


Financial Stress and Buffer Effects of Trust in Policies in Business Life During the COVID-19 Pandemic

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COVID-19 Pandemisi Sürecinde Çalışma Hayatında Finansal Stres ve Politikalara Güvenin Koruyucu Etkisi	Financial Stress and Buffer Effects of Trust in Policies in Business Life During the COVID-19 Pandemic
Öz Bu çalışmada Türkiye’de Covid-19 pandemisi sürecinde çalışma hayatında yaşanan finansal stresin belirleyicileri ve pandemiyle mücadele politikalarına duyulan güvenin finansal stresin azaltılmasındaki rolünün incelenmesi amaçlandı. 414 çalışandan elde edilen anket verisi çok değişkenli istatistiksel yöntemlerle analiz edilmiştir. Analiz sonucunda finansal stres üzerinde iş güvencesizliği ve ücret memnuniyetinin anlamlı etkisi tespit edilmiştir. Pandemiyle mücadele politikalarına duyulan güvenin finansal stresin azaltılmasında etkili olduğu bulgusuna ulaşılmakla birlikte, diğer faktörlerin finansal stresle ilişkisinde anlamlı düzenleyici etkisi bulunamamıştır. Çalışma hayatında gelir ve istihdam kaybı yaratabilecek uygulamaların engellenmesi ve bu yöndeki politikaların suiistimale imkân vermeyecek ölçüde yakından takip edilmesi önerilmektedir.	Abstract This study aimed to investigate the determinants of financial stress experienced in working life during the COVID-19 pandemic process in Turkey, and also the role of the confidence placed for the government pandemic action policies in reducing financial stress. For this purpose, online survey data obtained from 414 employees were analyzed with multivariate statistical methods. As a result of the analysis, the significant effect of job insecurity and pay satisfaction on financial stress was determined. Although it was found that trust in the policies against pandemics was effective in reducing financial stress, a significant moderating effect of trust in policies was not found in the relationship of other factors with financial stress. It is recommended to prevent practices that may cause revenue and employment losses in businesses and closely monitor the steps taken to inhibit abuse in this area accordingly.
Anahtar Kelimeler: Finansal Stres, Politikalara Güven, COVID-19	Keywords: Financial stress, Trust in policies, COVID-19
JEL Kodları: C10, I31, G50	JEL Codes: C10, I31, G50

Araştırma ve Yayın Etiği Beyanı	Bu çalışma bilimsel araştırma ve yayın etiği kurallarına uygun olarak hazırlanmıştır.
Yazarların Makaleye Olan Katkıları	Yazar 1’in makaleye katkısı %100’dür.
Çıkar Beyanı	Yazar açısından ya da üçüncü taraflar açısından çalışmadan kaynaklı çıkar çatışması bulunmamaktadır.

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1. Introduction

The COVID-19 epidemic, which emerged in Wuhan, China, in December 2019, has spread rapidly to other countries in the world since the first months of 2020 and has turned into a global humanitarian and economic crisis in a short time. The COVID-19 epidemic, which caused a sudden change in human life, is described as a disaster with humanitarian and global economic consequences far beyond recent crises (World Bank, 2020a; BBC, 2020).

Another dimension of the COVID-19 outbreak is the economic damage and risks it caused. The spreading speed of this epidemic, which drags the world economy into a devastating global recession, and the risks it entails, forces governments to implement policies to reduce transmission rates by implementing measures at the expense of restricting personal freedom and creating unfavorable economic effects (Stephany et al., 2020). Because of its high contagiousness, mortality, and incubation period, the primary preventive measures of the epidemic are to control social distance and isolation, that this situation immensely affected the economic environment, total supply and demand, labor, and financial markets in the world (Mou, 2020).

With the epidemic effect, some markets and supply chains have suspended their activities, some businesses have had to close or reduce their commercial volumes, millions have lost their jobs and livelihoods, and still, have been continuing to lose. In addition to this economic damage and the present uncertainty, the measures imposed by the government to restrict socio-economic life may cause economic inequality to increase and especially some economic segments to be influenced more. Naturally, this situation also carries a risk for the general mental health of individuals and their immediate surroundings. Various factors such as decreases in economic activities, unemployment, and restrictions in medical and social services may bring along some cognitive and emotional disturbances (Meltzer et al., 2010; Alcover et al., 2020). Therefore, it is inevitable that the socio-economic conditions and consequences caused by the COVID-19 pandemic are associated with the stress caused by the financial situation (Holmes et al., 2020; Shanahan et al., 2020; Islam et al., 2020). It is argued that trust in the policies to combat the COVID-19 pandemic can play a significant role in alleviating this stress (Malhotra et al., 2020; Fetzer et al., 2020). Because stable and qualified measures carried out during the pandemic process can play a role in minimizing the severe socio-economic damage and as well as reducing the financial stress experienced in working life.

This study explores the determinants of financial stress experienced in the business life during the COVID-19 pandemic process in Turkey and the role of confidence in the government policies to fight the pandemic in reducing stress. It is thought that the research will contribute to the literature in several ways. First, the research provides empirical evidence from a developing country axis regarding the financial stress experienced in working life during the pandemic process. Besides, no study in the literature examining the role of trusting to pandemic struggle plans of government in the decrease of financial stress in working life during the pandemic process has been encountered.

The study has consisted of four parts. In the first part following the introduction, the socio-economic consequences of the COVID-19 outbreak and various measures taken in different countries to fight the pandemic were mentioned. In the second part, the main findings of study examples on various prominent determinants of financial stress were introduced. Furthermore, in this section, the research model based on the literature was

presented, and hypotheses were determined. While the research methodology was introduced in the third part, the findings obtained from the analysis were presented in the fourth part. The study has been completed with the conclusion section, where the findings were discussed.

2. COVID-19 Outbreak, Economic Effects and Policies

Humanity has faced various pandemics in different periods of history. However, evidence shows that there has been a significant increase in epidemics in the current century due to reasons such as increasing global travel and integration, urbanization, changes in land utilization, destruction of the natural environment, and the prevalence of viral diseases among animals (Jones et al., 2008; Madhav et al., 2017; Brouder et al., 2020). One of these outbreaks emerged in Wuhan, China, in December 2019, and quickly turned into a humanitarian tragedy and global economic devastation. The virus that causes the disease called COVID-19 belongs to the same coronavirus family that caused the Severe Acute Respiratory Syndrome (SARS), which appeared in 2003, and the Middle East Respiratory Syndrome (MERS) epidemics that emerged in 2012. Although it cannot be estimated precisely, the mortality rate, compared to the number of cases, is between 1-3.4%, lower than the SARS (10%) and MERS (34%) diseases and considerably higher than the seasonal flu, which is below 0.1% (Abiad et al., 2020).

The World Health Organization described the disease as a pandemic on March 11, 2020, because of the increasing number of cases and deaths depending on the rapid spread in China and other countries (WHO, 2020). As of February 3, 2021, more than 103 million cases in 189 countries and regions and more than 2,253,000 deaths in total were reported (CRC, 2021). Due to the pandemic also manifesting itself in all seriousness in Turkey, there were more than 2.5 million cases and over 26,000 deaths reported on the same day (Ministry of Health, 2021). The epidemic affecting the whole world transformed the social lives and economic activities of billions of people unprecedentedly.

Many countries have taken various measures to slow the pandemic spread by limiting physical interaction, such as banning public events, closing schools and non-compulsory workplaces, restricting entry into the country, and declaring curfews. These measures have significantly affected the economy, besides social life, at the individual, national, and even global levels. Much that the closure and restriction of workplaces in the fighting process against the epidemic caused a decrease in production by disrupting supply chains. Layoffs, reduced income levels, fear of becoming infected, and increased economic uncertainty have entailed people to spend less, hence more businesses to stop their activities and face monetary losses (Mou, 2020). Besides, due to the pandemic, economic uncertainty increased, the confidence in the stock markets decreased, and therefore, the turmoil in the global financial markets deepened (Öztürk et al., 2020). The negative economic impact created by the pandemic occurs through different channels. The first and direct effect arises from the fall in the consumption of goods and services both due to the measures to combat the pandemic and also, the effect pandemic created. The second and indirect effect emerges from the shock created by the pandemic environment in the financial markets and its reflection on the real economy. The third effect, which concerns the supply of goods to the market, is observed as reductions in production due to the epidemic adversely impact the supply chains in the sectors and, labor demand of businesses falls, and eventually layoffs and unemployment increase (Carlsson-Szlezak et al., 2020).

The International Monetary Fund (IMF) stated the global economy would shrink by 4.9% in 2020, and the economic consequences of the pandemic would be more destructive than the 2008 Global Economic Crisis (IMF, 2020a). The World Trade Organization (WTO), on the other hand, predicted that the world trade volume would decrease between 13% and 32% in 2020 due to the pandemic (WTO, 2020). The possible effect on employment is another aspect of the severe damage caused by the pandemic in the countries' economies. The report published by the International Labor Organization (ILO) declared that full or partial quarantine measures affected 2.7 billion employees representing 82% of world employment, and 1.2 billion employees are at risk of dismissal (ILO, 2020a) due to the significant decreases in production. Besides, the report stated that there was a decrease of 17.3% in working hours in the second quarter of 2020 compared with the previous year, and this situation brought along significant decreases in the income obtained by the workforce (ILO, 2020b).

Both the disease itself and also the measures put into force to combat the epidemic may induce psychological problems and cause especially some socio-demographic groups to highly suffer from increasing economic inequality (Brouder et al., 2020). The quarantine practices and restrictive measures resulted from the COVID-19 pandemic and income losses of employees because of the recession in the economy have created social and financial stress. While social stress expresses the employees' concern and fear against COVID-19 disease, financial stress points to worry of the possible decrease in employees' financial earnings due to economic contraction (Manojkrishnan and Aravind, 2020). In addition to the crucial threat posed by the pandemic to public health, there is a need for sufficient and comprehensive economic measures to minimize the severe economic and psychological consequences. Based on this fact, many countries have brought strict measures to reduce the spread of the epidemic and announced economic support packages to alleviate the financial consequences of this situation.

Paralleling the growing epidemic danger globally, Turkey has taken various measures to combat the coronavirus pandemic without losing time. In this direction, airline flight traffic with many countries was restricted, and regulations were put into practice to popularize mask usage and social distance rule in society. Inevitably, these measures have had significant repercussions on the country's employment and production. In its report, the World Bank estimated that depending on the economic uncertainty, Turkey's economy would shrink at the level of 3.8% in 2020, due to the continuing decrease of investments, the decline in exports resulting from the weak external demand, declining employment, and social distance measures (World Bank, 2020b). IMF has envisaged that Turkey's economy will shrink 5% in 2020 and grow 5% in 2021 (IMF, 2020b). This widespread contraction in the economy has also increased the downward trends in labor force participation and employment (World Bank, 2020b). Due to the decrease in production, the closure of factories and workplaces, the loss of work and income is expected to increase, especially among service sector employees (Açıkgöz and Günay, 2020; Balcı and Çetin, 2020). To alleviate the devastating effects of the pandemic on the economy and employment, the Turkish government has announced a support package at a level of 100 billion TRY, including various applications such as loan deferrals and repayment facilities and tax deferrals, and financial assistance; later, it has been stated that the total of the supports exceeded 200 billion TRY (Reuters, 2020). In this process, some regulations were enforced to reduce the unfavorable effects of the pandemic on business life and employment, such as prohibitions of firing, short-time work allowances,

financial supports of 1177 TRY per month to employees going unpaid leave, and, additionally, for enterprises, minimum wage support was made per worker, under certain conditions.

3. Review of Literature and Development of Conceptual Framework

The COVID-19 epidemic has caused a sudden change in social life, therefore it has been a stress source in an economical aspect, as well as in individual and social life. Several studies conducted recently have argued that the pandemic-induced deterioration in social and working life, as well as the measures restricting social life and economic activities carried out for fighting the pandemic, have significantly affected the mental health of people (Wilson et al., 2020; Moreno et al., 2020; Barzilay et al., 2020). Financial stress is a significant source of distress in people's lives. Studies show that concerns about financial situation play a prominent role in the relationship between economic hardship and psychological well-being (Weich and Lewis, 1998; Taylor et al., 2011; Catalano et al., 2011; Wilson et al., 2020). Financial stress, which refers to the negative emotional state based on the individual's anxiety of failing to satisfy the life needs and economic demands (Davis and Mantler 2004), is described as one of the most crucial sources of psychosocial stress due to the financial aspects of many fundamental activities in daily life (Tsefaw and Yitayih, 2018). Financial stress is generally shaped by evaluations for the current monetary situation of the person, such as perceived financial adequacy, the financial concern levels, changes in financial status, and anticipated financial situation (Voydanoff, 1990).

As mentioned, the adverse effects of the pandemic on the economy and employment inevitably reflect on working life. Despite many preventions taken by governments during the epidemic process, a lot of people have widely experienced the factors that indicate job insecurity, such as shortening working hours, wage cuts, and job losses (Wilson et al., 2020; Jung et al., 2020; Alcover et al., 2020). Job insecurity, which is a different concept from actual job loss and unemployment, is associated with a potential threat perception that will affect an employee's continuity in his current job (Heaney et al., 1994). Job insecurity includes individuals' concerns about the short or medium-term continuity in their current jobs, negative perceptions about the consequences of job loss on the well-being, psychology, and economic situation (Sverke and Hellgren, 2002). Job insecurity, which is characterized by uncertainty and changing conditions, is likely to be a potential source of stress for employees. Moreover, there is empirical evidence indicating job insecurity, which emerged from economic contraction due to epidemic and economic crisis, is related to financial stress.

Rajani et al. (2016) examined the effect of job insecurity and financial difficulties on mental health, which were caused by the recession in the European Union. Some findings have been reached based on the Eurobarometer survey data (73.2 wave, 2010) covering 27 European countries. According to the results, although job insecurity and financial difficulties have a significant relationship with mental health, financial difficulties do not show moderating effects in the relationship between job insecurity and mental health. In another study, Choi et al. (2020) tested whether financial well-being mediated the relationship between job insecurity and financial stress. In the research, data collected from 1145 adults in the USA through online questionnaires have been analyzed. The results indicate a significant relationship between job insecurity and financial stress while revealing the partial mediation effect of financial well-being. Lübke (2019), in the research examining the factors shaping the relationship between job security and health, used the data of the Socioeconomic Panel (SOEP v32.1; 2009, 2010), which included 7855 workers in Germany. According to the results,

although various factors mediating the relationship between job insecurity and health for the middle age group have been identified, financial worries have been the most effective.

Wilson et al. (2020) analyzed the relationship between job insecurity and financial concerns experienced during the COVID-19 pandemic and mental health with survey data based on 474 US employees. According to the study results, it has been determined that the perception of job insecurity caused by COVID-19 is associated with both financial concerns and depressive symptoms. Besides, a significant mediating effect of financial anxiety in the relationship between job insecurity and mental health was determined. Alcover et al. (2020) have reached the results supporting these findings, with the survey data conducted on 591 people living in Chile. Accordingly, the study determined that job insecurity and perceived financial threat and mental health were related to each other while perceived social support provided a buffering effect in alleviating this relationship.

One of the main economic consequences of the recent economic contractions is the decrease in labor earnings (Drakopoulos and Grimani, 2015). During the pandemic process, millions of employees face a loss of income due to shrinkage in working hours and wage cuts (ILO, 2020a). On the other hand, factors such as anxiety about income level, solvency, and satisfaction with wages are considered to be related to financial stress (Bailey et al. 1998; Joo and Grable, 2004; Archuleta et al. 2011; Vosloo, 2014). The pay satisfaction concept, which covers these factors, represents the individual's positive or negative perception level for the income obtained. According to Kim and Garman (2004), pay satisfaction is determined not only by the payment level but also by the employee's personal income perception. A limited number of other works examined the role of pay satisfaction in investigating financial stress.

Kim and Garman (2004) focused on the relationship between financial stress and pay satisfaction, work time use, and absenteeism in their study based on 262 survey data in the USA. The study results revealed that the employees who experienced financial stress had lower wage satisfaction levels, tended to waste working time, and had more frequent absenteeism. Archuleta et al. (2011) examined the relationship between financial satisfaction and financial stress factors based on the survey data obtained from 310 married participants living in the USA. As a result of the research, it was determined that these two variables were negatively related, and the participants, having a low financial satisfaction level, stated their financial stress level was high. In another study, Sivarajah et al. (2014) examined the effect of wage satisfaction on financial stress with 360 survey data collected from teachers in Sri Lanka. Accordingly, there was a relationship between pay satisfaction and financial stress, and it was determined that particularly financial stress was negatively related to pay level and benefits, which are sub-dimensions of pay satisfaction. Vosloo (2014) investigated the effect of financial efficacy and satisfaction with remuneration on financial well-being in her study in which the sample was composed of 9057 employees operating in different sectors in South Africa. According to the multiple regression analysis results, strong effects of financial efficacy and satisfaction with remuneration were determined on financial well-being.

The COVID-19 pandemic created a pessimistic atmosphere economically and financially. Large-scale layoffs, inflation, borrowing, and wage cuts in an economic uncertainty environment cause emotional and psychological difficulties (Meltzer et al., 2010; Godinic et al., 2020). Some previous studies have suggested that the economic environment perception, which is characterized by economic contraction, uncertainty, and financial difficulties caused by situations such as financial crisis, natural disasters, and epidemics, affects financial stress

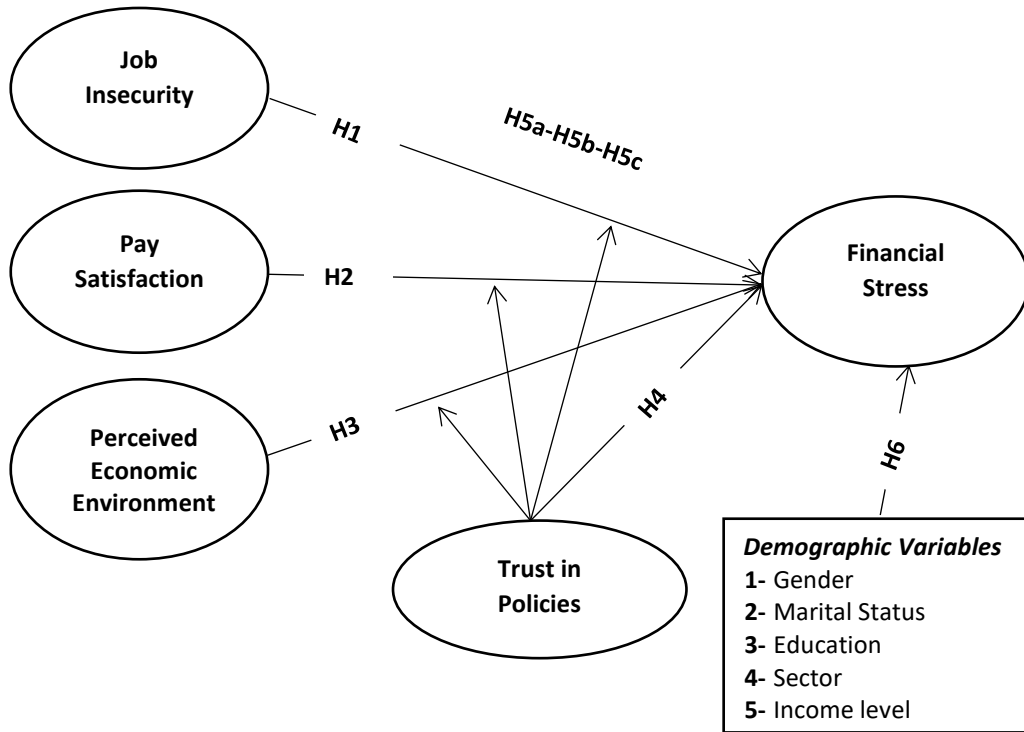
(Park and Mercado, 2014; Alola et al., 2020). According to Friedline et al. (2020), the resources and opportunities offered by the local and regional economic environment where people live affect the individuals' financial stress and well-being. The perceived economic environment represents the perception and subjective evaluation of how good the economic environment is (Imranullah, 2018).

Barrafrem et al. (2020) investigated how the COVID-19 epidemic affects the individual, national, and global economic environment, the perception of the future economic situation, and the relationship between this perception and financial well-being by survey data covering 1000 people. According to the study findings, people with pessimistic expectations about the household's future economic situation stated lower financial security and higher financial anxiety levels. However, the same correlation was not detected for participants with negative expectations at a national and global level. Kampfen et al. (2020) investigated the impact of economic concerns, health concerns, and social distancing measures on mental health in the COVID-19 pandemic environment, based on the Understanding America Study (UAS) covering 6585 people. The findings have shown that the unfavorable economic conditions that COVID-19 will create shortly have harder adverse effects on mental health than potential health concerns and social distance practices. Cao et al. (2020) investigated the impacts of the COVID-19 pandemic on the mental situation based on the survey data covering 7143 students of Changzhi Medical Faculty. It is among the main conclusions reached by the study that the concern for the economic effects of the epidemic was positively related to the university students' stress levels. In another study, Codagnone et al. (2020) examined the relationship between the fragile economic environment and negatory economic shocks caused by the COVID-19 pandemic and anxiety, stress, and depression. According to the data covering Italy (N: 3504), Spain (N: 3524), and the United Kingdom (N: 3523), it is estimated that 42.8% of the total population faces the risk of economic stress due to financial fragility and adverse economic environment.

It is known that citizens' trust in their government's policies to combat the pandemic can provide effective results in reducing the stress experienced (Malhotra et al., 2020; Fetzer et al., 2020; O'Hara et al., 2020; Ologoke et al., 2020). Trust in government represents the confidence of citizens and businesses in governments' actions to conduct the policies perceived as correct and fair (OECD, 2013). Although various factors regarding the determinants of financial stress experienced in working life come to the fore in the literature, no study examines the role of trust in policies to combat pandemics in the context of the relationship between these factors and financial stress. In this respect, the present research aims to reveal the effect of trust in policies to fight the pandemic on financial stress and its potential moderator role.

Based on the review of the literature, we can construct the conceptual model for this study.

Figure 1: Research Model



As can be seen from Figure 1, six basic hypotheses have been developed within the scope of the research. These are as follows:

H1: There is a significant impact of job insecurity on financial stress during the pandemic.

H2: There is a significant impact of pay satisfaction on financial stress during the pandemic.

H3: There is a significant impact of perceived economic environment on financial stress during the pandemic.

H4: There is a significant impact of trust in government on financial stress during the pandemic.

H5a: Trust in policies about the Covid-19 pandemic moderates the relationship between job insecurity and financial stress during the pandemic.

H5b: Trust in policies about the Covid-19 pandemic moderates the relationship between pay satisfaction and financial stress during the pandemic.

H5c: Trust in policies about the Covid-19 pandemic moderates the relationship between perceived economic environment and financial stress during the pandemic.

H6: There is a significant impact of demographic variables (gender, marital status, education, sector, income level) on financial stress during the pandemic.

4. Materials and Methods

4.1. Participants

Due to time and budget constraints, the sample was obtained by non-probabilistic random accidental sampling. Surveys were sent online (through the Google Forms platform) to 1826 people actively working in Turkey in November and December 2020. Although a total of 425 replies were obtained, eleven questionnaires having conflictive and unsafe answers were eliminated. The remaining 414 questionnaires were analyzed. The sociodemographic characteristics of the sample are described in Table 1. The table demonstrates participants' features such as gender, marital status, education level, family size, employment sector, and income level.

Table 1: Sociodemographic Characteristics of the Sample (N=414)

	Frequency	%		Frequency	%
Gender			Marital Status		
Male	163	39.4	Married	149	36.0
Female	251	60.6	Single	265	64.0
Education			Family Size		
Associate's degree or less	29	7.0	1-2	151	36.5
Bachelor's degree	260	62.8	3-4	176	42.5
Master's degree or higher	125	30.2	5 or more	87	21.0
Sector			Income Level		
Public	107	25.8	Less than 3000 TRY	68	16.4
Private	307	74.2	3000-4999 TRY	177	42.8
			5000-6999 TRY	83	20.0
			7000 TRY or more	86	20.8
Total	414	100	Total	414	100

4.2. Measured Variables

In the study, the research tools were adapted from the studies of the following researchers: Financial stress scale from Archuleta et al. (2013); job insecurity scale from Linden et al. (2008); pay satisfaction scale from Kim and Garman (2004); perceived economic environment scale from Imranullah (2018); the scale of trust in government from Han et al. (2020). The questionnaire was translated from English into Turkish and re-translated into English to check the translation validity. In these studies, Cronbach's Alpha coefficients, which identify the internal consistency of the scales, were calculated between 0.754 and 0.940 percent. In this respect, it should be stated that research scales had a high level of reliability. The survey form of research comprised two parts. While the first part of the questionnaire included the questions to determine the participants' demographic characteristics, the second part carried 26 questions about the variables in the research model. Participants' responses in the statements were measured with a 5-level Likert-type scale ranging from 1 (= strongly disagree) to 5 (= strongly agree).

4.3. Data Analysis Strategy

The research scales' reliability was measured by Cronbach's Alpha coefficient. Although this coefficient is taken between 0 and 1 in researches, it is recommended to be above 0.70 for the scale to be considered reliable (Nunnally, 1978; George and Mallery, 2019). A confirmatory factor analysis (CFA) was performed with the AMOS 24 software to measure the construct validity of the 26-question scale. CFA is a type of factor analysis used to test whether the data obtained are compatible with the structure previously discovered and used in different studies (Hair et al., 2019). There are many fit indices used to check whether the data is compatible with the measurement model. The suggested good and acceptable fit values of some of these indexes are: $\chi^2/df < 3$ =good, < 5 acceptable for χ^2/df ; $< .05$ = good, $< .08$ = acceptable for RMSEA and SRMR; $\geq .90$ = good, $\geq .85$ = acceptable for GFI; $> .95$ =good, $> .90$ = acceptable for CFI, TLI, IFI and NFI (Hu and Bentler, 1999; Loehlin, 2004; Kline, 2016; Hair et al., 2019; Topal and Günay, 2020; Thakkar, 2020).

In the next stage, Pearson's correlation analysis was conducted to determine whether a relationship between variables existed. Although Pearson's correlation coefficient takes values between +1 and -1, a value of 0 indicates that there is no relationship between the two variables. A value greater than 0 indicates a positive correlation, while a value less than 0 indicates a negative, i.e., reverse correlation (Frankfort-Nachmias & Leon-Guerrero, 2006). Independent t-test and ANOVA analyzes were conducted to understand whether there was a statistically significant difference between the participant groups in terms of the average financial stress. A three-stage regression model was created to test the hypotheses based on the designed research model.

5. Results

CFA was carried out to test the factor structure of the research tools. Table 2 shows the CFA results and fit indices. After the first CFA, it was seen that a good fit between model and data could not be achieved, and therefore modification indices to provide the highest level of goodness of fits were carried out in order. Again, based on these suggestions, by removing two items from the scale, it was observed that the goodness of fit considerably increased. The Cronbach's Alpha coefficient calculated for the 24-item and 6-factor structure verified by CFA was found to be 0.747.

Table 2: Results of CFA (N=414)

	Items	Factor Loading
Financial Stress	FS1: During the pandemic, I feel more worried about my financial situation than ever before.	.701
	FS2: The stress caused by the bills and debts that have to be paid affects my regular sleep pattern.	.816
	FS3: Nowadays, I am having difficulty focusing on my job these days because of my financial situation.	.910
	FS4: Nowadays, my financial concerns are causing me to behave angrily.	.870
	FS5: The financial stress I'm experiencing is hurting my social relationships these days.	.865
	FS6: I think my financial concerns during the pandemic process are affecting my physical health.	.819
	FS7: Worries about my financial situation make me feel tired.	.861
Job Insecurity	J11: More people are getting laid off these days than ever before.	.416
	J12: Today, I think that no matter how job-dedicated a person is, his job is in danger.	.466
	J13: Being unemployed means losing all my image and prestige.	.823
	J14: Losing my job will be devastating for me in every respect.	.840
	J15: Being unemployed nowadays means remaining unemployed for a long time.	.565

Pay Satisfaction	PS1: I believe I am being paid an appropriate level compared to the work I do.	.535	
	PS2: Salary rises are at a low level.	.422	
	PS3: The wage I get makes me feel worthless in the workplace.	.883	
	PS4: I feel lucky to have regular and reasonable salary increases.	.778	
Trust in Policies	TP1: I support the measures implemented to combat the pandemic.	.690	
	TP2: I believe Turkey is successfully struggling with the pandemic.	.842	
	TP3: I believe Turkey can combat the economic consequences of the pandemic.	.894	
Perceived Economic Environment	PEE1: I think Turkey is an economically stable country.	.880	
	PEE2: Turkey has more possibility of creating alternative employment than many countries.	.645	
	PEE3: I think the economic prosperity of the people of Turkey is high compared to many countries.	.780	
	PEE4: The cost of living (such as rent, transportation, basic foodstuffs) is more affordable in Turkey than in many countries.	.722	
	PEE5: Turkey is broadly a self-sufficient country in the production of goods and services.	Deleted	
	PEE6: Turkey has a sufficient labor force.	.676	
	PEE7: Turkey is a self-sufficient country in terms of the necessary capital of the investment.	Deleted	
Fit Indices for CFA			
χ^2/df	2.133	CFI	0.956
RMSEA	0.052	TLI	0.948
SRMR	0.072	IFI	0.956
GFI	0.909	NFI	0.921

Before proceeding with the hypothesis tests, first, to obtain some preliminary findings, independent t-test and ANOVA analyzes were conducted to determine whether there was a significant difference in terms of variable averages, relationships between variables, and financial stress between the participating groups. Table 4 in the Appendix shows the average of variables and Pearson's correlation analysis findings. According to this table, the averages of the variables have varied between 2.02 and 3.73 out of five. Although financial stress is very close to the indecision level ($\bar{X} = 2.99$), it is seen that the perceived economic environment ($\bar{X} = 2.02$) is the scale with the lowest level of participation, and the job insecurity ($\bar{X} = 3.73$) is the scale with the highest level of participation. It is understood that averages other than the financial stress scale have generally indicated negative opinions. On the other hand, the correlation analysis has shown all variables are associated with each other at the significance level of $p < 0.01$ and $p < 0.05$. The strongest relationship in the variables is between perceived economic environment and trust in policies ($r = 0.596$). There is a positive significant relationship between financial stress and job insecurity ($r = 0.305$), and there is a negative and significant relationship between pay satisfaction ($r = -0.362$), perceived economic environment ($r = -0.132$) and trust in policies ($r = -0.164$).

In table 5 in Appendix, independent t-test findings are presented to see whether there is a significant difference between the two groups in terms of the financial stress average. Although the financial stress level is higher in women than men, this difference is not statistically significant ($p > 0.05$). When examined from the perspective of marital status and the business sector, the difference is significant in terms of financial stress. According to this, the financial stress average differences of the single individuals compared to married ones, and the employees working in the private sector compared to those working in the public sector are statistically significant ($p > 0.05$). According to the one-way ANOVA test results for determining the differences between more than two groups in terms of financial stress, a significant difference was found only in terms of income. According to the post-hoc test results, significant differences have been determined between the people who have an income of less than 3000 TRY and both those having income between 5000-6999 TRY (mean

difference: 0.47) and those having an income over 7000 TRY (mean difference: 1.13). Furthermore, a significant difference was found between the individuals having an income of 3000-4999 TRY and those earning 7000 TRY and over (mean difference: 0.73). And finally, another significant difference was detected between the people gaining 5000-6999 TRY and 7000 TRY and above (mean difference: 0.65) in terms of average financial stress ($p < 0.001$).

Three different regression models were created to test the research hypotheses. In the first model, the effect of JI, PS, and PEE variables on financial stress was investigated, regardless of the moderator effect of policy trust and demographic variables. In the second model, the moderator effect of the TP variable and the effects of JI, PS, and PEE variables were taken into account, without considering the influences of demographic variables. In the third and last model, all variables' effects were taken into account together. The F-Test in Table 6 was conducted to assess whether the research model is a fit model. For the model to be recognized as fit, the basic hypothesis of the F-Test should be rejected. As seen in the table, the basic hypothesis was rejected for all three models ($p < 0.05$). On the other hand, the adjusted R², which gives the financial stress explanation level of the explanatory variables, is approximately 21% for model 1. The R² level increases in the models added moderator effects and demographic variables.

Table 3: Regression Analysis

	Dependent Variable: Financial Stress (FS)								
	Model 1			Model 2			Model 3		
	β	SD	t	β	SD	t	β	SD	t
JI	0.265**	0.044	5.967	0.266**	0.045	5.924	0.304**	0.045	6.693
PS	-0.335**	0.045	-7.402	-0.333**	0.045	-7.327	-0.256**	0.048	-5.354
PEE	0.059	0.056	1.064	0.052	0.057	0.904	0.068	0.056	1.215
TP	-0.120*	0.055	-2.190	-0.127*	0.055	-2.294	-0.140*	0.056	-2.499
Moderating Effect									
JI*TP				-0.018	0.042	-0.403	-0.010	0.041	-0.235
PS*TP				-0.021	0.043	-0.449	-0.027	0.042	-0.588
PEE*TP				0.041	0.036	0.839	0.050	0.035	1.041
Demographic Variables									
Gender							-0.085	0.048	-1.782
Marital Status							0.000	0.049	-0.009
Education							-0.029	0.044	-0.652
Family Size							0.012	0.049	0.241
Sector							0.129**	0.047	2.766
Income Level							-0.193**	0.050	-3.823
Model Summary									
	Model 1			Model 2			Model 3		
R ²	0.214			0.216			0.268		
Adjusted R ²	0.206			0.202			0.244		
F-Test	27.884**			15.996**			11.275**		
Mean Square	22.081			12.730			8.504		

Note: ** $p < 0.01$, * $p < 0.05$, β is standardized regression coefficients, SD is standard deviation.

When the regression analysis results of the models were evaluated, it is seen that, while the effects of job insecurity (JI), pay satisfaction (PS), and trust in policies (TP) among the explanatory variables on the financial stress was statistically significant, the effect of the perceived economic environment was insignificant. On the other hand, the moderator effect of the trust in policies on the financial stress was not significant. Among the demographic variables, only the effects of the business sector, and income level on the financial stress were significant. Here it can be stated that among the determined hypotheses, only H1, H2, H4, and partially H6 are confirmed, and the H3 and H5 hypotheses are not supported.

6. Conclusion

Besides the risks it has created for public health, the COVID-19 pandemic will inevitably be a source of financial stress with the socioeconomic consequences brought about. In so much that imperative restrictive measures to slow the spread of the epidemic have caused thousands of businesses to close or reduce their commercial volumes, millions of people to be laid off, and lost revenue. In this situation, countries, along with the measures to protect the health of their citizens, have taken various steps to ease the economic consequences of the epidemic, such as deferring taxes, increasing transfer expenditures, offering financial support packages to the extent of the declining public revenues. Trust in the success of anti-pandemic policies is expected to be effective in reducing the level of financial stress experienced.

This research aimed to investigate the efficient factors on the financial stress experienced in business life during the pandemic process in Turkey and whether the trust in policies to combat the pandemic has a regulatory effect on the impact of the financial stress and the determinants of financial stress. With the multivariate statistical analyzes performed based on the questionnaire data obtained from 414 people, some findings have been reached. As a result of the preliminary analysis, it has been observed that the financial stress level during the pandemic process is close to the level of indecision (mean: 2.99). On the other hand, it has been seen that the perception of job insecurity is high during the pandemic process (mean: 3.73), indicating that the employees have significant unemployment anxiety during the pandemic process. Pay satisfaction (mean: 2.49), perceived economic environment (mean: 2.02), and trust in policies (mean: 2.45) likewise emphasize non-optimistic opinions.

Hypothesis test findings showed that pay satisfaction and trust in policies had negative effects, while job insecurity had a positive and significant impact on financial stress. These results support previous studies' findings (Kim and Garman, 2004; Archuleta et al., 2011; Sivarajah et al., 2014), that pay satisfaction is negatively related to financial stress. The findings also coincide with the results of some previous studies linking times of crisis, which are characterized by job insecurity, economic uncertainty, loss of jobs and income, with financial stress (see for example Rajani et al., 2016; Wilson et al., 2020; Alcover et al., 2020). Contrary to the basic expectation of the research, any significant moderating impacts of the trust in policies (enhancing or reducing) on the financial stress impact were not found. Among the demographic variables, the effect of gender, industry, and income level on financial stress was found to be significant.

From a general perspective, the findings provide clear evidence of the importance of regulations that will increase job security and income security in the pandemic process. It is clear that as soon as the pandemic spread in Turkey, enforcing the measures without delay to empower the supply and demand in the market and protect business life and employment has significantly protected employees and employers from the devastating effects of the

pandemic. However, in line with the current course of the pandemic and the socio-economic consequences it caused, it is recommended that the support and measures be revised again by considering future targets and the financial pressure of the decreased tax revenues resulting from the contracting economy. In this process, meanwhile, public institutions should follow the practices creating income and employment loss in business life by making supervisions. For example, it is necessary to make inspections for the control of the dismissal prohibitions and the minimum payments that should be paid in cases of unpaid leave, and specifically to prevent misuses of employers by practices against the law.

Besides, to minimize the harmful effects of the COVID-19 pandemic on the economy and employment, it is crucial that the policies and measures implemented should address and support all society segments. The research findings show that the policies to combat the pandemic, which are trusted and adopted by society, are influential in reducing financial stress. Therefore, if governments consider the social segments' concerns about pandemic management, adopt transparent management and provide complete information about the pandemic to the public, they can be more successful in increasing the confidence in policies to combat pandemics.

Psychological support measures can be applied to manage the uncertainty and financial stress created by the pandemic process for employees and the unemployed people in working life. Such implementations as job loss, wage cuts, and compulsory unpaid leave cause employees to question their future at work and fear losing their livelihoods. In this context, it may be beneficial to provide psychosocial support initiatives, monitor employees' burnout and stress, and generalize various stress-reducing practices (exercise, meditation, etc.) in workplaces.

The study has some limitations that may motivate future research. First, the sample represents a highly limited universe, so although it provides a general idea, it is impossible to generalize the results. On the other hand, financial stress has been examined within the framework of the variables of job insecurity, pay satisfaction, perceived economic environment, and trust in policies. However, many more different variables might be determinants of financial stress. Therefore, it is possible to expand the research model. In future studies, the subject can be examined with a larger sample group and new variables.

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APPENDIX

Table 4: Pearson's Correlation Coefficient

	Mean	SD	[1]	[2]	[3]	[4]	[5]
[1] FS	2.99	1.17	1				
[2] JI	3.73	0.91	0.305**	1			
[3] PS	2.49	0.89	-0.362**	-0.097*	1		
[4] PEE	2.02	1.00	-0.132**	-0.149**	0.241**	1	
[5] TP	2.45	1.12	-0.164**	-0.133**	0.133**	0.596**	1

Note: ** p<0.01, * p<0.05, SD is standard deviation.

Table 5: Independent t-Test for Financial Stress

	Independent Variables	N	Levene's Test	Mean	SD	T-Statistics
Financial Stress	Male	162	0.587	2.89	1.22	-1.478
	Female	252	(p=0.444)	3.06	1.13	
	Single	265	2.214	3.08	1.12	2.115*
	Married	149	(p=0.138)	2.83	1.23	
	Public Sector	107	0.215	2.71	1.22	-2,885**
	Private Sector	307	(p=0.643)	3.09	1.13	

Note: **p<0.01, *p<0.05, SD is standard deviation

Table 6: ANOVA of Financial Stress by Demographic Factors

	Independent Variables	N	Mean	SD	SS	MS	F	Levene's Test
Financial Stress	1-2	151	2.98	1.17				0.418 (p=0.659)
	3-4	176	2.95	1.18	1.046	0.523	0.380	
	5-6	87	3.09	1.14				
	Associate's degree or less	29	3.09	1.48				4.172 (p=0.016)
	Bachelor's degree	260	3.03	1.16	2.314	1.157	0.842	
	Master's degree or higher	125	2.88	1.10				
	Less than 3000 TRY	68	3.50	1.09				14.254** (p=0.935)
	3000-4999 TRY	177	3.09	1.11	53.526	17.842	14.254**	
	5000-6999 TRY	83	3.02	1.12				
	7000 TRY or more	86	2.36	1.12				

Note: **p<0.01, SD is standard deviation, SS: Sum of Squares, MS: Mean Square.

Table 7: Post Hoc Test for Mean Differences of Financial Stress for Income Level

	Dependent Variable		Post Hoc Test	MD	SE	Prob.
	i(Grup)	j(Grup)				
Financial Stress	Less than 3000 TRY	3000-4999 TRY	Tukey HSD	0.40	0.15	0,058
		5000-6999 TRY		0.47	0.18	0,045*
		7000 TRY or more		1.13	0.18	0.000**
	3000-4999 TRY	5000-6999 TRY	Tukey HSD	0.07	0.14	0.955
		7000 TRY or more		0.73	0.14	0.000**
	5000-6999 TRY	7000 TRY or more	Tukey HSD	0.65	0.17	0.001**

Note: **p<0.01, SE is standard error, MD is mean difference.