
**FINANCIAL STRESS AND CHALLENGES OF MINIMUM WAGE EARNERS IN
U.S. SUPERMARKETS: A BASIS FOR FINANCIAL DEVELOPMENT
STRATEGIES**

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Abstract

This study explores the financial stress and challenges experienced by minimum wage earners working in supermarkets across the United States. Using a mixed-methods approach, the findings reveal that financial strain negatively affects employees' emotional well-being, job performance, and coping behaviors. Key issues identified include inadequate income, rising debt obligations, food insecurity, and decreased workplace productivity. To address these concerns, the study proposes a financial development framework emphasizing income support, financial literacy initiatives, and workplace wellness programs. The research contributes to strategies aimed at strengthening the financial stability and overall well-being of low-wage supermarket employees, while offering practical insights for policymakers and organizations.

Keywords: Financial Stress, Minimum Wage, Supermarkets, Financial Literacy, Workplace Wellness

Introduction

1.1 Background of the Study

Financial stress refers to the emotional and psychological strain individuals experience when their economic resources are insufficient to meet basic needs. It often manifests in anxiety, depression, strained social relationships, and physical health issues such as headaches or fatigue. Financial strain can weaken communication and trust within families and workplaces, causing conflict and, in some cases, social isolation. Without strong financial literacy and money management skills, these challenges tend to worsen, creating a cycle that erodes overall well-being.

In the United States, financial stress is closely tied to the federal minimum wage, which has remained at \$7.25 per hour since 2009. Despite periodic state-level adjustments, the wage floor has not kept pace with inflation or the rising cost of living. Workers earning the minimum wage often struggle to afford essential expenses such as housing, food, healthcare, childcare, and transportation. While proposals to raise the federal minimum wage to \$15 per hour have gained support, research suggests that even this increase falls short of what is considered a "living wage," which ranges between \$20 and \$26 per hour, depending on state and region.

Rising costs further intensify this problem. From 2020 to 2021, grocery prices rose by over 4%, with staples like meat, poultry, and eggs climbing more than 8%, forcing many low-wage workers to cut back on meals or rely on less nutritious food options. Housing affordability also remains out of reach for most minimum wage earners, as federal guidelines recommend that no more than 30% of income be spent on housing—yet in nearly all U.S. states, workers must earn at least double the minimum wage to meet this threshold. These conditions highlight why financial stress among low-wage workers is both persistent and widespread.

According to Robinson & Smith (2024), financial stress is one of the most pressing stressors in the modern era, often arising from job insecurity, mounting debt, unexpected expenses, and stagnant wages. They emphasize that financial stress not only reduces quality of life but also affects mental health, workplace productivity, and interpersonal relationships. For supermarket employees—many of whom work long hours at minimum wage—the burden of financial stress is particularly acute. This study seeks to investigate the financial challenges of U.S. supermarket workers earning minimum wage, while also proposing strategies to strengthen their financial stability and well-being.

1.2 Objective of the Study

To examine the financial stress and challenges faced by minimum wage earners in U.S. supermarkets and to propose a financial development plan that addresses these issues. Specific Objectives:

- A. To describe the demographics (age, marital status, income, and educational attainment) of minimum wage supermarket employees.
- B. To assess the level of financial stress experienced by these employees across psychological, social, and physiological dimensions.
- C. To identify the specific financial challenges minimum wage earners face in the supermarket sector.
- D. To recommend financial development strategies tailored to the needs of supermarket employees.

Methodology

This study adopted a mixed-methods approach, combining both quantitative and qualitative techniques to provide a comprehensive understanding of the financial stress and challenges faced by minimum wage earners in U.S. supermarkets. The quantitative component employed a descriptive research design, using structured surveys to capture demographic information, levels of financial stress, and common financial challenges. The qualitative component followed a phenomenological design, using in-depth interviews to explore lived experiences of workers and gain insights into how financial stress impacts their daily lives. This dual approach

allowed the study to balance numerical trends with personal perspectives for a more holistic analysis.

The research population included supermarket employees earning minimum wage, with participants selected through random sampling for the survey and purposive sampling for interviews. The quantitative sample was determined using a scientific formula for adequate representation, while nine participants were interviewed from different supermarket departments to ensure diverse viewpoints. Survey questionnaires measured financial stress across three dimensions—psychological, social, and physiological—while interviews provided rich narratives about the challenges workers face, such as housing insecurity, rising food costs, and debt burdens.

Data were collected through survey questionnaires and structured interviews, with informed consent secured from all participants. Surveys were analyzed using Likert scales, weighted means, and standard deviations to measure stress levels. Thematic analysis was applied to interview data to identify recurring patterns and insights related to financial challenges. Reliability was ensured through pre-testing and the use of Cronbach's alpha, while validity was supported by expert review and pilot testing. This methodological framework enabled the researchers to assess both the scope and depth of financial stress among U.S. minimum wage supermarket employees, providing evidence to inform financial development strategies.

Summary of Findings

This study investigated the financial stress and challenges faced by minimum wage earners in selected U.S. supermarkets. The findings revealed that many workers struggle daily to meet their financial obligations, which creates stress that negatively impacts their overall well-being.

Demographic Profile: Most respondents were young and single, with a high school or some college education. Their average monthly earnings, based on the federal minimum wage of \$7.25 per hour or slightly above, were insufficient to cover basic needs such as housing, utilities, food, transportation, and healthcare. This income gap left many workers vulnerable to financial insecurity.

Financial Stress: Respondents reported financial stress across psychological, social, and physiological dimensions. Psychologically, anxiety, worry, and occasional depressive symptoms were common due to the constant pressure of making ends meet. Socially, while family and peer relationships were somewhat resilient, financial strain occasionally caused conflicts and limited participation in social activities. Physiologically, fatigue, sleep disturbances, and sensitivity to stress were noted, though these were less severe compared to psychological impacts.

Impact on Job Performance: Financial stress affected concentration, productivity, and motivation at work. Many workers reported difficulty focusing due to financial worries, while others took on overtime or secondary jobs, which led to exhaustion and decreased effectiveness.

in their primary supermarket role. Reliance on borrowing and delayed bill payments further compounded stress, creating a cycle of debt and reduced financial stability.

4.2 Conclusions

This research concludes that minimum wage earners in U.S. supermarkets face significant financial stress due to inadequate earnings relative to the rising cost of living. The demographic findings show that most respondents are young and single, with limited income that does not sufficiently cover essential expenses. Financial stress is most pronounced in its psychological impact, manifesting as anxiety and emotional strain, though it also affects job performance and physical health.

The study highlights that the financial challenges of minimum wage workers—such as housing insecurity, food insufficiency, rising debt, and limited access to healthcare—directly undermine both well-being and productivity. Overall, the findings confirm that financial stress is a pressing issue that requires both organizational and policy-level interventions. Addressing these issues through financial literacy, employee support systems, and wage-related policies can help workers achieve greater stability and resilience.

4.3 Recommendations

Based on the findings, the following recommendations are proposed to reduce financial stress and improve the quality of life for minimum wage earners in supermarkets:

Economic Support: Employers and policymakers should explore wage adjustments or supplemental benefits such as housing stipends, transportation allowances, or childcare support to help employees meet basic needs.

Financial Literacy Programs: Training on budgeting, savings, debt management, and access to affordable financial services should be provided to empower workers to better manage their limited income.

Mental Health and Counseling Services: Employers should implement employee assistance programs, stress management workshops, and access to affordable counseling to help workers cope with the psychological burden of financial stress.

Workplace and Social Support: Team-building activities, peer support groups, and employer-sponsored counseling can strengthen workplace relationships and reduce the social impact of financial stress.

Wellness and Health Programs: Affordable wellness programs, including nutritional education, stress-relief activities, and community-based healthcare access, should be promoted to minimize the physiological effects of financial strain.

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