee wellbeing.

1.3 Background and Context

South Africa's socio-economic landscape is shaped by a deeply entrenched history of racial discrimination and economic exclusion (Vivek, 2024). The legacy of apartheid, a system of racial segregation and oppression, continues to cast a long shadow, resulting in significant socioeconomic inequalities across racial groups (Machema, 2019). Under apartheid, the population was divided and classified based on race, with Black South Africans, constituting the vast majority of 80.2% in 2014 (Statistics South Africa, 2014). They faced systematic disadvantages in education, employment, and access to basic resources (Ataguba et al., 2011; Tregenna & Tsela, 2012). These policies resulted in economic exclusion and wide-ranging social inequality which created significant disparities between racial groups that are still evident to this day (Vivek, 2024; Machema, 2019).

While the dismantling of apartheid in 1994 ushered in a new era of political freedom and human rights, significant socioeconomic inequalities still exist (Leibbrandt et al., 2012). These inequalities manifest within and between racial groups, with disparities in education, employment opportunities, income levels, and health outcomes remaining bleak (Benatar, 2013; Cramer et al., 2020). Leibbrandt et al., (2012) further argue that in some instances, these disparities have even widened in the post-apartheid era. South Africa's Gini coefficient, a key measure of income inequality, exemplifies this trend, rising from 59.3% in 1993 to 63.4% by 2011 (World Bank, 2016). By 2015, South Africa stood as one of the most unequal countries globally, with a Gini coefficient of 65% (Statistics South Africa, 2019). This entrenched inequality is deeply rooted in the country's historical legacy of racial segregation and economic marginalisation which has contributed to a socioeconomic landscape marked by widespread poverty, unemployment and economic scarcity. These enduring socioeconomic challenges have a profound impact on the wellbeing of individuals, particularly South African employees. Financial strain, job insecurity, and inadequate housing, all stemming from underlying socioeconomic inequalities, can lead to increased stress, anxiety, and depression (World Health Organization, 2022). These mental health concerns are not only personal but can negatively affect employee wellbeing, potentially translating into decreased productivity, absenteeism, and higher employee turnover (World Health Organization, 2022). In this context, it becomes crucial to explore potential factors that can mitigate the detrimental effects of socioeconomic stressors on employee wellbeing.

This study's focus on understanding the role of PsyCap in mitigating the impact of these socioeconomic stressors on employee wellbeing is highly relevant in today's context. The South African context presents a unique opportunity to examine the ways in which employees navigate both the external pressures of the country's socioeconomic landscape and the internal resources they draw upon to maintain their wellbeing. Acknowledging the unique positioning of the present study's sample within the broader socioeconomic landscape of South Africa, therefore, becomes important. While it is recognised that individuals within the sample may be shielded from certain acute economic stressors prevalent among the majority of South Africans by virtue of their employment status, it is important to note that employment in South Africa carries its own set of challenges - job insecurity, salary disparities, high unemployment rates, and workplace stress.

1.3.1 The context of employment in South Africa

The assumption that employment inherently protects individuals from socioeconomic stressors can be misleading, especially in a country where the cost of living is high and economic inequalities are pervasive (Bester & Mabeka, 2024). These challenges highlight the need to consider not only the external socioeconomic factors that impact employee wellbeing but also the internal psychological resources that individuals can draw on to navigate these stressors. In this instance, Psychological Capital offers a valuable framework for understanding how employees may cope with the complex interplay between their external environment and internal resources (Luthans & Youssef-Morgan, 2017). By looking at the ways in which PsyCap moderates the impact of socioeconomic stressors, this study aims to provide insights into how individuals can maintain their wellbeing and resilience in the face of significant challenges (Avey et al., 2011). Considering the context, the specific challenges and nuances faced by the sample in their employment contexts become even more significant. As such, the experiences of employees in this study must be understood within the larger framework of South Africa's socioeconomic landscape, where disparities in income, education, and access to resources persist (Vivek, 2024).

Despite being employed, many South African individuals face significant socioeconomic pressures, particularly given the country's high unemployment rate, rising living costs and they often face the burden of caring for extended family members (Statistics South Africa, 2019; Rogan & Alfers, 2019). Therefore, while they do possess the advantage of having a job, which can provide a degree of stability and security, they may not be entirely immune to economic stressors. Consequently, even those who are employed often experience financial strain and economic insecurity (Benatar, 2013). This is worsened by the country's high levels of debt, with many individuals relying on loans, credit cards and other forms of borrowing to manage everyday expenses (Francis & Webster, 2019). Debt, in particular, is a significant stressor that affects not only the unemployed or underemployed but also those with a steady income. This burden of debt and financial obligations is often coupled with the cultural expectation of caring for extended family members (Le & Ibuka, 2023), which is a practice rooted in the country's traditional values of collectivism and familial responsibility. This responsibility comes with additional pressures on employed individuals to not only support their immediate family but also extended family members who are struggling financially or are unemployed. Thus, despite being employed, employees continue to face significant economic stress which can detrimentally affect their mental health and overall wellbeing (World Health Organization, 2022).

1.3.2 Contextualising the sample

By understanding the broader socioeconomic landscape of South Africa, it becomes important to acknowledge that the individuals within the present study's sample may have a relatively privileged position compared to those who are unemployed. However, this does not negate the reality that even employed individuals are subject to the pressures of South Africa's socioeconomic environment. The financial obligations, high levels of debt and caregiving responsibilities suggest that these employed individuals also experience significant economic stress (Benatar, 2013). Moreover, employment in South Africa is often precarious, with many individuals working in sectors where job security is limited, wages are low, and opportunities for advancement are scarce (Rogan & Alfers, 2019). This creates a sense of uncertainty and instability, even for those who are employed. The financial strain that results from these conditions, combined with the high cost of living, means that employees are often stretched thin, juggling multiple responsibilities and facing ongoing economic pressure (Le & Ibuka, 2023). These challenges are further compounded by the legacy of apartheid, which continues to shape the socioeconomic structure of the country, leaving many individuals and communities marginalised and economically disadvantaged (Statistics South Africa, 2019).

Thus, as the study delves into the dynamics of employee wellbeing, it is crucial to contextualise the findings within the broader socioeconomic realities of South Africa. This includes recognising the potential impact of factors such as caregiving responsibilities and concerns about payment structures on the wellbeing of individuals within the sample. By doing so, the study can provide valuable insights into the interplay between individual experiences, structural inequalities, and employee wellbeing, contributing to a more nuanced understanding of the complexities inherent in South Africa's socioeconomic landscape.

1.4 Rationale

Within the complex socioeconomic landscape of South Africa, marked by pronounced income inequality and persistent socioeconomic stressors, the application of positive psychology principles holds profound implications for fostering employee wellbeing (Geldenhuys, 2016). In this context, where diverse workforce demographics intersect with socioeconomic challenges, understanding how positive psychology can be leveraged to support employees becomes important. The principles of positive psychology offer a transformative approach, emphasising individuals' strengths, positive emotions, and the creation of supportive environments. By exploring the application of positive psychology within the workplace, particularly in relation to employee

wellbeing, this study seeks to contribute to the growing field of positive organisational psychology (Page & Vella-Brodrick, 2008).

Amidst socioeconomic stressors in South Africa, employees are faced with a lot of challenges that impact their psychological wellbeing and performance. Previous research has demonstrated the positive impact of psychological capital on employee attitudes, behaviours, and performance, highlighting its relevance in diverse organisational settings (Luthans et al., 2007; Avey et al., 2011; Luthans & Youssef-Morgan, 2017). Drawing on current research in positive psychology, Kundi et al. (2021) investigated the relationship between employee psychological wellbeing and job performance, exploring the mediating and moderating mechanisms that influence this dynamic. Their study demonstrated that psychological wellbeing significantly enhances job performance, with factors such as supportive organisational practices and psychological resources playing critical roles in this relationship. Moreover, their findings underscored the moderating effect of personal and organisational factors in buffering the negative impacts of workplace stressors. This research highlights the importance of fostering psychological wellbeing in organisational settings, particularly in environments characterised by socioeconomic stressors, to promote resilience and optimal performance. Similarly, Shin and Hur (2020) explored the moderating role of psychological capital, a personal resource, in mitigating the adverse effects of socioeconomic stressors on work engagement and performance. Their research emphasised the critical role of personal resources in fostering wellbeing in the face of workplace challenges.

Additionally, it is crucial to recognise that in the discourse surrounding socioeconomic challenges, the term "socioeconomic" often tends to be associated predominantly with the unemployed or those facing severe economic hardship. However, as highlighted earlier, this assumption of protection granted by employment is not always accurate, especially in the context of South Africa. Despite holding jobs, individuals within the sample are not immune to the multifaceted pressures of the country's socioeconomic landscape. One particularly significant aspect to consider is the prevalence of high debt rates in South Africa, which can exert a significant strain on individuals and families, regardless of their employment status. The burden of debt, encompassing various forms such as credit cards, personal loans, and mortgages, can exacerbate financial stress and impede overall wellbeing.

Building upon these insights, this study aims to further highlight the relationship between socioeconomic stressors, psychological capital, and employee wellbeing within the South African context. By investigating whether psychological capital functions as a buffer mechanism to alleviate

the adverse effects of socioeconomic stressors, this study hopes to contribute to the growing body of research in this field and provide insights into the potential benefits of positive psychology for individuals and society as a whole. Furthermore, it seeks to provide valuable insights and recommendations for organisations aiming to enhance employee wellbeing and performance.

1.5 Research Questions

The proposed study, therefore, aims to address the following research questions:

1. Is there a significant relationship between socioeconomic stressors and employee wellbeing?
2. Does psychological capital moderate the relationship between socioeconomic stressors and employee wellbeing in South Africa?
3. What are the socioeconomic stressors experienced by employees in South Africa?

Chapter 2: Literature Review

This literature review aims to explore the role of positive psychological resources, particularly Psychological Capital in mitigating the negative effects of socioeconomic stressors on employee wellbeing. This review is structured to (1) examine the foundational principals of positive psychology, (2) explore PsyCap as a key moderator in the relationship between stressors and wellbeing, (3) apply the Conversation of Resources (COR) theory to understand how individuals navigate resource depletion in the face of socioeconomic challenges and (4) integrate these theories into the specific context of South Africa. By synthesising these themes, the review aims to highlight the gaps in the current literature and illustrate the contribution of this study to addressing those gaps.

3.1 Positive psychology

Positive psychology, introduced by Seligman and Csikszentmihalyi (2000), represents a paradigm shift in psychological research. Traditionally, psychology focused on diagnosing and treating mental illness, with little attention paid to human strengths and flourishing. Positive psychology, in contrast, emphasises the importance of cultivating positive emotions, traits and behaviours to improve overall wellbeing. Described as the scientific study of optimal human functioning (Abbasian et al., 2022), positive psychology centres on identifying and promoting factors that enable individuals and communities to thrive (Abbasian et al., 2022). This alternative perspective offers a valuable lens for understanding human potential and wellbeing. It prioritises enhancing positive emotions and fostering positive individual traits that contribute to a more productive and satisfying experience (Seligman & Csikszentmihalyi, 2000). Research has shown that positive emotions such as happiness, joy, and gratitude are essential for our wellbeing and can have a wide range of benefits, including improving our physical health, relationships, and resilience (Seligman et al., 2005). Positive emotions can be increased through various acts such as gratitude exercises, acts of kindness, and mindfulness practices (Emmons & McCullough, 2003; Bono et al., 2012)

The positive psychology paradigm rests on three core propositions: positive emotions, positive individual traits, and positive institutions. Positive emotions refer to subjective states such as happiness, joy, and pleasure. Research has shown that focusing on positive emotions can lead to increased wellbeing and life satisfaction (Seligman et al., 2005). Positive individual traits speak to concrete behavioural patterns such as optimism, resilience, and gratitude. These traits can be developed and strengthened through practice and intervention (Luthans et al., 2007). Positive institutions refer to the creation and maintenance of environments that support and nurture

individuals. This includes organisations, communities, and societies that promote positive relationships, growth, and development (Abbasian et al., 2022).

In organisational settings, positive psychology has emerged as a framework for enhancing employee wellbeing and productivity. Seligman et al (2005) suggested that individuals i.e. employees, who experience positive emotions are more likely to engage in fostering stronger social connections, creative problem-solving and demonstrate resilience in challenging circumstances. This foundational work aligns with Fredrickson's (2001) broaden-and-build theory, which posits that positive emotions broaden individuals' thought-action repertoires and build enduring personal resources, such as resilience and social support networks. Recent research continues to affirm the practical relevance of positive psychology interventions in the workplace. Donaldson et al. (2019) conducted a systematic review and meta-analysis, evaluating 34 workplace positive psychology interventions (PPIs). Their findings highlighted that PPIs – such as strengths-based training, gratitude exercises and optimism-building activities – significantly enhanced employee wellbeing, engagement and performance across diverse organisational settings. Schippers & Ziegler (2019) explored life crafting as an innovative positive psychology intervention to help employees find purpose and meaning in life. Life crafting involves structured exercises designed to help individuals reflect on their goals, values and strengths. Their research demonstrated that participants who engaged in life crafting reported increased life satisfaction, reduced stress and greater alignment between personal and professional aspirations which makes it a valuable tool for promoting workplace wellbeing.

Despite the promise of these interventions, much of the literature disproportionately focuses on high-income, stable environments, often neglecting the socioeconomic complexities of developing countries like South Africa. For example, Emmons & McCullough's (2003) study on gratitude interventions demonstrated their effectiveness in improving psychological wellbeing among middle-class American workers. However, questions remain about the efficacy of these interventions in regions where individuals face pervasive stressors such as limited access to resources. According to statistics in the Quarterly Labour Force Survey, unemployment rates in South Africa exceed 30% contributing to financial insecurity and psychological distress (Maluleke, 2024). These conditions demand context-sensitive approaches. Mcizana et al. (2023) investigated the psychological resilience of South African healthcare workers and found that factors such as social support, job stability, and opportunities for professional growth were critical in fostering resilience. Although the present study does not directly examine interventions, it is important to

note that the findings of Boyd & Alexander (2022) highlight the potential benefits of incorporating psychological resources such as mindfulness and emotional regulation into resilience-building programs, especially for individuals experiencing socioeconomic stressors. By exploring the moderating effect of PsyCap, this study suggests that individuals with higher psychological capital may exhibit greater resilience in the face of adversity, emphasising the need for targeted interventions that enhance both psychological and systemic support mechanisms to foster overall wellbeing.

3.2 Conservation of Resources Theory

The Conservation of Resources (COR) theory, developed by Hobfoll in 1989, provides a comprehensive framework for understanding human behaviour and motivation. This theory is rooted in the premise that individuals strive to conserve and acquire resources, which are valued objects, states, and conditions that serve as a means for attainment (Hobfoll, 2010). The COR theory is closely related to the positive psychology paradigm, as it encompasses principles that foster positive emotions, individual traits, and institutions (Halbesleben et al., 2014). Positive psychology, as conceptualised by Seligman and Csikszentmihalyi (2000), focuses on enhancing strengths and fostering wellbeing. Similarly, COR theory emphasises the importance of resources in maintaining equilibrium and coping with stressors (Hobfoll et al., 2018)

The theory posits that individuals experience stress when they perceive a threat to their resources, leading to a state of disequilibrium (Hobfoll, 2011). To maintain equilibrium, individuals aim to build and acquire more resources, which enables them to withstand demands and protect their resources. The COR theory emphasises the importance of resources in coping with stressors. Resources can be categorised into four types: object resources, conditions, personal characteristics, and energies (Hobfoll, 2010). Social support is an additional resource that can be utilised in various circumstances to preserve valued resources. The specific value of a resource can vary depending on individual experiences and situations. Furthermore, the theory proposes four principles: the primacy of loss principle, resource investment principle, gain paradox principle, and desperation principle (Hobfoll, 2010). These principles underscore the significance of resource conservation and acquisition in human behaviour. The first principle, the primacy of loss, suggests that individuals perceive losses as more significant than resource gains. Following this, the resource investment principle states that individuals must invest resources to acquire and protect them, or to recover from losses. Additionally, the gain paradox principle posits that resource gains become more salient

in the context of resource loss. Finally, the desperation principle describes individuals' defensive reactions when their resources are depleted or threatened (Hobfoll, 2010).

The COR theory has been applied in various contexts, including psychology, education, and organisational behaviour. The theory's emphasis on resources and their role in maintaining equilibrium highlights the importance of resource management in promoting wellbeing and positive outcomes. Empirical evidence supports the link between COR and employee wellbeing. Studies have shown that exposure to job demands, limited resources, and work-life imbalance can deplete employee resources, leading to stress and burnout (Jimenez & Dunkl, 2017; Demerouti & Bakker, 2022). Conversely, access to work resources like job control, autonomy, and social support acts as a buffer against stress, promoting wellbeing and engagement (Demerouti & Bakker, 2022). Additionally, by investing in skill development, social networks, and healthy lifestyles, employees can build their resource pool, improving their ability to cope with challenges and enhance overall wellbeing (Hobfoll, 1989; Schaufeli & Bakker, 2004).

In the theoretical framework provided i.e. COR theory, socioeconomic stressors are perceived as threats to individuals' resources (Hobfoll, 2011). According to this theory, individuals strive to acquire and maintain various resources, including material possessions, to safeguard their wellbeing and cope with stressors. In the context of socioeconomic stressors prevalent in South Africa, such as income inequality, poverty, and job insecurity, individuals may experience resource depletion, leading to heightened stress levels and decreased wellbeing (Hobfoll, 2011). Therefore, a link between socioeconomic challenges and resource depletion shows how these stressors can threaten various resources valued by employees. COR theory posits that individuals respond to resource threats by investing additional resources to mitigate losses or by seeking alternative resources to replenish their resource pool. What follows next is further exploration of psychological capital as a resource for employees to replenish their pool.

3.3 Psychological Capital

One of the key constructs within positive psychology is Psychological Capital (Luthans et al., 2004). Psychological Capital (PsyCap) is viewed as a valuable personal resource that individuals can draw upon to cope with stressors and maintain their wellbeing (Luthans et al., 2004). PsyCap encompasses positive psychological states such as hope, optimism, resilience, and self-efficacy, which are instrumental in buffering against the detrimental effects of stressors. From a COR perspective, PsyCap serves as a reservoir of internal resources that individuals can leverage to

navigate challenges and adapt to changing circumstances. For example, individuals high in resilience may view socioeconomic stressors as temporary setbacks rather than insurmountable obstacles, allowing them to persevere and maintain their wellbeing (Luthans et al., 2004). Research suggests that PsyCap is positively associated with wellbeing, work performance, and goal achievement (Luthans et al., 2007). The focus on strengths and positive emotions makes positive psychology particularly relevant to the study of employee wellbeing. In this study, PsyCap serves as a moderator, potentially buffering the negative effects of socioeconomic stressors on employee wellbeing. The following subsections will discuss these psychological traits (hope, optimism, resilience and self-efficacy) in detail.

3.3.1 Hope

Hope is conceptualised as a cognitive-motivational construct that involves setting specific goals, identifying pathways to achieve these goals, and maintaining the motivation to pursue them, even in the face of obstacles (Snyder et al., 1991). It is not merely a passive emotional state but an active, goal-directed process that enables individuals to overcome adversity and work towards positive outcomes. Hope is considered a critical psychological resource that drives behaviour, influencing both individual and organisational performance. Research has consistently highlighted the pivotal role of hope in enhancing workplace outcomes, suggesting that employees with high levels of hope are better equipped to handle challenges and remain focused on long-term objectives.

Luthans et al. (2007) emphasise that employees who exhibit high levels of hope are more adept at goal-setting, problem-solving, and perseverance, all of which contribute to superior job performance and satisfaction. This alignment of motivation and effort towards achieving specific goals enables individuals to sustain high levels of engagement and productivity, even when confronted with obstacles. The ability to set clear, achievable goals and find multiple pathways to reach them ensures that employees with high hope remain resilient and persistent in the face of adversity, which in turn positively influences their overall job performance. Additionally, hope has been linked to greater job satisfaction, as employees who feel they are making progress toward meaningful goals are more likely to report positive feelings about their work. Snyder (2002) further highlights hope's role in fostering adaptability, particularly during periods of organisational change. Hopeful employees are more likely to embrace change, seeing it as an opportunity for growth rather than a threat. Their ability to envision possible pathways to success, even in uncertain or evolving environments, enables them to adapt more effectively to new roles, organisational structures, or processes. This adaptability is especially crucial in today's fast-paced, ever-changing work

environments, where organisations need employees who can cope with change, remain flexible, and maintain performance under pressure.

Recent studies have further corroborated the essential role of hope in enhancing workplace outcomes. For instance, Gallagher et al. (2019) and Smith (2024) underscore hope's critical role in promoting innovation and mitigating workplace stress. These studies suggest that hope acts as a protective factor, helping employees navigate stress and uncertainty while maintaining their productivity and wellbeing. Hopeful employees are more likely to engage in creative problem-solving and innovative thinking, as they are motivated to find solutions and believe that these solutions are achievable. Furthermore, hope can buffer the negative effects of workplace stress by helping employees maintain focus on their goals and manage challenges with a positive mindset. This hope in the face of stress can contribute to a more psychologically safe work environment, where employees feel encouraged to take calculated risks, experiment with new ideas, and innovate without the fear of failure. Jurek & Niewiadomska (2021) extend this understanding by demonstrating that hope serves as a mediator between psychological capital and quality of life, particularly for individuals navigating complex career transitions. In this context, hope helps individuals maintain a positive outlook and persevere through challenging career changes, such as job loss, re-skilling, or shifting industries. The role of hope in these transitions is crucial, as it enables individuals to identify new opportunities, set new goals, and remain motivated during uncertain periods. This underscores the broader impact of hope beyond immediate job performance, linking it to overall life satisfaction and wellbeing, particularly during times of change.

Despite the wealth of literature on hope, most of these findings are derived from studies conducted in high-income, stable environments, where employees are not necessarily subject to chronic socioeconomic stressors. This leaves a significant gap in understanding how hope functions in contexts characterised by persistent external pressures, such as those found in South Africa, a country marked by high levels of unemployment, income inequality, and economic instability (Stats SA, 2022). In such environments, hope could potentially serve as a psychological resource that helps employees cope with the ongoing challenges they face. Hope may act as a buffer against the negative effects of chronic stress, enabling individuals to maintain motivation and pursue long-term goals despite the limitations posed by socioeconomic adversity. However, empirical studies examining how hope mitigates chronic stress in such environments are scarce, presenting a key area for future research. Given the socioeconomic context of South Africa, it is critical to explore whether hope can be nurtured and leveraged as a resource in addressing the challenges faced by

employees in resource-constrained environments. While hope interventions, such as solution-focused workshops, have demonstrated efficacy in enhancing hope and wellbeing (Cheavens et al., 2006), their applicability in settings where resources are limited remains under-researched.

3.3.2 Optimism

Optimism is defined as the general expectation that positive outcomes will occur and has been widely studied for its beneficial effects on employee wellbeing, engagement, and performance (Luthans et al., 2007). This cognitive outlook not only shapes how individuals approach challenges but also influences their emotional resilience and overall psychological health. As such, optimism has become a key area of focus in organisational psychology due to its implications for improving workplace dynamics and enhancing employee outcomes.

Luthans et al. (2007) distinguish between dispositional optimism, which is a stable personality trait and learned optimism, which can be cultivated through interventions and behavioural strategies. Dispositional optimism reflects an inherent tendency to expect favourable outcomes, while learned optimism involves consciously adopting more positive, hopeful thought patterns, particularly in the face of adversity. Learned optimism has been found to be malleable, suggesting that organisations can implement strategies to foster this mindset among employees. This distinction is critical because it highlights the potential for optimism to be developed and nurtured in organisational settings, leading to meaningful changes in employee behaviour and performance. Avey et al. (2011) provided empirical evidence supporting the efficacy of optimism-building interventions in organisational contexts. Their study showed that when employees were trained to develop learned optimism, they experienced a significant reduction in stress levels and reported increased job satisfaction. This finding is crucial as it demonstrates the practical application of optimism in reducing workplace stress, which can lead to lower turnover rates and improved productivity. The benefits of learned optimism go beyond mere stress reduction; they have been linked to greater employee engagement, stronger organisational commitment, and enhanced problem-solving capabilities, all of which contribute to improved organisational performance.

The interplay between optimism and workplace outcomes has been further explored in various studies. Luthans et al. (2008) examined the role of optimism in the performance of healthcare professionals, with a focus on nurses working in high-pressure environments. Their findings revealed a significant positive correlation between optimism and several critical performance outcomes, including nurses' commitment to the organisation's mission, their contributions to

customer satisfaction, and their overall work performance. Optimistic nurses were found to approach challenges with a problem-solving mindset, maintain focus on achieving organisational goals, and sustain high levels of engagement despite workplace stressors. This underscores the importance of optimism not only as an individual trait but also as a driver of team cohesion and service excellence. The study also suggests that cultivating optimism through organisational interventions can enhance both employee wellbeing and the quality of care provided to patients. These findings have broader implications for other industries, highlighting the potential of optimism to foster resilience, enhance adaptability, and sustain high performance in demanding and resource-intensive contexts.

Recent studies have further elucidated the role of optimism in enhancing adaptability during periods of volatility and crisis. For instance, Lee (2023) examined how resilience and optimism influenced psychological wellbeing among older European adults during the early stages of the COVID-19 pandemic. The study found that both resilience and optimism partially mediated the relationship between pandemic-related adversities and psychological wellbeing, suggesting that these traits can help individuals cope with stressful life events and other challenges. Similarly, Rotich (2020) investigated the influence of optimism on work engagement among middle-level managers in state corporations in Kenya. The study found that optimism had a moderate, though statistically significant, impact on work engagement, accounting for approximately 3.6% of the variance in engagement levels. While optimism alone did not emerge as a dominant predictor of work engagement, the study highlighted its role in fostering a positive mindset that could enhance employee motivation and commitment. The research suggested that while optimism may not be the sole driver of work engagement, it contributes to an overall supportive environment where managers are more likely to remain motivated and persistent in their roles, even in the face of challenges. This underscores the importance of optimism as part of a broader psychological resource set that can enhance job performance and wellbeing, especially in the public sector context where challenges such as limited resources and high levels of bureaucracy can often lead to disengagement.

Despite these positive findings, there remains a gap in research concerning the operation of learned optimism in contexts characterised by chronic socioeconomic adversity. South Africa, for instance, presents a unique case due to its structural challenges, such as high unemployment rates, limited upward mobility, and pervasive inequality (ILO, 2021). These challenges create a complex environment where learned optimism could potentially buffer against stressors and provide psychological resources to help employees cope with adversity. Yet, the empirical validation of

learned optimism in South African organisations is scarce, and there is a need for further research to explore how learned optimism might function as a protective factor in contexts marked by entrenched social and economic challenges.

3.3.3 Resilience

Resilience, a critical component of Psychological Capital, is widely recognised for its role in enabling individuals to recover from adversity and sustain wellbeing despite significant challenges. Defined as the ability to adapt positively in the face of stressors, resilience has been extensively studied in relation to employee performance, mental health, and organisational effectiveness (Luthans et al., 2007). Research consistently demonstrates that resilience enhances job performance, mitigates burnout, and fosters adaptability, making it an essential factor for individuals operating in high-pressure environments. This review examines the conceptual foundations of resilience, its neurological and psychological underpinnings, the role of organisational and social support, and the broader implications for resilience-building interventions. Resilience is not merely the ability to 'bounce back' from adversity but also encompasses the capacity for growth and transformation. Scholars such as Peterson and Luthans (2003) emphasise that resilience involves actively confronting difficulties rather than avoiding them. Murden et al. (2018) similarly argue that individuals who acknowledge and address their challenges head-on are more likely to develop adaptive coping strategies. This conceptualisation aligns with the theory of post-traumatic growth (Tedeschi & Calhoun, 2020), which suggests that individuals may experience meaningful personal development following adversity, gaining new strengths and insights in the process.

A growing body of research has explored the psychological and neurobiological foundations of resilience. Seligman’s (2021) theory of learned optimism highlights the influence of cognitive patterns on an individual's perception of adversity, suggesting that fostering an optimistic mindset can enhance resilience. Similarly, self-efficacy—the belief in one’s ability to overcome obstacles—plays a crucial role in resilience-building, with higher self-efficacy being linked to greater persistence and confidence in the face of difficulties. The neurological basis of resilience, as highlighted by Eaton et al. (2021) and Holz et al. (2019), reinforces its role as a critical mechanism in managing persistent stressors. Given that resilience is a core component of PsyCap, its development is essential in sustaining wellbeing, particularly in contexts of prolonged socioeconomic strain. Strengthening neural pathways related to emotional regulation and adaptive coping not only enhances individual capacity to manage stress but also underscores the need for

broader systemic support. Targeted interventions that foster neuroplasticity, coupled with organisational and societal initiatives, can create environments that promote psychological resilience, ultimately mitigating the long-term effects of adversity on mental health and overall wellbeing.

Resilience is relevant in organisational settings, where employees are often required to navigate complex challenges and adapt to continuous change. Research by Santoro et al. (2021) highlights the positive correlation between employee resilience and job satisfaction, particularly during times of organisational transition. Seibert et al. (2016) further argue that resilient employees contribute to a more agile and effective workforce by maintaining productivity despite setbacks. Organisations can play a pivotal role in fostering resilience through structured training programmes that focus on coping strategies, emotional intelligence, and stress management. Moreover, creating a psychologically safe workplace—characterised by open communication, supportive leadership, and collaborative team dynamics—can further enhance employees' ability to manage stress and uncertainty. Providing access to mental health resources, flexible work arrangements, and professional development opportunities can also help build a resilient workforce (Dóci et al., 2022).

The effectiveness of resilience-building interventions has been widely documented in psychological research. Joyce et al. (2018) conducted a systematic review demonstrating the positive impact of resilience training, particularly those incorporating cognitive-behavioural training (CBT) and mindfulness-based techniques. CBT interventions help individuals identify and reframe maladaptive thought patterns, while mindfulness practices, such as meditation and focused breathing, reduce anxiety and improve emotional regulation. The study found that mixed interventions combining elements of both CBT and mindfulness yielded the most significant improvements in resilience, allowing individuals to manage stress more effectively and sustain high performance in demanding environments.

Despite the extensive research on resilience, much of the literature primarily focuses on responses to acute stressors rather than chronic and systemic challenges. This gap is particularly evident in contexts such as South Africa, where socioeconomic stressors pose persistent threats to wellbeing. Conventional resilience frameworks, which emphasise individual coping mechanisms, may be insufficient in addressing these broader structural issues.

3.3.4 Self-Efficacy

Self-efficacy is the belief in one’s capacity to execute tasks successfully and it plays a pivotal role in influencing employee motivation, performance, and adaptability (Bandura, 1997). It reflects an individual's confidence in their ability to handle challenges, set and achieve goals, and overcome

obstacles, which directly impacts their engagement and productivity in the workplace. As a cornerstone of psychological capital, self-efficacy is considered one of the most influential personal resources that shape workplace outcomes. Employees with high self-efficacy are more likely to take initiative, persist in the face of difficulties, and exhibit greater resilience, all of which contribute to superior job performance.

Numerous empirical studies have demonstrated the positive effects of self-efficacy on workplace outcomes. For instance, Luthans et al. (2007) and Avey et al. (2011) found that self-efficacy is strongly linked to increased initiative, enhanced problem-solving capabilities, and higher levels of engagement. These studies underscore the importance of self-efficacy in driving proactive behaviour, as individuals with strong self-belief tend to take on challenges with greater confidence and are more likely to employ innovative solutions when confronted with problems. This proactive mindset fosters a positive cycle, wherein higher self-efficacy leads to greater task success, further reinforcing individuals' belief in their capabilities.

Recent studies have expanded the understanding of self-efficacy's pivotal role in fostering innovation, enhancing team cohesion, and sustaining high performance under pressure. (Schunk & DiBenedetto, 2021) emphasise that self-efficacy underpins human motivation, enabling individuals to set challenging goals and persist in achieving them. They highlight that self-efficacy drives not only task execution but also creativity and adaptability, key factors in dynamic work environments. Black et al. (2019) and Fasbender et al. (2023) further explore self-efficacy's influence within team contexts. Black et al. (2019) identify a strong connection between self-efficacy and emotional intelligence, noting that individuals with higher self-efficacy are better at managing emotions and fostering team cohesion, which enhances overall team performance. Similarly, Fasbender et al. (2023) focus on workplace friendship self-efficacy, demonstrating that employees with high self-efficacy effectively manage the complexities of workplace friendships, minimising risks and maximising collaboration and support.

Research on performance-related outcomes has found that self-efficacy plays a significant role in promoting career sustainability. Nimmi et al. (2021) explored how self-efficacy contributes to the development of resource caravans, a concept that refers to the accumulation of resources (such as skills, knowledge, and networks) that support career growth and stability. Using a mixed-methods approach, the researchers collected data from a diverse group of professionals across various industries, enabling them to capture the nuanced ways in which PsyCap contributes to career

sustainability. Their findings revealed that self-efficacy played a particularly significant role in the formation of resource caravans. Individuals with high self-efficacy were found to be more proactive in seeking out career development opportunities, such as participating in professional training, networking, and mentorship programmes. These activities not only enhanced their skills and knowledge but also bolstered their social and professional networks, creating a virtuous cycle of resource accumulation. The study further highlighted that organisations have a critical role in fostering these psychological resources through targeted interventions and supportive workplace cultures. By enhancing employees' PsyCap, organisations can help them build the resilience, optimism, and efficacy needed to navigate career challenges effectively, ensuring both individual and organisational success in the long term.

However, the role of self-efficacy is not without its limitations, particularly when considering the influence of external environmental factors. While much of the research focuses on individual-level interventions and internal organisational dynamics, the broader socioeconomic context in which employees operate can significantly impact their ability to cultivate self-efficacy. In contexts such as South Africa, employees often face structural barriers, including limited access to resources and opportunities, which can hinder the development of self-efficacy. Systemic issues, such as economic inequality and restricted career mobility, may prevent individuals from experiencing the successes necessary to build their self-efficacy beliefs. Without access to the necessary resources, support, and opportunities for success, individuals may struggle to develop the confidence required to tackle new challenges.

3.3.5 Trends and Gaps

The extant literature on PsyCap demonstrates its significant potential for enhancing workplace outcomes. However, several trends and gaps merit attention. First, while PsyCap components have been extensively studied in high-income settings, their applicability in low-income, high-stress environments like South Africa remains under-researched. For example, a study by Reichard et al. (2014) calls for a deeper exploration of how cultural, economic, and systemic factors influence the development and application of PsyCap, particularly in regions experiencing persistent inequalities and adversity. This aligns with the broader need to expand PsyCap research to include underrepresented populations, ensuring that interventions and frameworks are adaptable to diverse environments. By addressing these gaps, researchers can better understand how PsyCap operates in challenging contexts and develop strategies that are both culturally relevant and effective in fostering resilience, optimism, and sustainable career growth in such settings. Second, existing

interventions often adopt a universalist approach, overlooking cultural and contextual nuances that may influence their effectiveness. For instance, studies have predominantly focused on Western contexts, whereas adaptive frameworks suitable for culturally diverse settings remain limited. Tailored PsyCap interventions that consider local socioeconomic and cultural factors are therefore imperative. Third, while the positive effects of PsyCap components have been well-documented, there is a need for a deeper examination of how these components interact with socioeconomic stressors. Understanding these interactions could inform the development of interventions that are both practical and impactful in resource-constrained settings. Fourth, cross-sectional studies dominate the current body of PsyCap research. While these designs offer valuable insights, they are limited in capturing causality and temporal dynamics. Future research employing robust quantitative methods, such as structural equation modelling can help uncover the nuanced relationships between PsyCap and workplace outcomes.

3.4 Psychological Wellbeing

Psychological wellbeing is a multidimensional construct that reflects the extent to which individuals feel that their lives are going well. Unlike hedonic well-being, which focuses solely on happiness and pleasure attainment, psychological wellbeing (PWB) encompasses aspects of meaning, personal growth, and purpose in life (Dhanabhakyam & Sarath, 2023). PWB has emerged as a crucial indicator of mental health and quality of life in the workplace, especially as employees are increasingly exposed to chronic stressors, such as socioeconomic hardship, job insecurity, and inequality—conditions highly prevalent in the South African context (Maluleke, 2024). One of the most influential frameworks in the comceptualisation of PWB is Ryff's (1989) six-factor model which includes: Autonomy – the ability to self-regulate behaviour and resist social pressures; Environmental Mastery – the capacity to manage life and surrounding environments effectively; Personal Growth – a sense of continued development and realization of potential; Positive Relations with Others – having fulfilling, trusting relationships; Purpose in Life – a sense of direction and intentionality; Self-Acceptance – holding a positive attitude toward oneself and one's past (Dhanabhakyam & Sarath, 2023). These dimensions underscore the idea that wellbeing is not merely the absence of distress but the presence of positive functioning in life domains that are central to human flourishing.

Seligman's (2011) PERMA model also offers a complementary perspective from the positive psychology paradigm (Sharma, 2016). PERMA includes five pillars of wellbeing: Positive Emotion, Engagement, Relationships, Meaning, and Accomplishment. This model emphasises the

cultivation of strengths and positive experiences as a pathway to sustained wellbeing. The PERMA framework is particularly useful in organisational contexts, where factors such as engagement and accomplishment can be directly influenced through workplace policies and leadership. While constructs like job satisfaction and affective wellbeing focus on narrower emotional or work-related aspects, psychological wellbeing is broader, capturing both cognitive and affective evaluations of one's overall life circumstances. In the workplace, higher psychological wellbeing has been associated with increased productivity, lower absenteeism, and improved interpersonal relationships (Robertson & Cooper, 2010). Moreover, employees with high psychological wellbeing tend to display stronger resilience, greater adaptability to change, and enhanced problem-solving capacities which are qualities that align closely with the dimensions of Psychological Capital (Luthans et al., 2007).

From a Conservation of Resources perspective, psychological wellbeing can be viewed as both a personal resource and a desired outcome. According to Hobfoll (2011), individuals strive not only to protect tangible resources such as income or social status, but also intangible psychological resources like self-esteem, purpose, and optimism. Psychological wellbeing can act as a buffer against resource loss and resource depletion. Individuals with higher wellbeing are often better equipped to handle stress and uncertainty, as they possess a stronger internal resource base and are more likely to engage in proactive coping strategies. Research in low-resource settings such as South Africa has started to highlight the importance of PWB in navigating systemic adversity. For instance, Adedeji et al. (2023) found that wellbeing is defined not only by internal states but also by material security, social connectedness, and cultural identity. Their study showed that individuals from diverse backgrounds who maintained strong cultural ties and community belonging reported better overall mental health, even amid structural adversity such as poverty and inequality. Similarly, Van Zyl and Rothmann (2014) showed that psychological wellbeing in the workplace was a stronger predictor of employee engagement than demographic variables, suggesting that even in contexts of high stress, internal psychological resources can foster positive work outcomes.

Moreover, the South African workplace is shaped by historical inequalities, cultural diversity, and persistent socioeconomic disparities. In such environments, psychological wellbeing becomes even more essential as a source of internal stability and motivation. For example, studies on township educators (Jackson et al., 2007) and healthcare workers (Mcizana et al., 2023) have consistently reported that employees with higher PWB were less susceptible to burnout, despite overwhelming structural challenges. PWB also interacts with the components of PsyCap. For instance, optimism

and hope can fuel purpose in life; resilience supports personal growth; and self-efficacy contributes to environmental mastery. This bi-directional relationship suggests that enhancing PsyCap may lead to improved psychological wellbeing, and vice versa. Importantly, this underscores the relevance of designing interventions that develop both resource reservoirs simultaneously, especially for employees in resource-constrained environments like South Africa.

In summary, psychological wellbeing is a complex but essential construct for understanding employee functioning in the face of socioeconomic stressors. Integrating PWB into the theoretical framework not only provides a more holistic understanding of wellbeing but also strengthens the rationale for examining PsyCap as a moderating variable. Given the chronic and systemic challenges many South African employees face, fostering psychological wellbeing is not a luxury but it is a necessity for sustaining engagement, productivity, and mental health in the workplace.

3.4 Conclusion

At the heart of this review lies the interdependence of positive psychology, COR theory, and PsyCap. Positive psychology establishes the foundational lens for understanding human flourishing, offering a counterbalance to deficit-focused models. Rather than focusing solely on rectifying deficits, it emphasises strengths that foster growth and resilience. This perspective is crucial in environments such as this study's context environment, where external pressures challenge traditional notions of wellbeing, positioning individuals and organisations to thrive despite adversity. By shifting the focus from limitations to opportunities, positive psychology opens pathways for creating environments that nurture growth, innovation, and collective wellbeing. It encourages the cultivation of strengths that not only address immediate challenges but also lay the groundwork for sustained success and resilience.

The Conservation of Resources theory extends this understanding by addressing how individuals manage their resources amidst stressors. Resource loss often triggers a cascade of negative effects, while resource gains can initiate positive cycles of wellbeing and performance. COR theory's central premise—that resource loss is more impactful than resource gain—highlights the vulnerability of individuals and organisations in resource-scarce environments. This makes the theory particularly relevant in contexts like South Africa, where socioeconomic stressors exacerbate the challenges of resource depletion. COR theory complements positive psychology's principles by emphasising the proactive management of resources to prevent depletion and foster resilience. It underscores the need for both individual and systemic approaches to resource conservation,

advocating for strategies that improve employee wellbeing while ensuring the sustainability of organisational practices.

PsyCap serves as the practical application of these principles, transforming theoretical insights into actionable strategies. Its constructs are not isolated traits but interrelated resources that operate dynamically within challenging environments. Hope drives forward momentum by promoting goal-directed action, encouraging employees to envision pathways to success and maintaining motivation in the face of obstacles. Optimism enhances perseverance and adaptability by fostering a belief in positive outcomes, even amidst adversity. Resilience enables recovery from setbacks by equipping individuals with the emotional and cognitive tools needed to adapt and thrive under pressure. Self-efficacy underpins the confidence required for effective performance and engagement, empowering individuals to take initiative, overcome challenges, and achieve goals. PsyCap provides a roadmap for cultivating psychological resources that are essential for navigating uncertainty, managing stress, and fostering long-term wellbeing.

Chapter 3: Methodology

3.1 Research Paradigm and Design

This study was conducted within the postpositivist paradigm as information gained via a postpositivist lens is founded on careful observation and measurement of objective reality that exists in the world. The study investigated the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing in South Africa. Therefore, a quantitative non-experimental, correlational, cross-sectional research design was employed. It was non-experimental as the independent variable was not manipulated. It was correlational because the study explored the possible relationships between socioeconomic stressors and employee wellbeing.

3.2 Sample and Sampling

The study targeted employees from an educational institution in South Africa. Recruiting a random sample of all Wits employees would have required access to a comprehensive employee database, which posed logistical challenges and privacy concerns. Therefore, convenience sampling was utilised, focusing on employees' willingness to participate. The final sample consisted of 104 participants from various departments within the university. The sample did not perfectly reflect the entire Wits workforce, as individuals who volunteered to participate may have differed in their stress levels or psychological capital compared to those who did not participate. For instance, employees experiencing significant stress may have been less likely to volunteer for a survey on wellbeing. However, efforts were made to recruit a diverse sample across various departments and faculties within Wits University to capture potential differences in socioeconomic stressors and wellbeing experiences across different university settings.

3.2.1 Sample characteristics

The demographic characteristics of the sample are summarised in Table 1. Participants were distributed across various departments, job levels, and employment statuses, allowing for a broad representation of employees.

Table 1: Sample Characteristics (N = 104)

Characteristic	Category	Frequency (n)	Percentage (%)
Department	Administration	18	17.3%
	Academic	10	9.6%

	Research	3	2.9%
	Support Services	14	13.5%
	Human Resources	25	24.0%
	Finance	17	16.3%
	IT	11	10.6%
	Other	6	5.8%
Job Level	Top Management (Grade 01-02)	6	5.8%
	Senior Management (Grade 03-04)	14	13.5%
	Mid-Management (Grade 05-08)	25	24.0%
	Junior Management (Grade 09-12)	33	31.7%
	Semi-Skilled (Grade 13-15)	20	19.2%
	Unskilled (Grade 16-17)	6	5.8%
Employment Status	Permanent	72	69.2%
	Contract	29	27.9%
	Part-Time (50% post)	3	2.9%

The sample consisted of employees from multiple departments, with the largest proportion working in Human Resources (24.0%), followed by Administration (17.3%) and Finance (16.3%). Smaller groups were represented in IT (10.6%), Support Services (13.5%), and Academic roles (9.6%), while Research (2.9%) and the Other category (5.8%) accounted for the smallest groups. In terms of job levels, the majority of participants held junior (31.7%) and mid-management positions (24.0%), while semi-skilled workers made up 19.2% of the sample. Senior management (13.5%), top management (5.8%), and unskilled employees (5.8%) had lower representation. Regarding employment status, the majority of participants were permanent employees (69.2%), while 27.9% were employed on a contract basis, and a small proportion (2.9%) held part-time positions.

This distribution ensured that the study included perspectives from employees across different roles, job levels, and employment types, providing a comprehensive understanding of the relationships between socioeconomic stressors, psychological capital, and employee wellbeing within the university.

3.3 Instruments

The following measures were employed: demographic questionnaire, the Perceived Economic Stress Scale, the Psychological Capital Questionnaire, and the Warwick-Edinburgh Mental Wellbeing Scale.

Demographic Questionnaire

An online questionnaire was administered via the Google forms platform to collect demographic data and insights into socioeconomic stressors. The questionnaire encompasses sections addressing employment information, financial dependents, income, debt levels, financial security, housing and living conditions, and social and economic stressors. Participants provided confidential responses regarding their employment department, grade level, employment status, financial support obligations, income tax bracket, household income, debt levels, disposable income, housing situation and security, living area type, monthly housing costs, and experiences of various stressors in the past 12 months. Additionally, participants rated the frequency of their worries related to providing for dependents, accessing healthcare, job security, education costs, neighborhood safety, basic service availability, discrimination, food costs, environmental issues, family conflicts, and self-care.

The Perceived Economic Scarcity Scale

The Perceived Economic Scarcity Scale (PESS) is a self-report questionnaire designed to assess individuals' subjective perceptions of economic scarcity (Auger et al., 2024). This scale consists of nine items that capture various aspects of financial strain and concerns about one's financial situation.

Participants were asked to rate the extent to which each statement reflects their own experiences and evaluations of their financial circumstances. Responses were given on a scale ranging from 1 (Not at all) to 7 (Completely). The items in the PESS covered a range of dimensions related to perceived economic scarcity, including feelings of income inadequacy compared to others, struggles with bill payments and essential expenses, worries about future financial stability, and persistent thoughts about financial limitations (see appendix B). Higher scores indicate a stronger perception of economic scarcity or financial strain.

The PESS has undergone comprehensive validation to ensure its reliability and validity across various dimensions. Firstly, its construct validity was rigorously confirmed through confirmatory factor analysis (CFA), demonstrating a robust model fit and affirming the scale's accuracy in measuring the concept of perceived economic scarcity (Auger et al., 2024). Furthermore, the PESS exhibited good discriminant validity by effectively distinguishing between perceived economic scarcity and related yet distinct constructs, such as actual income levels and general financial stress.

Its predictive validity was established through its ability to forecast various psychological outcomes, including diminished life satisfaction, heightened negative affect, and increased levels of anxiety and depressive symptoms (Auger et al., 2024). Additionally, the PESS showcased excellent test-retest reliability, maintaining stable measurements over a one-month interval with a high correlation coefficient, indicating consistency in responses over time. Moreover, its internal consistency was found to be strong, surpassing the widely accepted threshold of 0.70 for Cronbach's alpha, with a reported value of 0.95, highlighting the scale's reliability. Collectively, these validation metrics underscore the PESS as a dependable and valid instrument for gauging perceived economic scarcity in various contexts (Auger et al., 2024).

The Psychological Capital Questionnaire

This study used the well-established Psychological Capital Questionnaire (PCQ-24), developed by Luthans, Avolio, Avey, and Norman (2007), to assess participants' psychological capital (PsyCap). The PCQ-24 is a reliable and robust measure consisting of 24 items employing a 6-point Likert scale (see appendix C). Response options typically range from 1 (strongly disagree) to 6 (strongly agree), with some versions using slightly different wording (e.g., "never" to "always").

The PCQ-24 captures four key dimensions of PsyCap:

Self-Efficacy: This subscale measures an individual's confidence in their ability to take on and succeed at challenging tasks. An example item might be: "I feel confident helping to set targets/goals in my work area."

Hope: This subscale assesses an individual's capacity to persevere towards goals and find alternative paths to success. An example item could be: "If I should find myself in a jam at work, I could think of many ways to get out of it."

Optimism: This subscale reflects an individual's general positive outlook and belief in a favourable future. An example item might be: "I always look on the bright side of things regarding my job."

Resilience: This subscale measures an individual's ability to bounce back from setbacks and maintain momentum in the face of challenges. An example item could be: "I usually take stressful things at work in stride."

Research by Luthans et al. (2007) established the PCQ-24 as a reliable and robust measure of PsyCap. However, a study done in SA specifically examined the psychometric properties of the

PCQ-24 within a South African sample. The study by Görgens-Ekermans and Herbert (2013) assessed the psychometric properties of the PCQ-24 in a South African sample, confirming its validity and reliability. The four-factor model of hope, optimism, self-efficacy, and resilience showed a good overall fit, though the optimism ($\alpha = 0.67$) and resilience ($\alpha = 0.69$) subscales exhibited slightly lower reliability, possibly due to reversed-scored items. Hope ($\alpha = 0.81$) and self-efficacy ($\alpha = 0.83$) met the acceptable reliability threshold of $\alpha > 0.70$. The study indicated that the PCQ-24 could effectively measure PsyCap in this context, despite some limitations related to specific item responses. The findings contribute to the ongoing validation of the PCQ-24 in South Africa and suggest measuring PsyCap both as a total construct and via its subscales.

While the literature review (of this present study) examined the individual dimensions of PsyCap, for the purposes of this study, PsyCap will be measured as a single, unified construct rather than through its subscales. This decision is based on the theoretical premise that PsyCap functions as an integrated, higher-order construct, reflecting the combined psychological resources that contribute to employee wellbeing (Luthans et al., 2007). Additionally, given the minor reliability concerns with some subscales in the South African validation study, using the PCQ-24 as a total score ensures a more stable measurement of PsyCap. This validation study suggests that the PCQ-24 can be a valuable tool for measuring PsyCap in this research context. However, I acknowledge the limitations. Moreover, this current study can potentially contribute to the ongoing effort of validating the PCQ-24 within South Africa by providing additional data from a broader employee population.

The Warwick-Edinburgh Mental Wellbeing Scale

The Warwick-Edinburgh Mental Wellbeing Scale (WEMWBS) is a 14-item scale specifically designed to measure positive mental wellbeing in adults. The Warwick-Edinburgh Mental Wellbeing Scale was developed in 2007 through a collaboration between the Universities of Warwick and Edinburgh, with funding provided by NHS Health Scotland. The primary developers were Professors Sarah Stewart-Brown from the University of Warwick and Stephen Platt from the University of Edinburgh, along with their respective research teams. The scale was designed to measure mental wellbeing in the general population and has been widely used and validated in various contexts since its development (Stewart-Brown & Janmohamed, 2008). Each item on the WEMWBS is rated on a 5-point Likert scale, with response options ranging from "None of the time" (scored as 1) to "All of the time" (scored as 5). Respondents indicate the frequency with which they have experienced each statement over the past two weeks. The total score ranges

from 14 to 70, with higher scores indicating greater wellbeing (see appendix D). It has been validated for individuals aged 16 and above, with population scores approximating a normal distribution, making it suitable for monitoring mental wellbeing (Stewart-Brown & Janmohamed, 2008). Notably, it is not designed to identify individuals with exceptionally high or low positive mental health. The scale demonstrated high internal consistency and test-retest reliability, with stable scores over a one-week period.

Correlations between the WEMWBS and several other scales—such as the Scale of Psychological Wellbeing, Satisfaction with Life Scale, Short Depression Happiness Scale, Positive and Negative Affect Scale (positive subscale), and the WHO-Five Wellbeing Index—were moderately high. These results were consistent with those found for the Affectometer 2, the precursor to WEMWBS. This indicates that WEMWBS effectively covers both hedonic and eudaimonic aspects of mental wellbeing. The internal consistency of WEMWBS, measured by Cronbach's alpha coefficient, was 0.89 (n = 348), suggesting a high level of internal consistency, though there may be potential for reducing item redundancy. Test-retest reliability, which measures stability over time, was high with a correlation of 0.83 after one week (n = 124), indicating that WEMWBS scores remain robust over short periods, despite transient fluctuations in participants' mental states (Stewart-Brown & Janmohamed, 2008).

Face validity studies found the scale to be clear, unambiguous, and easy to complete, with participants recognising that WEMWBS measured positive mental health. Furthermore, population studies using WEMWBS have shown sensitivity to factors like employment status and social grade, suggesting its ability to capture variations in wellbeing relevant to my research question. While not designed to diagnose mental health conditions, WEMWBS provides a reliable and efficient means to assess overall employee wellbeing in this study. The scale has mostly been used in the UK, therefore there are concerns about its applicability to the South African population. However, the scale's potential for assessing mental wellbeing in different population subgroups and its utilisation in various research and evaluation contexts make it a valuable tool for monitoring and promoting positive mental health.

3.4 Procedure

To recruit participants for this study, I collaborated closely with the University of the Witwatersrand's administration and the Human Resources Information System (HRIS) department. Firstly, I sought voluntary agreement to participate as an organisation and formal approval from the

Senior HR Director (see appendix G) to access a list of employee email addresses, which included academic staff such as lecturers, researchers, and professors, as well as professional administrative staff, including administrative officers, support personnel, and technical staff. Following approval, a formal request was submitted to the HRIS department, outlining the study's purpose, the need for the email list, and how it will be used solely for recruitment by invitation of the sample.

An introductory email explaining the study's purpose, participant requirements, and anonymity procedures was sent to all employees inviting them to voluntarily participate (see appendix F). This email provided a brief overview of the study, explaining its purpose, significance, and procedures, while emphasising that participation is entirely voluntary and that employees could withdraw at any time without consequences. The email stressed that participation or non-participation would not affect their employment status. Included in the email was a link to the online questionnaire and an attached Participation Information Sheet (see appendix E), which detailed the study comprehensively, including objectives, the nature of participation, confidentiality measures, potential risks and benefits, and procedures for data collection and storage. Contact information for the researcher and the supervising professor will be provided, allowing participants to ask questions or seek clarification before deciding to participate.

Before accessing the questionnaire, participants were required to read the PIS and then proceeded to an online consent tickbox embedded in the questionnaire platform. The form contained essential elements, such as a brief description of the study's purpose, an outline of participation procedures, statements confirming voluntary participation, confidentiality measures, potential risks and benefits, and contact information for further inquiries. Participants confirmed their consent by clicking a checkbox before they can proceed to the questionnaire.

The assessments were carried out in a predetermined order with standardised guidelines. The questionnaire began with a brief introduction outlining the study's purpose and participant rights. Following this, participants completed the demographic questionnaire (see appendix A), the Perceived Economic Scarcity Scale (see appendix B), the Psychological Capital Questionnaire (see appendix C), and the Warwick-Edinburgh Mental Wellbeing Scale (see appendix D) on a google form. The completion time for the questionnaire was estimated to be approximately 15-20 minutes.

To ensure consistency and reliability, the questionnaire followed standardised guidelines. Each section provided clear instructions, and the order of the questionnaires remained the same for all

participants. Data collection was conducted using google forms, a secure, web-based application designed for data capture in research studies.

3.5 Ethical Considerations

This study prioritised ethical conduct throughout the research process and adhered to the principles outlined by the Human Research Ethics Committee (Non-Medical) at the University of the Witwatersrand. Ethical clearance was obtained prior to data collection, and all participants were over the age of 18.

An information sheet was shared with participants via email before they completed the questionnaire (see Appendix E). This document outlined the purpose of the study, procedures involved, potential risks and benefits, and participants' rights. Informed consent was obtained electronically through a tick box at the start of the questionnaire, which participants had to select to confirm their voluntary participation and understanding of the study. Anonymity was ensured throughout. The questionnaire did not request any identifying details such as names, email addresses, staff numbers, or IP addresses. Participation was entirely voluntary, and participants could withdraw from the study at any point without consequence. No pressure or coercion was applied to encourage participation.

To safeguard confidentiality, all data were stored in a password-protected file accessible only to the researcher, Nosipho Mpangase, and the research supervisor, Professor Karen Milner. Data were used exclusively for the purposes of this study and were reported in aggregated form, with no personally identifiable information linked to any responses. Participants were informed that the findings would form part of the researcher's Master's dissertation and may be shared in academic presentations or publications, including being archived on the University's WiredSpace platform. In all such instances, only summarised, anonymised data were reported, ensuring that no individual participant could be identified. The data were not used for any secondary analysis, and should future use be considered, only anonymised and summarised data would be reviewed.

While the questionnaire addressed potentially sensitive topics related to socioeconomic stress and wellbeing, efforts were made to phrase items in a respectful and non-intrusive manner to minimise discomfort. Participants were also provided with contact information for Kaelo Counselling Services, which offers confidential support to employees experiencing stress, anxiety, depression, trauma, or related concerns. Services included telephonic counselling, legal advice, and financial

guidance, available at no cost through 0861 635 766, 134928#, or via email at asknelson@kaelo.co.za.

3.6 Data Analysis

IBM SPSS Statistics Version 29 (Statistical Package for the Social Sciences) was used to conduct all statistical analyses in this study. The data were first cleaned and checked for missing values and outliers. Descriptive statistics, including means, standard deviations, minimums, and maximums, were calculated for the key variables in the study: socioeconomic stressors, psychological capital, and employee wellbeing. These statistics provided an overall summary of the sample and allowed for an initial inspection of the data distribution.

To assess the suitability of the data for parametric testing, normality was examined using skewness and kurtosis values, histograms, and the Shapiro-Wilk test. Where minor violations of normality occurred, analyses proceeded given the robustness of the statistical methods used and the adequacy of the sample size. Pearson's correlation coefficients were computed to explore the relationships between the main variables. This technique is appropriate for normally distributed continuous variables and assesses the strength and direction of linear relationships. The assumptions of linearity, normality, and absence of extreme outliers were checked and deemed to be reasonably met.

A Moderated Multiple Regression (MMR) analysis was then conducted to examine whether psychological capital moderated the relationship between socioeconomic stressors and employee wellbeing. All variables were mean-centred before creating the interaction term in order to reduce multicollinearity. The regression was run in two steps: first, the main effects of socioeconomic stressors and psychological capital were entered into the model, followed by the interaction term in the second step to test for moderation. Standard regression assumptions, including linearity, independence of errors, normality of residuals, and multicollinearity, were assessed prior to interpreting the results and were found to be sufficiently met. The findings from these analyses are presented in the following chapter.

Chapter 4: Results

This chapter presents the findings of the study, which examined the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing among employees at an educational institution. The preceding chapters provided the theoretical context for this analysis. This chapter presents the study's findings using both descriptive and inferential statistical techniques. The data were analysed using IBM SPSS Statistics, version 29. The results are structured to provide a clear understanding of the demographic composition of the sample, followed by descriptive statistics, correlation analyses, and regression analyses.

The chapter begins with an overview of the demographic characteristics of the participants, detailing their departmental distribution, job levels, and employment status. This is followed by descriptive statistics outlining key measures related to socioeconomic stressors, psychological capital, and employee wellbeing. Correlation analyses are then presented to assess the relationships between these variables, providing insights into the strength and direction of their associations. Finally, regression analyses are conducted to determine the predictive effects of socioeconomic stressors and psychological capital on employee wellbeing, as well as the potential moderating effect of psychological capital.

4.1 Descriptive Analysis

4.1.1 Demographics:

The demographic section of the survey provided insights into the characteristics and socioeconomic conditions of the employees involved in the study.

Table 1 Employee department

Department	Frequency (N)	Percentage (%)
Administration	18	17,3
Academic	10	9,6
Research	3	2,9
Support Services	14	13,5
Human Resources	25	24,0
Finance	17	16,3
IT	11	10,6
Other	6	5,8

The responses indicated that employees are distributed across eight departments. The distribution of respondents across departments revealed that the majority were employed in Human Resources

(24.0%), followed by Administration (17.3%) and Finance (16.3%). Other departments such as IT (10.6%), Support Services (13.5%) and Academic (9.6%) had smaller proportions of respondents. Notably, Research (2.9%) and the "Other" category (5.8%) represented the smallest groups. This distribution indicated that the sample is heavily reliant on human resources and administrative functions, with relatively limited representation from research-focused roles.

Table 2 Employment Grade Level

Grade level	N	%
Top management (Grade 01-02)	6	5,8
Snr management (Grade 03-04)	14	13,5
Mid-management (Grade 05-08)	25	24,0
Jnr management (Grade 09-12)	33	31,7
Semi-skilled (Grade 13-15)	20	19,2
Unskilled (Grade 16-17)	6	5,8

Most respondents were employed at the junior management level (31.7%), followed by mid-management (24.0%) and semi-skilled positions (19.2%). Senior management comprised 13.5% of the workforce, while top management and unskilled workers each accounted for 5.8%. These findings suggested that the organisational structure in the sample is predominantly cantered on operational and supervisory roles, with fewer individuals occupying executive or entry-level positions.

Table 3 Employment Status

Employment status	N	%
Permanent	72	69,2
Contract	29	27,9
Part-time (50% post)	3	2,9

The majority of respondents (69.2%) held permanent positions, while 27.9% were employed on contract and 2.9% worked part-time. The high proportion of permanent employees reflected a relatively stable workforce, although the notable percentage of contract employees highlighted the presence of less secure employment arrangements within the organisation.

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Table 4 Financial Dependents

People financially supported with salary	N	%
0	15	14,4
1-2	41	39,4
3-4	35	33,7
5 or above	13	12,5

Table 5 Financial Dependents including self

Including self, people financially dependent	N	%
0	3	2,9
1-2	38	36,5
3-4	42	40,4
5 or above	21	20,2

A significant proportion of respondents financially supported one to two individuals (39.4%) or three to four individuals (33.7%), with 12.5% supporting five or more individuals. Only 14.4% reported having no financial dependents. Including themselves, most respondents reported having three to four financial dependents (40.4%), followed by one to two dependents (36.5%). A smaller proportion (20.2%) supported five or more individuals, while only 2.9% had no dependents. These findings highlighted the considerable financial responsibilities borne by the majority of respondents, which may influence their financial security and wellbeing.

Table 6 Annual salary tax bracket

Annual salary tax bracket	N	%
1 - 237 100 (18% of taxable income)	35	33,
237 101 - 370 500 (42 678 + 26% of taxable income above 237 100)	12	11,
370 501 - 512 800 (77 362 + 31% of taxable income above 370 500)	14	13,5
512 801 - 673 000 (121 475 + 36% of taxable income above 512 800)	10	9,6
673 001 - 857 900 (179 147 + 39% of taxable income above 673 000)	8	7,7
857 901 - 1 817 000 (251 258 + 41% of taxable income above 857 900)	5	4,8
1 817 001 and above (644 489 + 45% of taxable income above 1817 000)	2	1,9
Prefer not to say	11	10,6
Other	7	6,7

Approximately one-third of respondents (33.7%) fell into the lowest tax bracket (earning under R237,100 annually), while 11.5% and 13.5% were in the second and third brackets, respectively. A smaller proportion of respondents (9.6% and 7.7%) fell into higher income brackets, while 4.8% earned between R857,901 and R1,817,000. Only 1.9% reported incomes above R1,817,000. Notably, 10.6% of respondents preferred not to disclose their income. These results highlighted a concentration of employees in lower- to mid-income brackets, reflective of the predominance of junior and mid-management roles.

Table 7 Combined Household Income

Combined household income capacity	N	%
It does not cover basic necessities	7	6,7
It only covers the basic necessities	24	23,1
It covers necessities plus a little extra	41	39,4
It covers necessities, plus some savings and extra	20	19,2
It provides for all needs with substantial savings and extra	12	11,5

The majority of respondents (39.4%) indicated that their household income covered basic necessities and allowed for a little extra. Approximately 23.1% reported that their income only covered basic necessities, while 19.2% could save some money. A small proportion (11.5%) stated that their income provided for all their needs with substantial savings and 6.7% reported that their income did not cover basic necessities. These findings indicated that while many respondents have some financial stability, a substantial portion faces financial constraints.

- Debt Levels:

Table 8 Level of Debt

Current level of debt	N	%
No debt	17	16,3
Very little debt	32	30,8
Some debt	36	34,6
High levels of debt	17	16,3
Very high levels of debt	2	1,9

The majority of respondents reported having "some debt" (34.6%) or "very little debt" (30.8%). A smaller proportion (16.3%) had no debt, while another 16.3% reported high levels of debt. Only

1.9% indicated that they had very high levels of debt. These results suggested that while debt is a common issue, most respondents appear to manage moderate levels of indebtedness.

- Financial security:

Table 9 Disposable income

Financial situation at the end of the month	N	%
I am short of money by the end of the month	9	8,7
I have just enough money to cover my expenses	26	25,0
I run out of money before the end of the month	24	23,1
I am able to save a little each month	21	20,2
I have enough money for what I need and can save	24	23,1

A quarter of respondents (25.0%) stated that they had just enough money to cover expenses, while 23.1% reported running out of money before the end of the month. Another 23.1% indicated that they had enough money for their needs and could save, while 20.2% were able to save a little. Only 8.7% reported being short of money by the end of the month. These findings highlighted varying levels of financial security among respondents, with a significant proportion experiencing financial challenges.

- Housing and living conditions:

Table 10 Housing situation

Current housing situation	N	%
Renting	32	30,8%
Own home with mortgage	30	28,8%
Own home without mortgage	15	14,4%
Living with family or friends	22	21,2%
Employer-provided housing	4	3,8%
Other	1	1,0%

Most respondents either rented their homes (30.8%) or owned homes with mortgages (28.8%). A smaller proportion lived with family or friends (21.2%) or owned homes without mortgages (14.4%). Employer-provided housing was rare (3.8%) and 1.0% of respondents reported "other" housing arrangements. These findings suggested a mix of stability and reliance on rental or shared living arrangements.

Table 11 Housing Security

Housing Security	N	%
Very insecure	11	10,6
Somewhat insecure	16	15,4
Neutral	26	25,0
Somewhat secure	16	15,4
Very secure	35	33,7

Regarding housing security, 33.7% of respondents reported feeling very secure and 15.4% felt somewhat secure. Conversely, 15.4% felt somewhat insecure and 10.6% reported feeling very insecure. The remaining 25.0% indicated a neutral stance. These findings suggested that while housing security is generally high, a significant minority experienced insecurity, potentially impacting their overall wellbeing.

Table 12 Residential area

Residential area	N	%
Rural area	1	1,0
Urban area (city or town centre)	32	30,8
Suburban area	47	45,2
Township	24	23,1

The majority of respondents resided in suburban areas (45.2%), followed by urban areas (30.8%) and townships (23.1%). Only 1.0% lived in rural areas. This distribution indicated that most respondents have access to urban or suburban living environments, which may influence their access to services and employment opportunities.

In conclusion the demographic findings revealed a sample primarily composed of junior and mid-management employees, with a stable majority in permanent positions. Many respondents face significant financial responsibilities, supporting multiple dependents while managing moderate to high levels of debt. Although some employees reported financial stability, others struggle with constraints, such as running out of money before month-end. Housing conditions varied, with a majority feeling secure, but a notable minority experiencing housing insecurity. These findings

emphasised the need for organisational policies that support employee financial wellbeing, housing stability and overall quality of life to enhance productivity and satisfaction.

Table 13 Stressors Experienced

Stressors experienced	N	%
Job loss or threat of job loss	15	14,4%
Reduction in income	5	4,8%
Major illness or injury	9	8,7%
Death of a close family member or friend	20	19,2%
Divorce or separation	6	5,8%
Major personal or family crisis	11	10,6%
Relocation or moving,	12	11,5%
Legal problems	2	1,9%
Increase in cost of living	14	13,5%
Transportation issues (access to reliable transportation)	1	1,0%
Changes in government policies affecting your life	2	1,9%
Mental health challenges or emotional distress	2	1,9%
Crime victimization or exposure to violence	3	2,9%
Problems accessing healthcare or medication	1	1,0%

The distribution of stressors revealed the following key insights:

1. *Most Common Stressors:*
    - Death of a close family member or friend was the most commonly reported stressor, with 19.2% of respondents indicating this as a challenge. This suggested a significant emotional burden faced by employees, which can impact their mental health and wellbeing.

- Job loss or threat of job loss (14.4%) and increase in cost of living (13.5%) were also prominent stressors, indicating financial and job-related stressors were prevalent among employees.
- Relocation or moving (11.5%) and major personal or family crisis (10.6%) further emphasised the impact of significant life events on employee wellbeing.

2. Less Common Stressors:
    - Transportation issues (1.0%), crime victimisation (2.9%) and mental health challenges or emotional distress (1.9%) were reported by fewer respondents, but these still reflect important dimensions of employee experience that may affect overall wellbeing.

The above findings showed that employees in South Africa face a wide range of socioeconomic stressors, with financial pressures, emotional burdens and life crises being most prominent. The diverse nature of these stressors meant that employees' experiences of stress are varied, with some individuals bearing multiple burdens, while others experience fewer stressors.

4.1.2 Descriptive Statistics

Descriptive statistics were computed for the three main variables. The Perceived Economic Scarcity Scale (PESS) had a mean score of 32.37 (SD = 14.66), indicating moderate levels of perceived financial stress among participants. Psychological Capital (PsyCap) showed a relatively high mean of 101.23 (SD = 14.69), suggesting that respondents generally possessed strong internal psychological resources. The average score on the Warwick-Edinburgh Mental Wellbeing Scale was 46.62 (SD = 9.63), indicating moderate levels of psychological wellbeing within the sample. Tests of skewness and kurtosis were used to assess the normality of the data. All three variables fell within acceptable thresholds for normality (±1 for skewness and ±2 for kurtosis), with PESS showing mild positive skewness (0.20) and slight negative kurtosis (-0.86). PsyCap showed slight negative skewness (-0.33) and mild positive kurtosis (0.57), while Wellbeing showed near-normal distribution. These results suggest that the assumptions of normality for subsequent parametric analyses were adequately met.

Table 14 Descriptive statistics

Variable	Min	Max	M	SD	Skewness	Kurtosis
PESS	9	63	32.37	14.66	0.20	-0.86
PsyCap	58	135	101.23	14.69	-0.33	0.57
Wellbeing	22	70	46.62	9.63	0.23	-0.00

4.1.3 Inferential Statistics

The inferential analysis first assessed the reliability of the key measurement scales used in the study. The Perceived Economic Scarcity Scale (PESS), consisting of nine items, demonstrated excellent internal consistency, with a Cronbach's alpha coefficient of .95, indicating its reliability in assessing perceptions of economic scarcity. The Psychological Capital (PsyCap) scale, which comprises 24 items, also showed strong reliability with a Cronbach's alpha of .91, which confirmed its effectiveness in measuring psychological capital. Lastly, the Warwick-Edinburgh Mental Wellbeing Scale, which includes 14 items, also exhibited high internal consistency, with a Cronbach's alpha of .93. This reinforced its suitability for evaluating employee wellbeing. These findings suggest that all three scales are reliable for assessing their respective constructs within the study.

Table 15 PESS Reliability Analysis

Measure	No of Items	Cronbach's Alpha
PESS	9	.95

Table 16 Psychological Capital Reliability Analysis

Measure	No of Items	Cronbach's Alpha
PsyCap	24	.91

Table 17 Wellbeing Scale Reliability Analysis

Measure	No of Items	Cronbach's Alpha
Wellbeing	14	.93

4.2 Correlation Analysis

Research Question 1: Is there a significant relationship between socioeconomic stressors and employee well- being?

Table 18 Correlations

	1	2	3
1. Perceived Economic Scarcity Scale (PESS)	-		
2. PsyCap	-.54**	-	
3. Employee Wellbeing	-.51**	.75**	-

*Note 1 **Correlations significant at the 0.01 level, * Correlation is significant at the 0.05 level*

A significant negative correlation was observed between perceived economic scarcity (PESS) and PsyCap ($r = -.54$, $p < .01$), suggesting a moderate to strong inverse relationship. This indicates that individuals who perceive greater economic scarcity tend to have lower psychological capital. Similarly, a negative correlation was found between PESS and employee wellbeing ($r = -.51$, $p < .01$), highlighting that higher perceptions of economic scarcity are associated with lower wellbeing. Conversely, a strong positive correlation was identified between PsyCap and employee wellbeing ($r = .75$, $p < .01$), demonstrating that individuals with higher levels of psychological capital tend to report greater wellbeing.

All correlations in the table are statistically significant, meaning however the strength and direction of the relationship, all the relationships investigated are significantly correlated. Regression will help understand the extent to which the variables effect each other.

4.3 Moderated Multiple Regression Analysis

The tables below present the regression models which examined how Psychological Capital and Perceived Economic Scarcity influence Employee Wellbeing, with a final model incorporating a moderator variable.

Table 19 Regression Model Summary

Model	R	R^2	Adj. R^2	F	p
Model 1	.51	.26	.25	35.81	< .001
Model 2	.76	.58	.57	69.91	< .001
Model 3	.77	.59	.57	47.31	< .001

Moderated Multiple Regression (MMR) *Table 20 Regression models - Employee Wellbeing*

Predictor	B	SE	β	t	p
Model 1					
(Constant)	46.62	0.82	--	57.13	< .001
PESS	-0.34	0.06	-0.51	-5.98	< .001
Model 2					
(Constant)	46.62	0.62	--	75.52	< .001
PESS	-0.10	0.05	-0.15	-1.98	.051
PsyCap	0.44	0.05	0.67	8.79	< .001

Model 3					
(Constant)	46.26	0.68	--	67.82	< .001
PESS	-0.10	0.05	-0.15	-1.99	.049
PsyCap	0.45	0.05	0.68	8.89	< .001
Moderator	-0.00	0.00	-0.08	-1.21	.229

Note 2 Dependent Variable (Constant) Wellbeing

Regression analysis demonstrated that PsyCap alone explained 25.3% of the variance in employee wellbeing ($R^2 = .26$, $F = 35.81$, $p < .001$), with a significant negative effect of PESS ($\beta = -0.34$, $t = -5.98$, $p < .001$). This suggests that employees with higher levels of optimism, resilience, hope, and self-efficacy tend to report better wellbeing, likely due to their ability to effectively manage workplace challenges and maintain a positive psychological state. In contrast, PESS alone accounted for 26% of the variance in wellbeing ($R^2 = .26$, $F = 35.81$, $p < .001$), with a significant negative effect ($\beta = -0.34$, $t = -5.98$, $p < .001$), indicating that employees experiencing higher financial stress and economic scarcity report lower wellbeing. This highlights the detrimental impact of financial insecurity on psychological health and workplace satisfaction.

When both PESS and PsyCap were included in the model, the explained variance increased to 58.1% ($R^2 = .58$, $F = 69.91$, $p < .001$). While PsyCap remained a significant predictor ($\beta = 0.44$, $t = 8.79$, $p < .001$), the effect of PESS became weaker and lost statistical significance ($\beta = -0.10$, $t = -1.98$, $p = .051$), which might suggest that PsyCap potentially buffers the negative impact of economic stressors on wellbeing – this is examined below.

Moderation Analysis

To assess whether psychological capital moderates the relationship between socioeconomic stressors and employee wellbeing, an interaction term (PESS × PsyCap) was included in the final regression model. The model explained 58.7% of the variance in wellbeing ($R^2 = .59$, $F(3, 100) = 47.31$, $p < .001$). However, the interaction term did not significantly predict wellbeing ($\beta = -0.08$, $p = .23$), indicating that psychological capital does not significantly moderate the relationship between socioeconomic stressors and wellbeing.

Table 21 Moderation Analysis: Model Summary

Model Summary								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2
1	.77[a]	.59	.57	6.28	.59	47.31	3	100

Table 22 Moderation Analysis

Model	Predictor	B	SE	β	t	p
3	(Constant)	46.26	0.68	--	67.82	< .001
	PESS	-0.10	0.05	-0.15	-1.99	.049
	PsyCap	0.45	0.05	0.68	8.89	< .001
	Moderator	-0.00	0.00	-0.08	-1.21	.229

4.4 Key Findings:

1. *Relationship Between Socioeconomic Stressors and Employee Wellbeing (Research Question 1):* The correlation analysis revealed a moderate negative relationship between socioeconomic stressors, as measured by PESS, and employee wellbeing ($r = -0.51$, $p < .01$). This indicates that employees who experience higher levels of financial strain, job insecurity, and related economic concerns tend to report lower wellbeing. The statistical significance of this relationship underscores the impact of economic stressors on employee wellbeing, supporting the notion that financial difficulties and economic uncertainty play a crucial role in shaping employees' psychological and emotional health.

2. *Moderating Role of Psychological Capital (Research Question 2):* The Moderated Multiple Regression analysis examined whether PsyCap moderates the relationship between socioeconomic stressors and wellbeing. Although PsyCap itself had a strong positive relationship with wellbeing ($\beta = 0.45$, $p < .001$), the interaction between PsyCap and socioeconomic stressors was not statistically significant ($\beta = -0.08$, $p = .23$). This suggests that while employees with higher PsyCap experience greater wellbeing, their psychological resources do not significantly buffer the negative impact of financial stressors and job insecurity. Despite its strong direct influence on wellbeing, PsyCap alone appears insufficient to counteract the challenges posed by economic hardship.

Despite the strong relationship between psychological capital and wellbeing, these results suggested that psychological capital alone is insufficient to moderate the negative impact of socioeconomic stressors. This finding implied that while fostering psychological capital in employees may improve their wellbeing, it may not entirely protect them from the adverse effects of socioeconomic stressors.

Chapter 5: Discussion

This chapter discusses the findings of the study, which examined the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing among employees at an educational institution. The discussion is structured to interpret the key findings in relation to existing literature, highlight theoretical and practical contributions, acknowledge study limitations, and provide recommendations for future research.

5.1 Interpretation of Key Findings

Understanding the demographic characteristics of the participants is essential for contextualising the findings. The study sample consisted predominantly of junior and mid-management employees, with a significant proportion of respondents indicating permanent employment (69.2%), while 27.9% were employed on a contract basis, and 2.9% held part-time positions. The employment distribution suggests a sample with stable employment, yet the notable percentage of contract employees indicates some level of job insecurity within the institution, a factor that has been linked to lower psychological wellbeing and job satisfaction (De Witte et al., 2016).

Further examination of the financial circumstances of the participants revealed that a substantial proportion of respondents supported financial dependents, with 39.4% financially supporting between one and two individuals, and 33.7% supporting three to four individuals. When considering financial dependents including themselves, most respondents (40.4%) reported having between three and four financial dependents. These figures highlight the financial responsibilities borne by employees, emphasising the importance of considering financial stress as a significant workplace challenge. Research has shown that financial stress is a key predictor of mental distress and reduced work engagement (Ryu & Fan, 2022). Additionally, the monthly salary tax bracket distribution showed that a third of respondents (33.7%) fell into the lowest tax bracket, indicating that many employees may be experiencing financial constraints, a known stress factor contributing to decreased job performance and organisational commitment (Botha et al., 2024).

The relationship between socioeconomic stressors and employee wellbeing was a key focus of this study. The correlation analysis revealed a moderate negative relationship between socioeconomic stressors and employee wellbeing ($r = -0.34$, $p < 0.001$), indicating that as socioeconomic stressors increase, wellbeing decreases. This finding aligns with prior research, which has demonstrated that financial and job-related stressors significantly impact employee wellbeing (Hobfoll, 2002). The Conservation of Resources theory (Hobfoll, 1989) supports this interpretation, as individuals who experience resource loss or a threat to their resources, such as financial instability, tend to exhibit

higher levels of stress and lower wellbeing. Similar findings have been reported in studies where economic insecurity has been linked to increased psychological distress and burnout among employees (Patel & Rietveld, 2020).

Recent empirical research has further elucidated the mechanisms through which perceived economic scarcity influences wellbeing. The Perceived Economic Scarcity Scale has been developed as a psychometric tool to assess individuals' subjective experiences of financial deprivation (Auger et al., 2024). Unlike traditional income-based measures of financial stress, the PESS captures individuals' cognitive and affective responses to financial constraints, which have been found to predict psychological and behavioural outcomes more accurately (Auger et al., 2024). This distinction is critical, as economic stressors are not solely a function of objective income levels but are shaped by individual perceptions and expectations regarding financial security.

The results from the present study align with this perspective, demonstrating that financial insecurity is prevalent among employees, with 25% indicating they had just enough money to cover expenses and 23.1% reporting running out of money before the end of the month. Only 23.1% reported having enough money for their needs with some savings. These findings suggest that financial strain is a significant contributor to socioeconomic stress, which in turn affects wellbeing. This is consistent with research demonstrating that financial stressors exacerbate psychological distress and reduce overall life satisfaction (Essel-Gaisey et al., 2023). Although not a component of this study, financial wellbeing is not only a determinant of emotional health but is also linked to workplace engagement and productivity (Prakash & Aparna Hawaldar, 2023). Employees who experience economic hardship are more likely to report symptoms of anxiety and depression, which, if unaddressed, can have compounding negative effects on organisational performance (Prakash & Aparna Hawaldar, 2023).

In addition to financial stressors, housing security was assessed as a component of overall wellbeing. The majority of respondents either rented their homes (30.8%) or owned homes with mortgages (28.8%). However, 21.2% reported living with family or friends, which may indicate financial constraints preventing independent living arrangements. Moreover, 15.4% of respondents reported feeling somewhat insecure about their housing situation, while 10.6% felt very insecure. This highlights the impact of financial pressures on employees' ability to secure stable housing, which in turn may contribute to overall stress and decreased wellbeing. Previous research has suggested that housing insecurity is a significant predictor of psychological distress, particularly among employees in lower-income brackets (Linton et al., 2021). Debt levels among respondents also provided insight into financial stress. The majority of respondents reported having either some

debt (34.6%) or very little debt (30.8%). However, 16.3% indicated that they had high levels of debt, and 1.9% reported very high levels of debt. These findings show the prevalence of financial burdens within the sample and their potential implications for stress and wellbeing. Research has consistently shown that financial debt is associated with elevated levels of psychological distress and reduced workplace performance (Sweet et al., 2013).

5.2 Psychological Capital and Its Moderating Role

The second objective of the study was to examine whether psychological capital moderates the relationship between socioeconomic stressors and employee wellbeing. The results showed that psychological capital was positively associated with wellbeing ($B = 0.45$, $p < 0.001$), confirming previous research findings that psychological capital is a form of resilience that plays a crucial role in enhancing an individual's ability to navigate challenges and maintain psychological wellbeing (Luthans et al., 2007). However, the moderated multiple regression analysis revealed that psychological capital did not significantly moderate the relationship between socioeconomic stressors and wellbeing ($B = -0.00$, $p = 0.23$).

These findings suggest that while psychological capital contributes positively to wellbeing, it may not necessarily buffer the adverse effects of financial and socioeconomic stressors. This contrasts with some prior research, which has suggested that psychological capital can mitigate the negative effects of workplace stressors (Avey et al., 2011). A potential explanation is that financial and job-related stressors may exert such a strong influence on wellbeing that psychological capital alone is insufficient to counteract their impact. High levels of unemployment, income inequality, and economic instability create a challenging environment where individuals' psychological resources may not be sufficient to offset the impact of these structural stressors. The chronicity of these stressors—compared to more acute or temporary challenges—may overpower the buffering effects typically attributed to psychological capital. The study found a significant but not strong relationship between perceived economic scarcity and wellbeing, indicating that while financial stressors negatively impact employees, PsyCap does not fundamentally alter this relationship. Instead, PsyCap demonstrates a strong main effect, meaning that it is an important personal resource that enhances overall wellbeing, regardless of financial stressors. This suggests that while PsyCap plays a crucial role in supporting employee wellbeing, its influence may not extend to buffering or weakening the direct impact of socioeconomic stressors. As a result, employees who face ongoing socioeconomic pressures may find that individual psychological resources are not enough to counterbalance the broader, more persistent stressors affecting their lives. This finding aligns with recent critiques in the literature, such as those offered by Demerouti and Bakker (2022), who

highlight that the effectiveness of personal resources like PsyCap may be context-dependent and less effective in environments marked by significant, unrelenting stress. In other words, while PsyCap may improve individual wellbeing in many contexts, it cannot entirely shield individuals from the effects of structural and systemic stressors, especially those that are chronic and pervasive. These structural stressors may require more comprehensive solutions, such as organisational-level interventions, policy changes, and societal support systems, which go beyond individual psychological resources

Furthermore, it is possible that the individual components of psychological capital—hope, efficacy, resilience, and optimism—function differently depending on the type and severity of socioeconomic stressors faced by employees. While optimism and resilience may help individuals maintain a positive outlook in the face of adversity, they may not necessarily translate into tangible financial resources or job security, which are critical to alleviating stress. Luthans et al. (2015) suggest that psychological capital may be more effective in buffering stressors that are internal or cognitive in nature rather than external, financial, or structural challenges. This differentiation has also been explored in recent studies, such as Goel and Wani (2024), who highlighted that the effectiveness of psychological capital varies across different life domains. Their findings suggest that the effectiveness of PsyCap may vary depending on the nature of the stressors encountered. These findings suggest that PsyCap might be more effective in contexts that need self-regulation and personal growth but less so when faced with systemic financial stressors.

Another possible explanation for the non-significant moderating effect is that psychological capital operates more effectively in conjunction with other resources, such as social support and financial literacy, to mitigate stress. Studies have shown that employees who have strong social networks or financial management skills are better able to cope with economic hardship (Thomas & Gupta, 2021). Therefore, the absence of these additional resources could diminish the protective role of psychological capital in the face of socioeconomic stressors. A study by Zyberaj and Bakaç (2022) explored the role of PsyCap in mitigating the negative effects of career insecurity on career satisfaction. Their findings indicated that while PsyCap contributes positively to career satisfaction, it does not fully buffer the adverse effects of career insecurity, a specific type of socioeconomic stressor. Moreover, contextual and cultural factors may play a role in shaping the effectiveness of psychological capital. In economically strained environments where job security and financial stability are low, employees may perceive resilience and optimism as insufficient for overcoming real-world stressors. In such cases, psychological capital may need to be complemented by systemic

interventions such as salary increases, career development programmes, and financial assistance schemes to yield meaningful improvements in wellbeing.

Chapter 6: Conclusion

6.1 Contributions of the Study

This study makes several key contributions to the existing body of research by expanding the understanding of psychological capital as a resilience factor in the face of socioeconomic stressors. By focusing on the South African employment context, it highlights the critical role of psychological resources in shaping employee wellbeing amid persistent financial and job-related stressors. This research extends existing theoretical frameworks by providing empirical evidence on how psychological capital moderates the relationship between stressors and wellbeing, thereby contributing to the broader literature on positive psychology.

A significant contribution of this study lies in its contextual relevance. While psychological capital has been extensively studied in high-income, stable work environments, its function in low-income, high-stress contexts remains underexplored. This research addresses this gap by situating psychological capital within a developing economy, where employees face unique financial obligations, caregiving responsibilities, and systemic inequalities. For instance, 39.4% of respondents financially support one to two individuals, while 33.7% support three to four dependents, underscoring the financial burden placed on employees. Additionally, 23.1% of respondents report running out of money before the end of the month, while only 20.2% can save a little. By shedding light on these dynamics, the study offers particularly relevant insights for organisations operating in emerging markets.

Additionally, the study contributes methodologically by employing a quantitative approach to assess the moderating effects of psychological capital. The use of validated instruments ensures reliability and adds to the growing empirical base supporting PsyCap research. Furthermore, by incorporating a diverse sample of employees across different job levels, the study provides a more nuanced understanding of how psychological capital operates across varying occupational roles within a single organisation.

6.2 Limitations and Future Research Directions

Although the present study offers valuable insights into the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing, it is important to recognise certain limitations that may have impacted the findings, as well as to propose directions for future research. One limitation of this study is the sampling method used. The use of convenience sampling, while offering practical benefits, imposes limitations on the extent to which

the findings can be generalised to broader populations. The sample is drawn from employees at a single academic institution and may not adequately capture the diverse experiences of employees across different sectors, industries, and socioeconomic backgrounds within South Africa. Future research should aim to incorporate more representative sampling techniques, drawing from multiple organisations and sectors to enhance external validity and provide a broader understanding of these relationships in varying work contexts. Additionally, the cross-sectional design of the study precludes any definitive conclusions about causality. While the findings suggest associations between socioeconomic stressors, psychological capital, and employee wellbeing, the temporal dynamics of these relationships remain unclear. A longitudinal research approach would allow for a more comprehensive examination of how these factors interact over time, offering deeper insights into the stability and evolution of psychological capital as a moderating mechanism.

A further limitation relates to the reliance on self-reported measures. While the Psychological Capital Questionnaire, the Perceived Economic Scarcity Scale, and the Warwick-Edinburgh Mental Wellbeing Scale are well-validated instruments, self-reported data is inherently susceptible to biases such as social desirability and common method variance. Future research should consider incorporating objective measures, such as performance indicators, physiological stress markers, or third-party assessments, to provide a more robust and multidimensional understanding of the constructs under investigation. The study also does not comprehensively account for additional contextual variables that may influence the observed relationships. Factors such as organisational support structures, leadership styles, and workplace culture may interact with psychological capital and shape employee wellbeing. Future studies should explore these organisational dynamics to refine and extend the current findings. Moreover, the role of cultural and linguistic diversity in shaping psychological capital and wellbeing outcomes remains an area requiring further investigation. Given the heterogeneity of the South African workforce, future research should systematically examine how cultural differences influence employees' experiences of socioeconomic stressors and their access to psychological resources. A cross-cultural comparative approach could yield valuable insights into the contextual applicability of psychological capital across diverse populations.

Finally, while this study primarily focuses on the buffering role of psychological capital, further research could examine the effectiveness of targeted interventions designed to enhance PsyCap as a resilience-building resource. Experimental studies assessing the impact of PsyCap training programmes on employee wellbeing in high-stress environments could provide practical recommendations for organisations seeking to foster psychological resilience among their

workforces. Despite these limitations, the study offers significant theoretical and practical contributions. By addressing these limitations in future research, scholars and practitioners can further refine our understanding of the complex interplay between socioeconomic stressors, psychological capital, and employee wellbeing, which will ultimately inform more effective strategies to support employees in challenging work environments.

6.3 Conclusion

In summary, this study aimed to examine the moderating role of psychological capital in the relationship between socioeconomic stressors and employee wellbeing. The findings revealed a significant negative association between socioeconomic stressors and wellbeing which reinforced prior research that links economic pressures to increased psychological distress. However, contrary to expectations, psychological capital did not significantly moderate this relationship, suggesting that while PsyCap contributes to overall wellbeing, its buffering effect may be limited in contexts where structural stressors are persistent and overwhelming.

The nuanced relationships observed between psychological capital, socioeconomic stressors, and employee wellbeing highlight the complexities of workplace resilience and wellbeing. The findings suggest that PsyCap alone may not be sufficient to counteract the effects of severe financial strain and job insecurity, emphasising the need for integrated interventions that combine psychological, organisational, and economic support mechanisms. This study contributes to the broader discourse on employee wellbeing by providing empirical evidence from a diverse workplace setting in South Africa, where financial pressures are particularly salient.

Despite its contributions, the study has limitations that should be considered. The cross-sectional design restricts causal interpretations, and the reliance on self-reported data introduces potential response biases. Future research should employ longitudinal and experimental designs to explore the long-term impact of PsyCap on employee wellbeing and its interaction with socioeconomic stressors. Additionally, further investigation into contextual factors—such as social support, financial literacy, and organisational policies—could enhance our understanding of how PsyCap functions within different workplace environments.

Ultimately, this study underscores the importance of adopting a holistic approach to employee wellbeing. While psychological capital remains a valuable resource for fostering resilience, its effectiveness is contingent upon broader systemic and structural factors. Organisations should complement PsyCap development initiatives with policies aimed at financial stability, job security,

and workplace support systems to create an environment where employees can thrive despite external economic pressures. By integrating these insights into workplace strategies, organisations can better equip employees to navigate the complexities of modern employment landscapes.

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Appendix A: Demographic Questionnaire

Study Title: *Buffering the Impact: Psychological Capital as a Moderator Between Socioeconomic Stressors and Employee Wellbeing in South Africa*

Please complete the following questions to provide demographic information and details. Your responses will be confidential and used solely for this research.

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1. Employment Information

1.1 **Which department do you work in?**

- Administration
- Academic
- Research
- Support Services
- IT
- Finance
- Human Resources
- Other (please specify): _____

1.2 **What is your grade level?**

- Top management (Grade 01-02)
- Snr management (Grade 03-04)
- Mid-management (Grade 05-08)
- Jnr management (Grade 09-12)
- Semi-skilled (Grade 13-15)
- Unskilled (Grade 16-17)

1.3 **What is your employment status?**

- Permanent
- Contract
- Part-time (50% post)
- Academic
- Professional Administrative Staff (PAS)

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2. Financial Dependents

2.1 **How many people do you financially support with your salary?**

- 0
- 1-2
- 3-4
- 5 or more

2.2 **Including yourself, how many people are financially dependent on you?**

- 0
- 1-2
- 3-4
- 5 or more

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3. Income

3.1 **Into which tax bracket does your monthly salary fall?**
(Please indicate your gross salary before deductions.)

- 1-237 100 18% of taxable income
- 237 101-370 500 (42 678 + 26% of taxable income above 237 100)
- 370 501-512 800 (77 362 + 31% of taxable income above 370 500)
- 512 801-673 000 (121 475 + 36% of taxable income above 512 800)
- 673 001-857 900 (179 147 + 39% of taxable income above 673 000)
- 857 901-1 817 000 (251 258 + 41% of taxable income above 857 900)
- 1 817 001 and above (644 489 + 45% of taxable income above 1817 000)

3.2 **How would you describe the combined income of your household?**

- It does not cover basic necessities
- It only covers the basic necessities
- It covers necessities plus a little extra
- It covers necessities, plus some savings and extra
- It provides for all needs with substantial savings and extra

---

4. Debt Levels

4.1 **How would you describe your current level of debt?**
(Consider all forms of debt, including credit cards, personal loans, and mortgages.)

- No debt
- Very little debt

- Some debt
- High levels of debt
- Very high levels of debt

4.2 **What percentage of your monthly income is used to service debt?**
(Consider the total monthly payment for all debts relative to your monthly income.)

- 0%
- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-50%
- More than 50%

---

5. Financial Security

5.1 **Disposable income refers to the amount of money left for spending and saving after deducting taxes and necessary living expenses. Which statement best describes your financial situation by the end of the month?**

- I am short of money by the end of the month
- I have just enough money to cover my expenses
- I run out of money before the end of the month
- I am able to save a little each month
- I have enough money for what I need and can save

5.2 **After covering your monthly expenses, approximately how much money do you have left as disposable income?**
(Optional: Provide a rough estimate)

- Below R1,000
- R1,000 – R2,999
- R3,000 – R4,999
- R5,000 – R7,499
- R7,500 and above

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6. Housing and Living Conditions

6.1 **What is your current housing situation?**

- Renting
- Own home with mortgage
- Own home without mortgage
- Living with family or friends
- Employer-provided housing
- Other (please specify): _____

6.2 **How secure do you feel about your housing situation?**

- Very insecure
- Somewhat insecure
- Neutral
- Somewhat secure
- Very secure

6.3 **Which type of area do you live in?**
(Please consider the general environment of your residence.)

- Rural area
- Urban area (city or town center)
- Suburban area
- Township
- Informal settlement
- Other (please specify): _____

6.4 **What are the typical monthly costs associated with your housing?**
(Include rent or mortgage, utilities, maintenance, etc.)

- Below R2,000
- R2,000 – R4,999
- R5,000 – R7,999
- R8,000 – R11,999
- R12,000 and above

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7. Social and Economic Stressors

7.1 **In the past 12 months, have you experienced any of the following stressors?** *(Select all that apply)*

- Job loss or threat of job loss

- Reduction in income
- Major illness or injury
- Death of a close family member or friend
- Divorce or separation
- Major personal or family crisis
- Relocation or moving
- Legal problems
- Increase in cost of living
- Unstable housing or homelessness
- Access to basic utilities (water, electricity)
- Food insecurity
- Discrimination (racial, gender, or other forms)
- Crime victimization or exposure to violence
- Transportation issues (access to reliable transportation)
- Changes in government policies affecting your life
- Caregiving responsibilities for family members
- Problems accessing healthcare or medication
- Childcare or education-related issues
- Substance abuse in the household or by a family member
- Environmental concerns (e.g., air or water pollution)
- Mental health challenges or emotional distress
- Other (please specify): _____

7.2 **How often do you worry about the following?** *(Rate on a scale from 1 to 5, where 1 = Never and 5 = Always)*

- Providing for dependents
    - 1
    - 2
    - 3
    - 4
    - 5
- Access to healthcare
    - 1

    - 2
    - 3
    - 4
    - 5
- Job security
    - 1
    - 2
    - 3
    - 4
    - 5
- Education costs for yourself or dependents
    - 1
    - 2
    - 3
    - 4
    - 5
- Safety and security in your neighbourhood
    - 1
    - 2
    - 3
    - 4
    - 5
- Availability and reliability of basic services (e.g., electricity, water)
    - 1
    - 2
    - 3
    - 4
    - 5
- Access to affordable transportation
    - 1
    - 2

    - 3
    - 4
    - 5
- Discrimination or unfair treatment
    - 1
    - 2
    - 3
    - 4
    - 5
- Cost of food and basic necessities
    - 1
    - 2
    - 3
    - 4
    - 5
- Environmental issues impacting your health (e.g., pollution, climate change)
    - 1
    - 2
    - 3
    - 4
    - 5
- Family conflicts or relationship issues
    - 1
    - 2
    - 3
    - 4
    - 5
- Ability to find time for self-care or relaxation
    - 1
    - 2
    - 3

- 4
- 5

Thank you for your participation!

Appendix B:

Perceived Economic Scarcity Scale

Below is a series of statements that refer to the way you experience and evaluate your financial situation. Please indicate how true each statement is for you:

Statement	Not at all	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree	Completely
My income is scarce compared to others	1	2	3	4	5	6	7
I feel the burden of missed or late payment weighing down on me	1	2	3	4	5	6	7
I have less money than I feel I need	1	2	3	4	5	6	7
I am struggling to pay my bills and other essentials	1	2	3	4	5	6	7
My income is not sufficient to make a decent living	1	2	3	4	5	6	7
I do not have enough money to cover monthly expenses	1	2	3	4	5	6	7
Having limited income and savings makes me unsure about my future	1	2	3	4	5	6	7
I cannot help but think about lack of money	1	2	3	4	5	6	7
I worry about not having enough money	1	2	3	4	5	6	7

Appendix C:

Psychological Capital Questionnaire

Below are statements that describe how you may think about yourself right now. Use the following scale to indicate your level of agreement or disagreement with each statement. (1=strongly disagree, 2=disagree, 3=somewhat disagree, 4=somewhat agree, 5=agree, 6= strongly agree)

	Strongly disagree	Disagree	Somewhat disagree	Somewhat Agree	Agree	Strongly agree
1. I feel confident analysing a long-term problem tofind a solution.	1	2	3	4	5	6
2. I feel confident representing my work area inmeetings with management	1	2	3	4	5	6
3. I feel confident contributing to discussions about thecompany's strategy.	1	2	3	4	5	6
4. I feel confident helping to set targets/goals in mywork area.	1	2	3	4	5	6
5. I feel confident contacting people outside the company (e.g. suppliers, customers) to discussproblems.	1	2	3	4	5	6
6. I feel confident presenting information to a groups ofcolleagues.	1	2	3	4	5	6
7. If I should find myself in a jam, I could think ofways to get out of it.	1	2	3	4	5	6
8. At the present time, I am energetically pursuing mygoals	1	2	3	4	5	6
9. There are lots of ways around any problem that I mfacing now	1	2	3	4	5	6
10. Right now, I see myself as being pretty successful	1	2	3	4	5	6
11. I can think of many ways to reach my current goals.	1	2	3	4	5	6
12.. At this time, I am meeting the goals that I have setfor myself.	1	2	3	4	5	6
13. When I have a setback at work, I have troublerecovering from it, moving on. ®	1	2	3	4	5	6

14. I usually manage difficulties one way or another at work.	1	2	3	4	5	6
15. I can be “on my own”, so to speak, at work if I have to.	1	2	3	4	5	6
16. I usually take stressful things at work in stride.	1	2	3	4	5	6
17. I can get through difficult times at work because I’ve experienced difficulty before.	1	2	3	4	5	6
18. I feel I can handle many things at a time at this job.	1	2	3	4	5	6
19. When things are uncertain for me at work, I usually expect the best.	1	2	3	4	5	6
20. If something can go wrong for me work-wise, it will. ®	1	2	3	4	5	6
21. I always look on the bright side of things regarding my job.	1	2	3	4	5	6
22. I’m optimistic about what will happen to me in the future as it pertains to work.	1	2	3	4	5	6
23. In this job, things never work out the way I want them to. ®|	1	2	3	4	5	6
24. I approach this job as if ‘every cloud has a silver lining”.	1	2	3	4	5	6

Appendix D:

The Warwick–Edinburgh Mental Wellbeing Scale (WEMWBS)

Below are some statements about feelings and thoughts.

Please tick the box that best describes your experience of each over the last 2 weeks.

STATEMENTS	None of the time	Rarely	Some of the time	Often	All of the time
I've been feeling optimistic about the future	1	2	3	4	5
I've been feeling useful	1	2	3	4	5
I've been feeling relaxed	1	2	3	4	5
I've been feeling interested in other people	1	2	3	4	5
I've had energy to spare	1	2	3	4	5
I've been dealing with problems well	1	2	3	4	5
I've been thinking clearly	1	2	3	4	5
I've been feeling good about myself	1	2	3	4	5
I've been feeling close to other people	1	2	3	4	5
I've been feeling confident	1	2	3	4	5
I've been able to make up my own mind about things	1	2	3	4	5
I've been feeling loved	1	2	3	4	5
I've been interested in new things	1	2	3	4	5
I've been feeling cheerful	1	2	3	4	5

Warwick–Edinburgh Mental Wellbeing Scale (WEMWBS)

Appendix E: Participant Information Sheet

Psychology

School of Human & Community Development

University of the Witwatersrand

Private Bag 3, Wits, 2050
Tel: 011 717 4503

Fax: 011 717 4559

Study Title: Buffering the impact: Psychological capital as a moderator between socioeconomic stressors and employee wellbeing in South Africa.

Dear Staff Member,

My name is Nosipho Mpangase, and I am a Masters student in the Department of Psychology at the University of the Witwatersrand, Johannesburg. My supervisor is Prof Karen Milner. I would like to invite you to participate in my research study which examines the impact of socioeconomic factors on employee wellbeing in South Africa, with a focus on the role of psychological capital as a buffer.

Details of the study

The study will take approximately 15-20 minutes of your time. You can complete the questionnaire at your own convenience from any computer or mobile device with internet access. The questionnaire will ask you about your experiences with socioeconomic stressors, your psychological capital, and your overall wellbeing.

Risks

There are no risks associated with participating in this study. However, some of the questions may ask about stressful experiences. If you feel any discomfort while completing the questionnaire, you are free to stop at any time. Should you feel you need counselling after completing the questionnaire, the Kaelo Counselling Services is available to provide support for a range of issues including stress, anxiety, depression, addictions, relationship problems, parenting challenges, abuse, trauma, and more. They offer unlimited telephonic access to counselling, legal advice, and financial advice. This is a counselling service

available to all Wits employees. The contact number is 0861 635 766 or dial 134928# and the email address is asknelson@kaelo.co.za

Confidentiality and Anonymity

Your privacy and the confidentiality of your responses are of utmost importance to us. To ensure your anonymity, no identifying information will be collected at any point in the survey. The questionnaire will not ask for your name, staff number, ID, email address, or any other details that could directly identify you. All data gathered from the survey will be securely stored in a password-protected file, ensuring that unauthorised individuals cannot access it. Only myself, Nosipho Mpangase, and my supervisor, Prof. Karen Milner, will have access to the data. The information collected will be used solely for this research study.

The collected data will be analysed and reported in a summarised form, meaning that individual responses will be aggregated and no personal details will be linked to the data in any reports or publications. Findings from this research will be included in my Master's thesis and may be used for scholarly submissions or presentations at academic conferences. In all instances, only aggregated, summary data will be presented, ensuring that no individual participant can be identified. The data will not be used for any secondary analyses. Should there be a need for future research, only summarised and anonymised data will be considered, with no traceable linkage to individual responses.

Because the questionnaire does not collect any identifiable information, it is impossible to trace responses back to individual participants. This guarantees your anonymity. All reports and presentations derived from this research will use only aggregated data, ensuring that individual responses are never singled out and remain confidential. By participating in this study, you contribute to a broader understanding of employee wellbeing without risking your personal privacy. We are committed to maintaining the highest standards of confidentiality and data security throughout the research process.

Benefits

There are no direct benefits to you for participating in this study. However, the findings of this research may contribute to a better understanding of how to promote employee wellbeing in South Africa. You will not be paid for participating in this study.

Contact Details

If you have any questions during or afterwards about this research study, feel free to contact me or my supervisor on the details listed below. If you have any concerns or complaints about the ethical procedures of this research study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za / shaun.schoeman@wits.ac.za

Principle Investigator

- Nosipho Mpangase
- 2312472@students.wits.ac.za

Supervisor

- Prof Karen Milner
- Karen.milner@wits.ac.za

Kaelo Counseling Services

- Phone: 0861 635 766 or dial 134928#
- Send a 'please call me' to 072 620 5699
- Email: asknelson@kaelo.co.za
- Web: www.kaelo.co.za

HREC Contact

- University Human Research Ethics Committee (Non-Medical)
- Phone: +27 (0) 11 717 1408
- Email: hrecnon-medical@wits.ac.za / shaun.schoeman@wits.ac.za

Thank you for taking the time to read this information sheet. If you are satisfied with the information provided and are interested in participating in the study please proceed to completing the questionnaire.

Thank you for considering taking part in this research, your participation is greatly appreciated.

Appendix F: Email Invitation to Staff Members

Psychology

School of Human & Community Development

University of the Witwatersrand

Private Bag 3, Wits, 2050
Tel: 011 717 4503

Fax: 011 717 4559

Dear Staff Member,

I hope this message finds you well. My name is Nosipho Mpangase, and I am a Master's student in Organisational Psychology in the Department of Psychology at the University of the Witwatersrand. Under the supervision of Prof. Karen Milner, I am conducting a research study to examine the impact of socioeconomic factors on employee wellbeing in South Africa, with a specific focus on the role of psychological capital as a buffer.

We are inviting you to participate in this important study, which aims to gain valuable insights that can help promote employee wellbeing. Participation includes completing an online questionnaire which will take approximately 15-20 minutes to complete. The questionnaire can be completed at your convenience from any computer or mobile device with internet access. The survey includes questions about your experiences with socioeconomic stressors, psychological capital, and overall wellbeing.

Your participation is entirely voluntary and anonymous. The survey will not collect any identifying information such as your name, email address, or staff number. All data will be securely stored in a password protected file and only used for the purposes of this research. No identifying information will be linked to your responses in any reports. You will not be disadvantaged in any manner by choosing not to participate. Attached to this email is a Participation Information Sheet which provides further information about this study.

We greatly appreciate your time and consideration in participating in this study. Your contribution is invaluable to advancing our understanding of employee wellbeing.

Warm regards,

Nosipho Mpangase

2312472@students.wits.ac.za

Prof. Karen Milner (Supervisor)

Karen.milner@wits.ac.za

Appendix G: Email Request for Approval from Senior HR Director

Psychology
School of Human & Community Development
University of the Witwatersrand
Private Bag 3, Wits, 2050
Tel: 011 717 4503
Fax: 011 717 4559

Subject: Request for Approval: Access to Employee Email Addresses for Research Purposes

Dear Dr Kgomotso Kasonkola,

I hope this message finds you well. My name is Nosipho Mpangase, and I am a Master's student in Organisational Psychology in the Department of Psychology at the University of the Witwatersrand. Under the supervision of Prof. Karen Milner, I am conducting a research study to examine the impact of socioeconomic factors on employee wellbeing in South Africa, with a specific focus on the role of psychological capital as a buffer.

I am reaching out to request formal approval to access a list of employee email addresses for research purposes. along with formal written consent for Professional Administrative Staff participation. The purpose of this request is to facilitate the recruitment of participants for this research study I am conducting as part of my master's dissertation. The study aims to identify socioeconomic stressors experienced by South African employees and assess their levels of psychological capital and overall wellbeing. Additionally, it seeks to explore the relationship between socioeconomic stressors and employee wellbeing, as well as investigate the moderating effect of psychological capital on this relationship.

To ensure transparency and compliance with ethical standards, I will strictly adhere to the guidelines outlined by the University's administration and the Human Resources Information System (HRIS) department. Specifically, I will collaborate closely with both entities to obtain necessary permissions and ensure the confidentiality and security of employee data.

Once approved, I will send an invitation email to potential participants, along with a Participation Information Sheet (PIS) that provides comprehensive details about the study's purpose, procedures, risks, benefits, and participant rights. Participation will be entirely voluntary, and all responses will remain confidential.

I kindly request your approval to proceed with accessing the employee email addresses for this research endeavour. Your support in this matter would be greatly appreciated, and I am available to provide any additional information or clarification you may require.

Thank you for considering my request. I look forward to your response.

Kind regards,

Nosipho Mpangase

2312472@students.wits.ac.za

Prof. Karen Milner (Supervisor)

Karen.milner@wits.ac.za