



PREDICTIVE ROLE OF SPIRITUAL INTELLIGENCE AND RESILIENCE ON FINANCIAL WELL-BEING AMONG RESIDENTS OF ANAMBRA STATE, NIGERIA

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Abstract

Amidst economic uncertainty and financial stress, unveiling the factors contributing to financial well-being is paramount. This study investigated the predictive roles of spiritual intelligence and resilience in determining financial well-being among Nigerians. A total of 518 participants were selected using systematic sampling technique. This study adopted a predictive survey design and participants were drawn from a part of Anambra state including males and females who were financially independent, and ranged from 25-60 years. Data was collected using a financial well-being scale (Garman et al., 2004), a spiritual intelligence self-report questionnaire (King, 2008), and a brief resilience Scale (Smith et al., 2008). The study employed multiple linear regression as the statistics, and the findings revealed that spiritual intelligence significantly predicted financial well-being $\beta = .103$, $p = .023$. Likewise, resilience significantly predicted financial well-being $\beta = .092$, $p = .043$. The results suggest that individuals with high spiritual intelligence and resilience are better equipped to navigate financial challenges and achieve financial stability. The study recommended that organizations should integrate spiritual intelligence and resilience building programs into financial literacy initiatives to foster financial well-being.

Keywords: financial wellbeing, spiritual intelligence, resilience, financial stress, financial stress

Introduction

Throughout human history, the ability to meet daily financial expenditures has been the major foundation of societal expectations. Individuals who at some point fail to meet up with their expenses are often tagged as unsuccessful or unaccomplished. In today's society, the matter remains unchanged. With the high economic uncertainty and high cost of living facing many countries, an average Nigerian spends up to \$62 (₦99,200) monthly only on food; Premium Times (2023) reported that this spending is even more than Nigeria's minimum wage of \$18.75 (₦56,000). In other words, an average Nigerian spends more than they earn, leaving nothing to save. This repeated cycle of spending above the income ratio further fuels the high rate of poverty. The National Bureau of Statistics (2022) reported that 63% of persons living in Nigeria, that is, 133 million people are multidimensionally poor, meaning they lack good health care, education, and standard of living. However, in a logical sense, healthcare, education, and standard of living still revolve around financial resources; for instance, the cost of education which is becoming gradually unaffordable by average citizens requires continuous financial supply. In the US, a survey by Citizens Financial Group showed that college graduates spend about 18% of their salaries on student loan payments. The challenges mentioned above highlight the need to explore the concept of financial well-being further.

Furthermore, the concept of financial well-being has not been extensively explored by researchers, although most disciplines have a few things to say concerning financial well-being.



Although there is no universal definition of financial well-being, Brügggen et al.(2017) conceptualized it as the perception of being able to sustain current and anticipated desired living standards and financial freedom. The Consumer Financial Protection Bureau (2015) opined that there are four major elements in the definition of financial well-being including; control over daily financial endeavors, the capacity to handle future financial shock, the financial freedom to make decisions or choices to enjoy fullness of life and being on track to meet one's financial goals. In furtherance, financial well-being is dependent upon the individual's subjective perception. However, the concept of financial well-being stems far beyond the individual level to large-scale enterprises or entities such as a nation. A nation's economy revolves around how buoyant its financial status is, and this in turn affects the overall well-being of citizens of the said country. On an individual level, research shows that being in a financial quagmire can cause depressive symptoms; in addition to that create societal problems (Brügggen et al., 2017).

In furtherance, seeing that financial well-being cuts across all human endeavors, it necessitates that factors that foster financial well-being are indepthly studied. The existing empirical literature suggests that factors such as financial literacy foster financial well-being, as individuals with higher levels of financial literacy are more likely to plan for a long-term financial future (Lusardi, 2023). Additionally, healthy spending has been found to positively influence financial well-being, as those who spend wisely are more likely to save for retirement (Zainol et al., 2024). However, the predictive influence of financial well-being has not largely been explored from a psychological standpoint which makes it pertinent to further investigate the concept. For this study, spiritual intelligence and resilience are championed as the predictors of financial well-being.

Literature Review

The concept of spiritual intelligence was originally coined by Zohar (1997). Spiritual intelligence according to Zohar and Marshall (2000) is the final intelligence, which combines and re-signifies the human thought processes; it is responsible for integrating information coming from the physical body, reason, and emotions providing a holistic perception. Spiritual intelligence is referred to as a dynamic construct that involves various cognitive, emotional, and behavioral components of the ability to access and make use of spiritual principles and skills to facilitate personal growth and transformation. Additionally, it is also conceptualized as a set of mental capacities that contribute to the awareness, integration, and adaptive application of the non-material and transcendent aspects of one's existential reflection, enhancement of meaning, recognition of a transcendent self, and mastery of spiritual states (King, 2008).

To further elaborate on the above definition, the elements of the definition can better be explained. Spiritual intelligence begins with developing the awareness of the non-material aspects of life that is, recognizing that there is more to human existence than just the physical reality (Strawson, 2018). This involves being conscious of one's thoughts, emotions, and mental experiences, and then understanding how they relate to a larger context. Secondly, integration as an aspect of spiritual intelligence involves combining the understanding and awareness of transcendent aspects with daily life. It encompasses making connections between the material and non-material world and understanding how this relationship influences each other. Maslow (1970) explained this as the plateau of consciousness which refers to higher levels of awareness and understanding that go beyond mundane and material aspects of life, at this point, individuals may experience serenity. Additionally, adaptive application as



mentioned in the definition of spiritual intelligence does not just about comprehend spiritual concepts but it involves applying them in practical ways, this may include mindfulness practice or meditation, as the literature suggests that these practices can alleviate mental health challenges (Kabat-Zinn, 2003).

To illustrate the relationship between spiritual intelligence and financial well-being, literature suggests that individuals have the innate desire to be in control of their lives, this includes the aspects of finance, they feel the need to make financial decisions with special reference to how this decisions reflects their values and beliefs, this in turn informs healthy spending and foster financial well-being. This innate desire also includes absorbing financial shock without being thrown off balance. Additionally, the need to have a higher agency in one's life is also innate. This external agency can be seen as a source of reverence, promoting a sense of connection to something greater than one's self, thus helping individuals cope with financial stress. The self-determination theory best illustrates the relationship between spiritual intelligence and financial well-being. Self-determination theory is a motivation theory propounded by Deci and Ryan (1985). It seeks to explain how being self-determined influences motivation. The theory suggests that people become more motivated to take action if they feel that what they do at the moment will affect the overall outcome. In other words, self-determination theory believes that individuals can become self-determined when their immediate needs for competence, autonomy, and connection are actualized. One of the assumptions of self-determination theory is that the need for growth propels human behavior. This aligns with Maslow's opinion of personal growth and development. Juxtaposing the above to the crux of this study, spiritual intelligence can help individuals make purpose-driven financial decisions, using their values and beliefs as guidelines for spending and making healthy financial planning. Another factor that is investigated in this study as a predictor of financial well-being is resilience."

Resilience is translated as elasticity, stability, or plasticity (Khaminych, 2016). The word was borrowed from physics where it means the ability of solid bodies to restore their shape after mechanical pressure. In the Psychology literature, it is conceptualized as an ongoing, dynamic process that enables individuals to adapt and thrive in the face of challenges and adversity. It involves the continuous emergence and development of new strengths, resources, and abilities that help individuals recover and adapt, even as new risks and challenges arise. This process is not linear or static, but it ebbs and flows as individuals face new challenges and opportunities for growth. Additionally, the APA Dictionary (2023) conceptualized resilience as the process of positive adaptation in the face of adversity, trauma, tragedy, or significant stress. This definition is closely aligned with the explanation provided above. Hellerstein (2011) opined that resilience is of two main components which are; physical resilience - which denotes an indicator of stress resistance and tolerance, and Psychological resilience - which includes the development and maintenance of social contacts, the utilizations of social support, seeing opportunities even in difficult events, increasing awareness and mastering various psycho technologies (Integration of Psychological principles to solve problems) that aid development and overcoming the effects of stress.

To elaborate on how resilience relates to financial well-being, resilient individuals may be better equipped to deal with financial stress, this implies that they may be less likely to make financial decisions based on impulse. Additionally, they may be more goal-oriented, making them stay focused on their financial objectives. When faced with financial challenges, resilience can help individuals adapt and or adjust their spending and budgets. In light of this, the Conservation of resource theory provides an understanding of the interplay between



resilience and financial well-being (Hobfoll, 1989). Conservation of resource theory is a stress theory that describes the motivation that drives individuals to maintain their current resources and to pursue new resources. The theory postulated that stress occurs in three instances which include: whenever there is a threat to their resources, an actual loss of resources, and a lack of gained resources following the spending of resources (Hobfoll et al, 2018), through its lens, resilience can be understood as individual want to strive to obtain, foster and protect resources, in the face of stress, individuals with substantive resources, they do tend to strive until they get what they want. Also, based on the desperation principle of COR, individuals tend to keep striving despite loss, because of their desperation to gain financial sanity. In the same vein, the gain paradox principle of COR theory sees resilience as an individual striving to continue striving despite resource loss based on their achievements of past successes, that is past successes still drive them and make them immovable despite losses. In essence, resilience can aid individuals in making healthy financial decisions and investments that will generate future benefits.

Empirical Review

Spiritual Intelligence and Financial Well-being

The interplay between spiritual intelligence and financial well-being has not been in-depth explored; however, existing literature suggests that spiritual intelligence has a significant positive relationship with financial management. A study conducted by Setyorini and Usman (2022) on the effect of spiritual intelligence, personality, and financial literacy on family Financial management suggests that spiritual intelligence has a significant positive relationship with family financial management, that is to say, the higher an individual's level of spiritual intelligence, the better they can efficiently manage their finances. Additionally, Lestari (2018) reported that spiritual intelligence affects the management of personal finance, implying that the higher the level of spiritual intelligence, the better the financial management of an individual. Furthermore, Tambun and Cahyati (2023) reported that Spiritual intelligence helps individuals to think logically about making financial decisions, suggesting that it has a positive significant relationship with personal finance.

Resilience and Financial Well-being

Previous studies on the interplay between resilience assert that it may have a positive relationship with financial well-being. Yuniati and Mukhlis (2022) reported entrepreneurial resilience and financial efficacy has a positive effect on financial well-being. This denotes that the ability to work under pressure or unfriendly conditions is proven to improve financial well-being within a business context. Conversely, individuals with the ability to remain calm or maintain the status quo even under pressure or crises can in turn improve financial well-being. Additionally, Kunt et al. (2022) asserted that one of the major ways to improve financial well-being is to improve the ability of households to deal with common unanticipated events that have financial implications or costs, such as sudden loss of jobs or loss of property. This assertion implies that resilience can have a positive impact on financial well-being not just in a business context but on an individual level. Furthermore, kashapova (2022) reported that older individuals with high resilience make financial plans, they tend to have more property and mostly buy life insurance, and they are also more likely to make savings. This finding denotes that resilience may be the precursor to financial well-being.



Theoretical Framework

Hierarchy of Needs Theory (Maslow, 1943)

Maslow proposed that motivation is the result of a person's attempt at fulfilling the five basic needs, which include: physiological needs, safety, social, esteem, and self-actualization. Maslow opined that these needs on their own can create internal pressure that can directly or indirectly influence a person's behavior. Maslow's theory provided a framework for understanding how spiritual intelligence and resilience predict financial well-being.

At the top of Maslow's hierarchy is self-actualization which represents the realization of an individual's full potential. Spiritual intelligence mostly involves understanding one's purpose or essence, value, and connection with something greater than oneself. Individuals with high spiritual intelligence may approach financial decisions more critically, putting into perspective their value and what they stand for before making a choice. This mannerism can lead to more sustainable financial behaviour which aligns with personal integrity and purpose. Additionally, spiritual intelligence can cultivate a sense of belonging, providing comfort for individuals in times of financial crises or stress. When one is at peace with himself and comfortable with their life choices, they are more likely to make sound financial judgments and decisions which in turn fosters financial well-being.

Furthermore, when individuals face financial distress, those with high resilience can better cope with stressors, manage risks, and recover faster from failures or setbacks. This ability is related to the safety needs in Maslow's hierarchy, where financial stability is paramount.

Purpose of the Study

In other to contribute to knowledge in this area, the study presents the following research objectives and hypotheses:

Objectives of the Study

To examine if spiritual intelligence will predict financial well-being

To investigate if resilience will predict financial well-being

Study Hypotheses

H1: Spiritual intelligence will significantly predict financial well-being.

H2: Resilience will significantly predict financial well-being.

Methods

Participants

The participants in the study were 518 persons from Anambra state, comprising 266 (51.49%) males and 252 (48.6%) females drawn from local governments in Anambra state, Nigeria. The local governments in Anambra State was listed in alphabetical order using systematic sampling, using every fifth interval. Aguata local government, Anaocha local government, Ihiala local government and Onitsha North were selected. Their ages ranged from 25-60 years, with a mean age of 23.38 and a standard deviation of 3.244. , while convenience sampling was used in selecting the participants

Instruments

Data was collected using the following instruments:

Financial Distress/Financial Well-being Scale (Garman et al., 2004)

This is an 8-item self-report instrument developed by Garman et al. (2004) to measure financial distress and financial well-being. Some of the sample items of the scale include: "What do you feel is the level of your financial stress today, How confident are you that you could find the



money to pay for a financial emergency that costs about 100,000 naira, How stressed do you feel about your finance in general?". The responses range from 1 to 10 which represent the level of one's financial distress. The levels include: "Overwhelming stress, high stress, low stress, and no stress at all.

Spiritual Intelligence Self-report Inventory (King, 2008)

This is a 24-item self-report questionnaire developed by King (2008). The scale was designed to measure various behaviors, thought processes, and mental characteristics that pertain to spiritual intelligence. Some of the sample items include: "I have often questioned or pondered the nature of reality, I am aware of a deeper connection between myself and other people, and I can find meaning in my everyday experience". It uses a 5-Likert response pattern whose responses include 0- Not at all true of me, 1- Not very true of me, 2- Somewhat true of me, 3- Very true of me, 4- Completely true of me. The scale was reported to have a Cronbach's alpha of .92 and test-retest reliability of .89

Brief Resilience Scale (Smith et al., 2008)

This is a 6-item self-report questionnaire designed to measure resilience. It was developed to measure resilience developed by Smith et al. (2008). Some of the items samples include: "I tend to bounce back quickly after hard times, It hard for me to snap back when something bad happens, I tend to take a long time to get over setbacks in my life". It is a 5-Likert scale whose response pattern includes: 1- Strongly disagrees, 2- Disagree, 3- Neutral, 4- Agree, 5- Strongly agree. Smith (2008) reported that the scale is highly reliable and valid.

Procedure

Different occupation was randomly selected from a pool of individuals doing different jobs and earning a living. Individuals who were civil servants, skilled workers, and traders were conveniently selected. Copies of the questionnaire were administered by the researcher and a colleague. The participants were assured of the utmost confidentiality of their responses. Thereafter, completed responses were collected and statistically analyzed.

Design and Statistics

The study was a survey that adopted a Predictive Design and Multiple Linear Regression for statistics was used for data analysis.

Result

Table 1: *Regression Analysis on Spiritual intelligence and Resilience as predictors of Financial Well-being among Nigerians*

Predictors	R ²	Df	F	Sig.	β	T	Sig.
	.024	2(515)	6.422	.000			
Spiritual intelligence					.103	2.273	.023
Resilience					.092	2.033	.043

a. Dependent variable: Financial Well-being

The table above showed that model 1 contributed (.024) Variance and the model was significant at $f(2,515), p = .00$.



Again, spiritual intelligence significantly and positively Predicted financial well-being at $\beta=.103$, $p=.02$.

Additionally, resilience significantly and positively predicted financial well-being at $\beta=.092$, $p=.04$.

Summary of findings

From the findings, it is concluded that:

1. At the probability level of $p<.05$, spiritual intelligence significantly predicted financial well-being. Therefore, a hypothesis I which stated that spiritual intelligence would significantly predict financial well-being is accepted.
2. At the probability level of $p<.05$, resilience significantly and positively predicted financial well-being. Therefore, hypothesis II which stated that Resilience would significantly predict financial well-being is accepted.

Discussion

The study examined spiritual intelligence and resilience as predictors of financial well-being among Nigerians. During the study, questionnaires were administered to the participants and were analyzed. Based on the analysis made, the researcher found out that:

Hypothesis I which stated that spiritual intelligence would predict financial well-being was accepted. The result of the analysis showed that spiritual intelligence significantly predicts financial well-being. This is to show that spiritual intelligence is solely a determinant of financial well-being. Individuals high in spiritual intelligence are more likely to maintain healthy finances. This is supported by Setyorini and Usman(2022) who found that spiritual intelligence has a significant positive relationship with financial family management. Additionally, Lestari (2018) reported in the same manner, asserting that spiritual intelligence has a profound influence on personal finance management.

Hypothesis II which stated that resilience would predict financial well-being was accepted. The result of the analysis showed that resilience positively and significantly predicts financial well-being. This is in line with Yuniati and Mukhlis (2022) who reported that entrepreneurial resilience and financial well-being are positively related. He went further to assert that being able to work under pressure or unfriendly conditions is a factor that can contribute to financial well-being. Additionally, Kashapova (2022) also found that resilience amongst older individuals fosters better financial plans and healthy savings.

Implications of the Study

This study has a practical implication that highlights the need for individuals to take the aspect of spiritual intelligence seriously as the finances of an individual cannot be separated from the individual, and being able to understand one's self and feel connected to a force higher than oneself is crucial for overall financial wellbeing. This can aid in times of financial stress to cope better. Additionally, resilience being a predictor of financial success logically is pertinent, because sustainable finance demands a high resilience.

Limitations of the Study

The major limitation of this study is the inaccessibility of older participants of various ages. This implies that the study could not provide data across all ages. Also, the study was carried out only in Anambra State in Nigeria



Recommendations

It is recommended that financial education programs incorporate elements that foster both spiritual intelligence and resilience. These programs could include modules on mindfulness, purpose-finding, and stress management techniques, which can enhance an individual's ability to navigate financial challenges. Financial advisors and counselors should be trained to recognize the importance of these psychological factors in financial decision-making and overall financial health.

Furthermore, workplace wellness initiatives should be expanded to address not only physical health but also mental and spiritual well-being. Companies could offer workshops or seminars that help employees develop their spiritual intelligence and resilience, potentially leading to improved financial outcomes. This holistic approach to employee wellness could result in a more financially stable workforce and potentially reduce financial stress-related absenteeism and turnover.

Policymakers should consider how to create environments that nurture spiritual intelligence and resilience at a societal level. This could involve supporting community programs that promote these qualities, especially in economically disadvantaged areas where financial stress is more prevalent.

Suggestions for Further Studies

Gender and age difference in financial well-being should be studied, as such factors in Nigeria are considered from different angle as a result of gender roles. Investigate cultural variations in these relationships to determine universal principles versus culture-specific factors that may foster financial well-being. Examine potential mediating factors such as decision-making processes and social support networks as individuals who have a rich social network may be more likely to experience financial success.

Conclusion

This study explored the roles of spiritual intelligence and resilience as predictors of financial well-being, revealing significant relationships between these factors. The findings suggest that individuals with higher levels of spiritual intelligence and resilience tend to experience better financial outcomes. This underscores the importance of personal psychological resources in managing one's financial life. The research highlights the potential for a more holistic approach to financial education and counseling, one that incorporates the development of spiritual intelligence and resilience alongside traditional financial literacy skills. While further research is needed to fully understand the mechanisms at play, these results point to promising avenues for enhancing financial well-being through personal development. Ultimately, this study contributes to a growing body of evidence suggesting that financial health is not solely determined by economic factors, but is also significantly influenced by an individual's inner resources and coping abilities.

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