



## Budgeting Practices Among Below Minimum Wage Earners: A Case Study of Sales Personnel of Local Enterprises in Pagadian City

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### ABSTRACT

This look at examines budgeting practices among income personnel incomes below minimal salary. The research grow to be achieved in close by agencies inner Pagadian City. This studies goals to find out the budgeting practices for coping with restrained monetary belongings. A case examine sort of qualitative research approach changed into used for this have a examine as it entails an in-depth information of the topic and helps diverse information accrued from the respondents. Findings reveal that besides the salary as their critical source of earnings, the individuals additionally supplement their earnings via numerous techniques such as government economic assist, on line promoting, promoting thrift objects, and selling aspect dishes. Budget allocations regularly cover easy necessities, along with utilities, lease, meals, childcare, and daily allowances. Respondents face sizeable challenges, which include coping with severa fees, constrained healthcare get proper of entry to, and insufficient economic savings. In reaction, they rent strategies like tight budgeting and prioritizing critical fees. Despite on their economic struggles, the individuals display incredible budgeting practices, emphasised the importance of tracking prices, utilising resources, and setting up emergency monetary financial savings. This study highlights the ability and adaptableness of below minimal income earners in navigating their financial situation, supplying precious insights for policymakers and practitioners in growing higher packages and rules that higher shield and help the rights of the personnel.

Keywords: Sales personnel, Below minimum wage, Budgeting practices

### 1. Introduction

Budgeting is a way of estimating income and costs, assisting people and companies manipulate their financial assets effectively. It lets in monitoring of spending, debt control, and saving for future wishes, improving earnings and financial financial savings. Budgeting is especially crucial for human beings with constrained assets, because it offers a avenue-map for handling expenses and accomplishing monetary goals (White & Conde, 2024). However, budgeting can be difficult for masses because of profits volatility and unsustainable living (Paul, 2019). Employment, particularly at the same time as it gives a stable income, performs a key position in achieving economic balance, but many low-paid humans, particularly the ones in the income organisation, face economic constraints that make budgeting difficult.

The minimal wage varies throughout areas, with Pagadian City imparting a day by day rate amongst PHP 351 and PHP 381. Despite these changes, many people in low-paying jobs struggle to meet their fundamental wishes, which hampers monetary sports like spending and saving (Santos & Reyes, 2020). This, combined with inflation, reduces buying electricity and exacerbates financial stress. Sales personnel, often incomes close to or beneath minimal wage, face good sized monetary difficulties, making budgeting practices essential in statistics their monetary demanding conditions. More studies is needed to explore how these humans manage their finances, allocate their price variety, and address inflation, that may inform the improvement of greater effective economic techniques and wage suggestions tailored to their needs (Jones & Brown, 2019).

### 2. Review of Literature

Budgeting is a technique of estimating income and fees for specific features and durations. Any entity uses it to spend cash for their needs or desires, such as governments, families, companies, and even humans who have generated earnings (Gani, 2024).The Philippine Statistics Authority (PSA) counseled inside the 12 months 2023, about eight% of Filipino employees are underpaid which equals tens of thousands and thousands of people going via financial demanding situations no matter relentlessly running entire-time. Even with the u . S . A . 's financial boom, there can be nonetheless a big quantity of employees who are tormented by low-paying jobs that fail to provide sufficient earnings for primary wishes for his or her households. Thus, underpaid employment delays monetary prosperity by using way of limiting the economic sports activities amongst clients together with spending and saving, that are critical in retaining monetary boom (Santos & Reyes, 2020).In budgeting practices, it is essential to have a source of income that helps achieve financial stability. According to Boumahdiimad (2023), jobs significantly impact how our lives and communities are shaped. It profoundly affects people's well-being, societal advancement, and economic stability; they are more than a way to make a living.

The amount of compensation paid to an individual significantly affects how they handle budgeting and manage their finances (Bai, 2023). According to Maslow's hierarchy of needs, people will allocate their spending towards essential needs such as food, shelter, and healthcare before considering any other needs. In the case of underpaid workers, having a limited income may lead them to a tight budget, which requires them to prioritize important needs over unnecessary spending. Financial stress theory proved that lower salaries worsen financial stress, which impacts decision-making and requires cautious budgeting strategies to maximize limited resources.

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### 3. Methodology

The participants of this study must be currently working as sales personnel of local enterprises in Pagadian City and who are below minimum wage earners. 10 individuals will be selected based on their voluntary agreement to take part in the study. This research aims to understand how below minimum wage earners or underpaid workers handle their financial struggles and what financial budgeting practices they do as below minimum wage earners or underpaid workers.

The researchers were the main instrument of the study, guided by the interview questions approved and validated by the adviser and panelist to obtain information from the respondents. The researchers' actual instrument used by the participants in the interview questions were: What are the sources of income for the below minimum wage earners? What are the budget allocations for their compensation? What are the challenges they faced in budgeting as below minimum wage earners? What are the coping mechanisms and adaptive solutions used by the workers to manage financial challenges? What are their insights in managing their financial resources? The researchers recorded the whole discussion to get the respondents' answers. After collecting data, the researchers started analyzing the data at the end of the participants' interview. Thematic Analysis method is usually applied in analyzing qualitative data.

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### 4. Findings and Conclusion

The research findings from the look at reveal resources of profits for the underneath minimum earnings earners, rate range allocations for their reimbursement, stressful situations they faced in budgeting, coping mechanisms and adaptive answers utilized by the people to manipulate monetary stressful situations, and insights in managing their monetary resources. Using an interview guide, the researchers interviewed (10) participants who're below minimal revenue earner. It well-known shows that the supply of income of a minimum wage earners includes (five) individuals who acquired government economic assistance, (three) people who've interplay on line selling as part of their source of earnings, (1) player responds that selling of thrift gadgets, and (1) player responds of selling facet dishes to earned greater earnings. The fee variety allocations for minimum profits earners repayment includes the easy necessities in which (6) contributors choose utilities cost in terms in their finances allocation, (three) individuals opted for lease fee, (nine) individuals choose for food rate, (10) members choose child care charge, and (2) individuals allocate their budget for every day allowance fee. The numerous traumatic conditions encountered through the respondents includes (5) contributors struggling in budgeting itself from having wonderful fees to allocate, (3) individuals revel in with limited access to healthcare, and in the end (2) participants suffering insufficient budget for savings. Moreover, findings on coping mechanisms of monetary manage reveals that the contributors have distinctive strategies and practices such as housing, food, and healthcare enjoy decrease stages of economic stress and progressed trendy properly-being. Positive insights in dealing with their monetary assets amidst incomes underneath minimal wage reveals that members have remained positive and remarkable in coping with their property it consists of (3) contributors create emergency finances, (four) participants utilize belongings, and (4) participants tune their costs considerably improving their financial nicely-being in spite of having a low-income.

The authors concluded that the budgeting practices amongst below minimum wage earners in Pagadian City famous the resourcefulness and versatility of salespersons in the face of economic trouble. Despite their constrained income, minimal earnings earner engage in diverse income generating sports to function their income. Their budget allocations mainly included critical dwelling costs and prioritization of primary needs in their monetary making plans. However, contributors skilled giant challenges, inclusive of the problem of handling more than one costs, constrained get admission to to healthcare, and inadequate financial savings. In response to this, they have got developed effective coping strategies, together with tight budgeting and prioritizing crucial costs. Their high quality insights on budgeting practices underscore the significance of tracking fees, optimizing useful resource use, and organising emergency price range for future functions. Moreover, this observe illustrates that even among low-revenue people, proactive economic manipulate is feasible through leveraging adaptive techniques and that specialize of their essential needs, consequently demonstrating admirable capability to navigate their economic times, providing precious instructions for economic literacy and helping initiatives aimed toward the low-earnings group of workers..

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