

# Factors Affecting Employee Savings Decision in Central Bangna Department Store, Bangkok<sup>\*</sup>

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## Abstract

This research was conducted to analyze Factors Affecting Employee Savings Decision in Central Bangna Department Store, Bangkok. This research applied the quantitative methods. The population is consisted of a total of 729 employees. The samples were 200 employees derived from all departments. The tools used in the research were questionnaires which were sent to 3 experts to review the content validity. The question was about the definition of the variable. Research checked the reliability of the questionnaire by sending to the 30 non-samples. The reliability of the data measured by Cronbach's alpha coefficient was 0.85 Data were analyzed by the descriptive statistics such as percentage, mean and standard deviation. Research used the inferential statistics to test the hypotheses. The results of the study revealed that the majority of the samples were 132 females, or 66 percent, 63 to 31.5 years old, accounted for 63 percent. 132 respondents had a saving, accounted of 61.50 percent. The remaining 77 had no savings. The most common saving pattern are bank deposit of 98 persons at 49.00 percent. Analysis of Factors Affecting Employee Savings in Central Bangna Department Store Bangkok is divided into 3 factors: (1) The stability of life (2) The financial knowledge and (3) the economic environment. The opinion regarding the saving benefits of the three aspects of the image is rated at a very high level. The correlation coefficient (R) is 0.784 and all factors affecting the employee savings decision can explain the variation of the employee savings decision at the 65.9 percent ( $R^2 = 0.659$ ) at statistical significance of 0.05.

**Keywords:** Saving; Savings Patterns; Economy; Savings Benefits

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## Introduction

At the present time saving behavior in Thailand is in the specific group of people especially rich people. So it is not easy to encourage the saving money in Thailand to increase because the increasing of higher cost of living making the people in distress, also the over-consume behavior make the people have more debt. The result is household saving decrease but consumption increases especially durable goods such as car, mobile phone and electronics. Which may come from the more convenient access to source of loans, including measures of credit loan approved and the payoff program that encourages purchasing pay off goods.

Employee of Central is the group of person that have the salary in the normal level not different from other office workers or department store but might have bonus at the yearend which depending on position too. If they are a manager or management they might get more. If they are normal sales person of rental store, they have to work more hard at 12–13 hours per day. These groups of people with different character from general group of people are more likely to have more chance to gain more revenues because Central Group is the mother's company of many businesses including retailers, department store, complex, hotels and restaurants. Moreover Central Group has more stability so opportunity of employee to gain for wage and salary should be high compares to others company. This characteristic is the thing that the researcher interest and want to learn more about their saving behavior that lead to appropriate concept of saving.

## Objective of Research

1. To study the factors that affect decisions of saving of Employee of Central Bangna Bangkok
2. To analyze the relationship between factors that affect to saving behavior of Employee of Central Bangna Bangkok

## literature Review

Concept that concern with the factors Serirat et al. (1991) mention that personal factors including age, Sex, Size of family, Status of family, Revenue, Occupation and Education . These are the popular criterion use for dividing market share. Character of demography is the important character and the statistic that can measure of population help support to define target and easier to measure compare with other variables. Variant of personal factors that important including 1) age 2) sex 3) Marital Status 4) Income 5) Education and 6) Occupation

Factors that influence to making decisions of consumer Aupaijitr (2009) consumer behavior determine by Physical characters, Physical characters determine by conditions of psychology, Psychology determine by family and family determine by society. Society will determine by culture of each region so when we know all these the economist must aware of these process.

From the study found that in the past there 4 standard factors are include habitat, clothes, food and drug. These are the things that consumer need to find to respond their needs to living. However now the others facilities such as car is become one of goods that pay the important roll to living. Especially the needs of transportation and routine travel make the consumer need to find transport for their routine life so car is the facility that need in number one, it is not only show extravagance like in the past anymore. There are 2 factors that have influence to consumer to make decisions are internal factors and External factors. Internal factor will call as Basic determinant and there are others factors that will come in as determinant of making decisions behavior as follows 1) Needs 2) Motive 3) Personality 4) Attitude 5) Perception 6) Learning

### **Concept and Theory about knowledge of Financial**

Financial Theory and policy is the body knowledge that use for analyze and explain direct relation of Money in economic system or can be say that Monetary Economics. So it is the way to present relationship between variable of economic such as productivity, interest rate, employment and currency exchange rate with amount of money. Financial Economic and Macroeconomic have close relationship and may difficult to separate from each other because whenever concerns about the money, the two branch of economic subjects share the same source and history for long time.

Development of Financial Economic then is the result from effort to modify and explain economy problem (problem-driven). Keynesian Money Theory says that consumer needs to hold the money for 3 reasons that are 1) Transaction motive 2) Precautionary Motive 3) Speculative Motive, (concluding from Keynes, John Maynard, 1972)

### **Concept and Theory about saving form and saving decision**

Money saving is the thing that the adults teach us since we were young with recently there are many Gurus say the same thing that “We must save money before spend” which I am also agree. Saving seem like the way to control ourselves because human have the potential to spend equal to potential to find the Money but it is necessary to save the money for the need in the future such as saving for urgency, saving for retirement, saving for personal demand. There are many

different types of saving which we can choose to save follow to our own personality or preference as follow

1. Saving in the saving account. It is can be say as the easiest way to save. You just have to contact with the bank you convenient to ask for open the account (can be saving deposit or fix deposit accounts). Then deposit your money to the account regularly. The advantages of this way are the high safety and transaction can be do whenever. However there is the disadvantage of the way, it is the lowest interest you will get.

2. Save in Stock. This way can provide the high benefit so it is very popular. May people like to use saving money to buy the stock in order to make more profits. The good thing of this way are the high benefit that can get, purchase on demand however there is also the disadvantage too because it provide high risk but the risky can be reduce by study carefully before invest.

3. Save in Insurance. Insurance is one of the saving way that can be create high benefit and also offer life insurance from accidental as well. Save in Insurance also able to deduct the tax. Good thing of this saving is high benefits, taxes deductions and protect accidents however the disadvantage is long term saving plan such as some of insurance contract mentioned that all the benefits can be refund after 20 years contract.

4. Save in LTF/RMF. It is the investment to mutual fund that can get the most benefits. The advantage of this investment not only get high benefit but save from risk because there is the expertise support to monitor the port however there is the disadvantage is it take long time to get return benefit

5. Save in Mutual Fund. This is mean only Mutual Fund not LTF/RMF. It is the investment that similar to number (4) because it is buying the mutual fund. The advantage is high return of benefits and be able to expand the risk in investment moreover there is also the expert help to monitor the port and operate which we do not have to worry. However there is also disadvantage is the variance of return benefit.

6. Save in Property Real Estate. It is the way to save by purchase the property such as house, land and commercial building. The advantage is can be expect for the future growth benefit but the disadvantage is it need huge amount of money to invest.

## Research Method

This research apply the Quantity Research Method to study, number of population that been studied are Employee with total at 729 persons (information B.E. 2559 source from Human Resources Department). The researcher has specific randomly expanding to every departments equal the

number of 200 persons. The tools that use is questionnaire and analyzes information by descriptive statistics, that are includes percentage, average (M) and Standard Deviation: SD). Inference statistics was used to test the tools of research (questionnaire).

The creation of questionnaire tool that use for research was start operated from documentation study, textbook and the concern research which include consulting with expertise and take the information from study to codify in order to specific the range of subject matter as the direction of creating the questionnaire tools and consult with the faculty advisor about making of questionnaire. In the way of making questionnaire follow to range of determine content and bring the questionnaire to consult with faculty advisor in order to recheck and provide more advice together with improve and adjust the questionnaire until get the agreement from faculty advisor. After done making of the questionnaire, 3 expertise will get to recheck and test to find the stability of content of each question to go in line with the propose that include Content Validity, Subject extension, Language accuracy and Consist with research from expertise and find the index congruence between questions and definition of variables (Index of Item Objective Congruence: IOC).

Next is to select the question that got the index congruence from 0.5 and above, if any question got index of congruence lower that 0.5, that question will remove or edit to be better. This require 3 expertise to investigate completeness of contents and consider that the question in the questionnaire are able to measure follow to the propose or not. Then adjust and edit to stabilize the questionnaire and go to try out by query to the group of representatives example that have the same character with the representative example that need to study for 30 persons from clothes and sport retail in order to find reliability rate and confident of questionnaire by using instant system to analyze. The analysis will use Cronbach's Alpha Coefficient and the questionnaire get the confidence rate of Coefficient Alpha at the high level = 0.85.

The analyze of information and statistics that use in this research bring the questionnaire that completed the interview from representative sample to recheck the elementary of correctness and completeness as follow to the making of various code book. Them implement the information structure base and bring the information that was checked to computer system. After investigate the correctness of raw data (data editing) then use to analyze data of instant computer program by appropriate statistics rate follow to each characters, use the descriptive statistics to know the general standard character of representative sample group and use standard measurement rate of statistics that include percentage, average and standard deviations.

## Result of the Research

### 1. Factors that affect to the decisions making to save of Central Bangna Bangkok Employee

Found out that majority of representatives example group are less males than females by male for 68 people count as 34 percent and female for 132 people count as 66 persons, majority ages between 20–30 years for 63 people count as 31.5 percent.

Majority graduates bachelors for 101 people or count as 50.5 percent. And the saving behavior get the response of questionnaire for the people who normally save money for 132 people or count as 61.50 percent, the rest 77 people still no saving behavior. The type of saving that most found is saving in Bank for 98 people or count as 49.00 percent,

Second are other types such as loans, buy the Aomsin Bank Lotto and Insurance for 45 people can be count as 22.50 percent. And also can found the small amount of saving type of bond buying and mutual fund with less number at 1.50 percent and 1.50 percent.

**Table 1** The factor that affect to save money of Central Bangna Bangkok Employee

Overview 3 side

|                        | Average<br>( $\bar{X}$ ) | Standard<br>Deviation (S.D.) | Level       |
|------------------------|--------------------------|------------------------------|-------------|
| 1. Life Security       | 3.25                     | 0.46                         | 2           |
| 2. Financial Knowledge | 3.25                     | 0.52                         | 1           |
| 3. Economic            | 3.13                     | 0.53                         | 3           |
| <b>Overview 3 side</b> | <b>3.20</b>              | <b>0.44</b>                  | <b>More</b> |

The factor that affect to saving of Central Bangna Bangkok Employee, after analyze all 3 side of information is in the massive level ( $\bar{X}=3.20$  และ S.D. = 0.44) and when consider from overview of each side found that every side is in the more to less level ( $\bar{X} = 3.25$  และ S.D. = 0.52) secondary is the Financial Knowledge ( $\bar{X} = 3.25$  และ S.D. = 0.46) and Economic ( $\bar{X} = 3.13$  และ S.D. = 0.53) as follow.

### 2. The analysis f relationship between factors that affect to save money of Central Bangna Bangkok Employee

Data analysis for testing of research hypothesis by analyze from find the relation rate between each factors with Correlation Coefficient (Pearson's Correlation) and analysis of Multiple Regression in order to study the relationship between factors that send the affect to budget

management and effectiveness of budget management. And found out that relationship between each factors send the statistic affect to saving behavior of Central Bangna Bangkok Employee significantly in the same ways at level 0.00. The stability of life get the Correlation Coefficient equal to 0.719 and get relationships with factors that affect saving behavior of Central Bangna Bangkok Employee in the same way, and it show significant of statistic at 0.00.

The result of the relationship analysis between each factor by using Multiple Regression.

**Table 1** The result of relationship analysis between other factors by the Multiple Regression Method

|   |                               | B    | Beta | t        | Sig  |
|---|-------------------------------|------|------|----------|------|
| 1 | Life Security ( $X_1$ )       | .142 | .166 | 4.209*** | .001 |
| 2 | Financial Knowledge ( $X_2$ ) | .198 | .256 | 4.587*** | .000 |
| 3 | Economic ( $X_3$ )            | .219 | .242 | 5.846*** | .000 |

\*Significant statistic level 0.05

\*\*Significant statistic level 0 .01

\*\*\*Significant statistic level 0 .00

$R = 0.784$ ,  $R^2 = 0.659$ , Adjusted  $R^2 = 0.655$ ,  $SEE = 0.400$ ,  $F = 170.654$  Sig =0.000

From the table 4.8 found that ( $X_1$ ) and give Multiple Regression ( $R$ ) which equal to 0.784 and can be explain variable of factors that send affect to factors that affect to saving reason of Central Bangna Bangkok Employee, show significantly of statistic at level 0.00

Percentage at 65.9( $R^2=0.659$ ) which can write in prediction equation

$$Y = a + B_1X_1 + B_2X_2 + B_3X_3 + \dots + e$$

$$COM = .524 + .142REW + .198REW + .219REW (4.209) \quad (4.587) \quad (5.846)$$

## The Discussion of Results

General information of representative sample group for 200 people found that the majority of representative sample group are less male than female by number of male are 68 people count as 34 percent and number of female are 132 people or count as 66 percent are which be in the same way with the research of Boonchay (2009) that studied about "Personal Financial Management". The case study that specific study with group of working people in Bangkok Metropolitan found that sample group of research have both male and female which work as employees of private company in Bangkok Metropolitan, majority age during 20–30 years for 63 people or count as 31.5 percent, majority of sample group graduate bachelor degree for 101 people or count as 50.5 percent and

majority is Cashiered/Sales for 80 people or count as 40 people. These groups get revenue from 15,001–25,000 baths. And saving behavior get interviewee who answer the questionnaire that have saving plan for 132 people or count as 61.50 percent, the rest 77 people have no saving plan yet. And the type of saving that most found is Save in Bank for 98 people or count as 49.00 percent same way with Chaythongkham (2016) found that group of working people in Bangkok Metropolitan make decisions to save money is to analyze Multiple Regression. The result of study found that sample group choose to save money with the bank or financial institutions as number one and second is other saving type such as loan, buy the AOMSIN lotto and next is Insurance for 45 people or count as 22.50 percent and last one save in bond and mutual fund share the less number at 1.50 percent each.

Data Analysis about the factors that affect to the saving behavior of Central Bangna Bangkok Employee can be divide into 3 factors that are 1. Life Security 2. Financial Knowledge 3. Economic. Found that Financial Knowledge when analyze into the 4 overview found that the 3 overview are in more level and when consider in each part found that every part are in more levels, sort from more to less are Life Security, and second is Financial Knowledge and Economic. This is conforming to Sitthiphan (2010). The data factors that influence to financial planning of Bangkok citizens is the factor of getting data and information which influence to personal financial planning of Bangkok citizens in term of persons that have influence to personal financial planning. The part of knowledge and understanding of financial planning also influence to financial planning of Bangkok Citizens. The economic situation also influence to financial planning of Bangkok citizens about proposes of personal financial planning and others factors also have influence to financial planning of Bangkok citizen. In term of persons that influence to personal financial planning and which conforms to Sirinuch Inlakorn (2548). That was said about personal financial planning for 5 step that the personal financial planning, person have to estimate their financial situation first then set financial goals and the way to manage. The setting of choice and estimation of choice that can support the achievement of financial goal. The person has to consider economic situation, social and consider the risk in each choice as well.

Factors that influence to saving of Central Bangna Bangkok Employee are the financial Knowledge and the standard of working overview that in the more level and when considering the overview in each topic found that it is the most level total 3 parts and more level 1 part, arrange from more to less, that is you have plan for the life insurance in order to protect the risk of life and property. Second is you have plan for investment in order to build the asset to grow follow the goals under the acceptable level of risk. Last one is you have knowledge and understanding of saving and planning for the heritage in order to pass to heirs.

The factors that affect to the save behavior of Central Bangna Bangkok Employee, The part of economic overview is in more level and when considering as each overview topic found out that every topic are in more level 2 topic and in most level 2 topic, arranges from more to less that is including you are satisfied with the return of saving benefit such as interest, dividend and many more benefit. The situation of economic recently affects to save and saving is the important foundation of Gross Domestic Products of Thailand and got the revenue equal to expenses.

The analysis of relationships between various factors by using Pearson's Correction Method and Multiple Regression Method from equation found that from the prediction table found that the various that affects to the saving of Central Bangna Bangkok Employee is best day the part of economic, follow by financial knowledge and last one is life Security.

It is found that causal relationship is the factor of life Security, Financial knowledge and Economic that affects to save of Central Bangna Bangkok Employee. It is found the significance of statistics level at 0.00. I term of economic affects to the saving of Central Bangna Bangkok Employee

It is also found out Economic factor have positive affect to saving of Central Bangna Bangkok Employee and have the coefficient rate  $-0.009$  and significantly at level  $-0.253$ .

### **Suggestion in the Research**

From the research found that the acknowledge of information and message also very important and affect to financial planning of Central Bangna Bangkok Employee so all department concern should promote about the personal financial planning to those who need to plan for financial know and get the information to use for financial planning successfully.

From the research found that the knowledge and understanding about financial planning influence to personal financial planning of Central Bangna Bangkok Employee so all department especially Central Department Store that provide the personal financial planning service should have the staff who has high knowledge and ability to provide the suggestion and advisory to the person who need this service to get to know more financial planning. Moreover the person should have knowledge and understanding about financial planning in order to make financial planning more affective

From the research found that the economic situation affect to financial planning of saving behavior of Central Bangna Bangkok Employee so the person should have the personal financial planning to conform with economic situation as well.

From the reach found that others factor affect to the personal financial planning for Bangkok Citizens so all the department concern should have the service for personal financial planning for the person who need variety of advisory and meet the need of each person.

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