



NATIONAL COALITION *for* HOMELESS VETERANS

“The Impact of Financial Resources on Soldier’s Well-Being” Mary M. Bell, Jeffrey S. Nelson, Scott M. Spann, Callie J. Molloy, Sonya L. Britt, Briana Nelson Goff | [Full Article](#)

Quick Takeaways:

- Financial issues are associated with the self-reported well-being of service members
- Factors associated with positive self-reported well-being included having less debt, a higher net-worth, and higher perceived financial knowledge.
- Age and rank were not contributing factors in financial distress or negative well-being.

Study:

This study examined the impact of financial resources on self-identified well-being of service members. Researchers measured the subjective well-being of 715 soldiers at a Midwestern Army installation through a self-reported survey of feelings of worry, anxiety, and difficulty sleeping or concentrating due to financial stress. The survey was administered prior to deployment. Financial stress was evaluated and compared to self-assessed net-worth, personal financial knowledge, preparedness for a financial emergency, and military rank as an indicator of socioeconomic status.

Findings:

Researchers found several financial factors that negatively impacted financial well-being including high credit card debt and low net worth. Respondents who reported that after using their entire net worth to pay off all debts they would just break-even; still be in serious debt; or have some remaining debt, also reported decreased psychological well-being. Having emergency savings contributed to a more positive well-being. However, only 21 percent of participants reported having the highest level of emergency savings of \$2,000 dollars or more. Overall, debt was common among participants —17 percent reported a net-worth of some debt and less than 10 percent reported being prepared for retirement.

Low or no credit card debt, higher perceived financial knowledge, and higher net worth were associated with increased well-being. The study suggests that there may be a tipping point or specific dollar amount of debt that leads to greater levels of financial stress and diminished well-being. Age and rank were found to be unrelated to overall subjective well-being associated with financial readiness.

Conclusion:

This study emphasizes that financial preparedness and personal financial skills play a critical role in the overall psychological well-being of soldiers. The results of the study suggest the need for increased financial education and institutional support to help alleviate stress related to finances and managing debt. The limited focus on Army soldiers demonstrates the need for further research to gain more conclusive evidence of financial status’ impact on the subjective well-being of all service members.